



corporate social responsibility 2017



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Opening message – 35 years of sustainable growth

2017 was a year of sustainable growth for Amdocs, with revenue growing to \$3.9 billion, providing continued value to our stakeholders.

I was delighted to celebrate Amdocs' 35th anniversary along with approximately 25,000 dedicated employees

worldwide. 35 years is no small achievement in our fast-changing industry. And we believe this is due to staying true to our key characteristics – being a dynamic and reliable partner to our customers, and crucially, being both inventive and experienced.

Our focus on designing a better future brings purpose to our day-to-day work. We were an early adopter of new tools and practices, like DevOps and microservices. These have helped our customers respond more quickly to changes in their markets, providing end users with the seamless services they need to improve their daily lives.

We have embedded artificial intelligence throughout our products and services. In addition, we pioneered the transformation of our customers' legacy networks into software-controlled, virtualized environments. These new technologies help operators save resources while better serving consumers all around the globe.

Continued >>



1. Here and after "2017" will relate to the financial year of 2017 covering the period from 1 October 2016 to 30 September 2017.

Opening message – *continued*

As a company, we can be proud of our success, not just in terms of the positive economic, social and environmental impact of our products and services, but also of our social and environmental programs. These initiatives, including diversity and future employability, empowerment of the younger generation, and business ethics, are closely integrated into our daily work life.

Our People strategy focuses heavily on gender diversity. We run internal programs to increase representation and empower the women of our company. In 2017, for example, some of our managers – both men and women – participated in our flagship program, Inspire. Through educational and social initiatives, this is helping female employees advance to executive management positions.

Our approach to ethics goes beyond a written Code of Conduct. We are guided by our company values. These influence everything we do, and we provide employees with concrete tools to ensure strict adherence to our high standards. This was reflected in our annual employee survey, in which the vast majority of employees said they feel connected to our company values and believe that Amdocs acts according to ethical standards.

Working in our local communities, we support programs that improve employability for young people. We prioritize financial, digital and English literacy, mentoring and STEM (science, technology, engineering and mathematics) education. For example, in India alone, we trained 7,500 people in digital literacy and helped 7,350 students participate in STEM-related programs.



As part of our Corporate Social Responsibility strategy, we also aim to minimize any negative environmental impacts of our operations. We do this by reducing emissions and waste, and through our new carbon offsetting program.

We want Amdocs to remain an employer of choice, and our incredibly high retention rate is a testament to the success of our efforts to prioritize the continuous improvement, growth and fulfilment of our people.

As our company has grown, our approach to social responsibility has evolved. We recognize that the way we do business and treat our people contributes to society. Speaking personally, I believe we have made incredible progress in our 35 years, and I look forward with excitement to the innovations that lie on the journey ahead.

Tamar Rapaport Dagim
senior vice president, chief financial officer
& chief operating officer
Amdocs



Amdocs at a glance

Amdocs is a leading software and services provider to communications and media companies of all sizes, accelerating the industry's dynamic and continuous digital transformation. With a rich set of innovative solutions, long-term business relationships with 350 communications and media providers, and technology and distribution ties to 600 content creators, Amdocs delivers business improvements to drive growth.

As our industry transforms at pace, amdocsONE, our latest set of products and services, enables service providers to grow revenue and build loyalty. Uniquely designed to meet the challenge of our customers' hybrid environment, amdocsONE is available on an open, modular architecture, built on cloud-native microservice technologies for high-velocity time to market. Deployed using DevOps in small iterations to control costs, amdocsONE brings optimal scope and drives agility. Our innovation with rich partner-based services further drives our industry leadership and deep domain know-how.

Amdocs' market offerings address five business imperatives:

Grow revenue and deliver a superior user experience

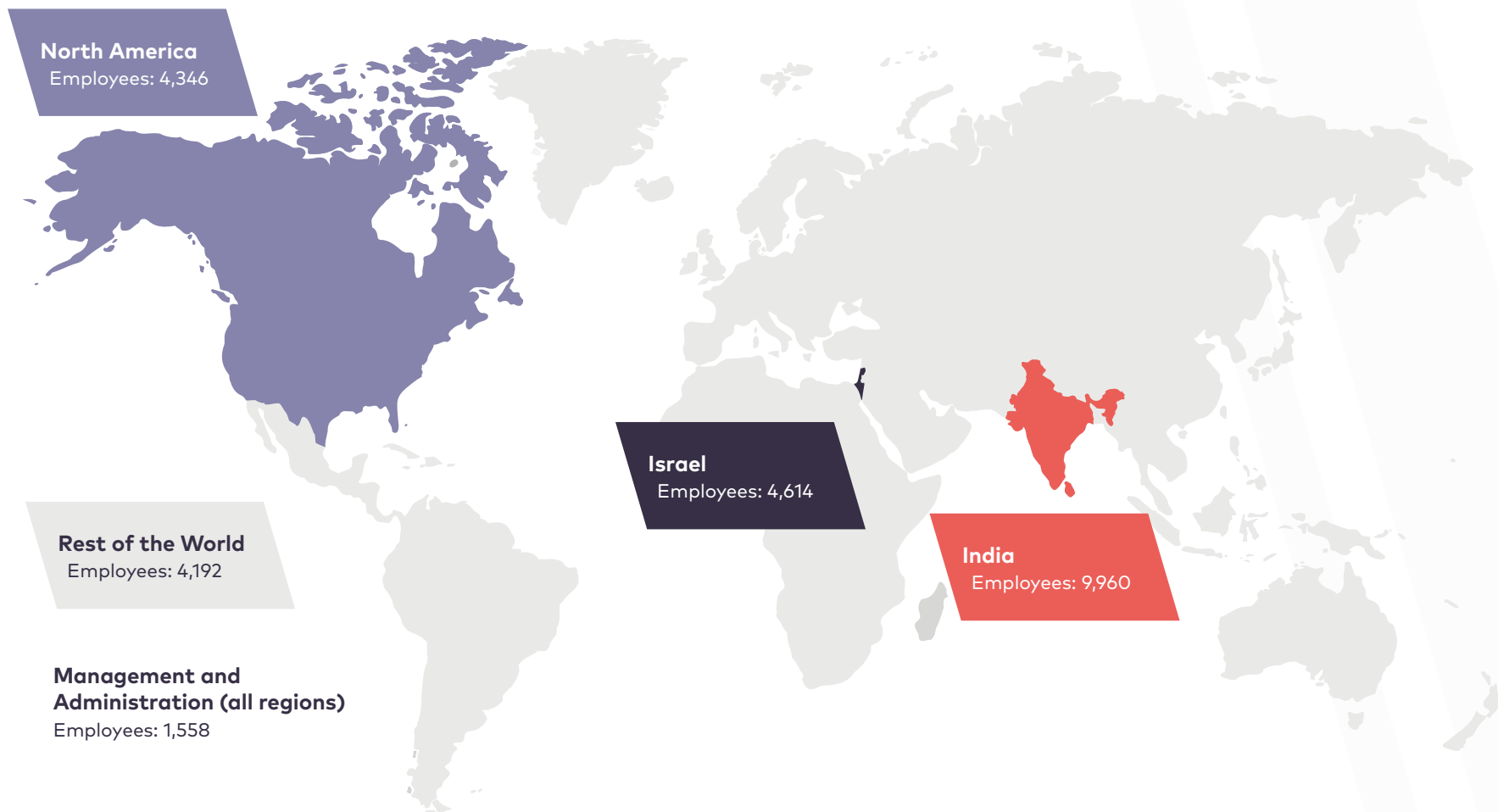
Entertain your customers and leverage the digital ecosystem

Enable the enterprise and connected society

Evolve to a service-driven network

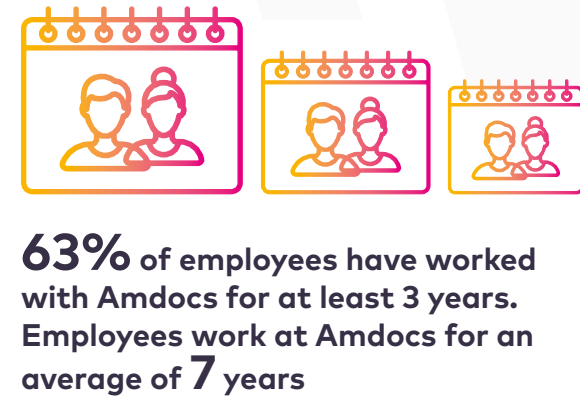
Drive agility and operational excellence

Our offerings are underpinned by our technology foundations, including Microservices360, cloud, open source, open APIs, artificial intelligence, machine learning and data analytics.



Total workforce numbers as of September 2017, restated to exclude subcontractors.

CSR highlights 2017



Record high employee satisfaction rate





99% of our sites use recycled paper
or paper made out of sugar cane pulp where
recycled paper is not locally available



Selected CSR and related awards

'Environmental Project of the Year' Award
won by Vertiv™ and Amdocs at the 2017
ACR News Awards in London

2017 TM Forum Catalyst Award:
Amdocs member of Connected Citizen:
A Green, Clean, Smart City

Core memberships

Amdocs is a member of influential sustainability organizations, including...



Works in collaboration with its members from major Information and Communications Technology (ICT) companies and organizations across the globe to be a leading source of impartial information, resources and best practices for achieving integrated social and environmental sustainability through ICT.



CDP is an organization which supports companies and cities to disclose their environmental impacts.



The Science-Based Target initiative provides companies with a clearly defined pathway to reduce their greenhouse gas (GHG) emissions. Targets are considered 'science-based' if they are in line with the level of decarbonization required to keep the rise in global temperatures below 2 degrees Celsius, compared to pre-industrial temperatures.



1. Amdocs & corporate social responsibility

We use our imagination to design a better future,
and our unmatched experience to deliver it.

amdocs values



We are **one team**
together we **play to win**



We are **committed** to each other
and **respect** our people



We **always deliver value**
to our customers



We dare to change
have passion to lead



We strive for **excellence**
constantly improving our **professionalism**

Our approach to CSR

Our vision: shaping a better future through inclusion

The growing use of information and communication technologies across the globe provides us with a significant opportunity to make a difference. At Amdocs, we are driven by the idea that we can design and deliver a better future through inclusion.

What does this mean? It means including all our people in realizing our global corporate vision – to share our values with our ecosystem and to work together on designing a better future; to include minorities and unprotected groups so they can take advantage of the opportunities this world has to offer; and to connect the dots by bringing together different activities and processes into meaningful, integrated projects.

To support our continuing development, we have evolved the way we conduct our business, including our management approach, organizational structure and even our corporate identity. Our strong corporate culture is based on our core values and beliefs, which guide us in the day-to-day actions we take towards creating a better future.

We are pleased that in 2017, our Employee Engagement Survey showed that the vast majority of our employees believe that Amdocs' values are working in practice and are being shared and followed by our people.

75% of employees
believe the company acts in
accordance with its values

78% of employees
feel connected to the
company's values

Our 7 core beliefs

1. **We believe in a total commitment to our people** – we are 100% committed to our employees' development, diversity and wellbeing. Our people are our most important resource. [Read more](#)
2. **We believe in holding ourselves accountable for what we do** – we operate our business with strong attention to our impact on the environment and on health and safety. [Read more](#)
3. **We believe in the pursuit of core innovation and real change** – we are designing products and services to tackle social and environmental problems. [Read more](#)
4. **We believe in bringing value to everything we do** – we are empowering children and youth in the communities in which we live and work, building future employability and diverse workplaces. [Read more](#)
5. **We believe in loyalty to our customers first** – we work hard to deliver safe and high-quality services for our customers. [Read more](#)
6. **We believe that the active debate of ideas and technology makes them stronger** – we develop our stakeholder engagement processes and regularly debate ideas to make our technology even better. [Read more](#)
7. **We believe in our values** – our business is driven by ethical conduct. [Read more](#)

Our new branding

In 2017, we reinvented Amdocs' branding to reflect our culture of sustained innovation. We are a different company today than we were even five years ago, and our new logo mirrors these changes.

The path of the 'a' flows smoothly with a clear endpoint; the mark to the right being the destination. The colors are a nod to Amdocs' previous brand and company history stretching over three decades (orange), with the gradual transition to magenta, symbolizing progress and evolution.

The core beliefs developed for the new brand reflects CSR being central to Amdocs, sustaining us as a people-oriented, open and responsible company.

Our corporate social responsibility strategy

Our corporate social responsibility (CSR) strategy is built upon five principal pillars. These were identified through a materiality assessment, which we conducted in 2013 and continue to revise year-on-year: Passionate People, Valuable Products and Services, Operational Excellence, Community Commitment and Sustainable Supply Chain. We developed objectives for each issue category, consistent with our CSR vision and mission statements, and are working towards achieving them.



Passionate People

Goal: *To create a diverse and inclusive talent pool*

Objectives and tasks for 2018

1. To increase women representation in the positions of team leads, managers, managers of managers and high potential employees.
2. To increase percentage of female employees applying for new positions.
3. To ensure that 50% of Amdocs senior managers fulfil their commitment to promote gender diversity.
4. To provide practical "unconscious bias" training for all managers and new employees.
5. To ensure that at least 20 women leaders participate in internal forums and represent Amdocs at external professional forums.
6. To continue participating in the Collective Impact Partnership and increase Arab employee recruitment in Israel by 2.2%.
7. To define our approach to hiring people with disabilities.



Passionate People

Goal: *To empower our people and ensure their future employability*

Objectives and tasks for 2018

1. To make a mindset shift from mastery of specific skills to continuous learning.
2. To make learning at Amdocs relevant not only to the immediate needs of employees, but also to their future employability and mobility, covering skills such as adaptability and multicultural competency.
3. To develop a new approach to measuring employee engagement in learning.

Goal: *To maintain our position as an employer of choice*

Objectives and tasks for 2018

1. To develop our Employer Value Proposition – a unique set of benefits that our employees will receive.
2. To develop our wellbeing program.
3. To roll out our 2017 pilot on work-life balance at all Amdocs sites.
4. To organize a Global Wellbeing Week and conduct an employee wellbeing survey before and after, to track changes.

Goal: *Building innovation culture, organizational capacity and sustainability*

Objectives and tasks for 2018

1. To develop employee networking groups – voluntary, employee-led groups around any topic or task – and monitor the way they work.
2. To scale up innovation activities, reaching more employees and managers (top-down and bottom-up).
3. To scale up our Innovation Leaders Community.
4. To launch a new gig economy employee collaboration tool, enabling employees to connect, provide mentoring for, and contribute towards innovation projects.

1. Amdocs & corporate social responsibility

Our CSR strategy



Valuable Products and Services

Goal: *To drive valuable innovations with our customers*

Objectives and tasks for 2018

1. To redefine the concept of value for our products and services.
2. To raise CSR and sustainability awareness in our product departments.
3. To find the best approach to evaluating the indirect economic, social and environmental impacts of our products and services.



Operational Excellence

Goal: *To improve Amdocs' environmental sustainability*

Objectives and tasks for 2018

1. To reduce office energy consumption (scope 2 GHG emissions) according to our commitment to the Science-Based Targets initiative.
2. To improve data collection for water consumption, ozone-depleting substances, and waste (especially paper, e-waste, batteries and landfill).





Operational Excellence

Goal: *To improve health and increase safety of our employees*

Objectives and tasks for 2018

1. To reduce work-related lost time accidents.
2. To increase ergonomic awareness and interventions.
3. To implement a joint health and safety committee at all sites with more than 100 employees.

Goal: *To continue integrating ethical conduct into everyday actions and behaviors*

Objectives and tasks for 2018

1. To enhance the unwritten contract between our people and company concerning ethical behavior, by developing an upgraded annual ethics plan, including awareness-raising events.



1. Amdocs & corporate social responsibility

Our CSR strategy



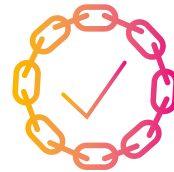
Community Commitment

Goal: *To maintain our commitment to diversity, employability and empowering the younger generation.*

To support the growth of our positive social, economic and environmental impact on communities.

Objectives and tasks for 2018

1. To continue CSR integration into business processes: human, social and intellectual capital management, product development, operations and supply chain management.
2. To roll out future employability projects worldwide.
3. To identify key performance indicators of our social impact and the system of measurement.
4. To accelerate volunteering as an integral part of our employee engagement strategy.



Sustainable Supply Chain

Goal: *To increase sustainability in our supply chain*

Objectives and tasks for 2018

1. To evaluate suppliers with a higher CSR risk.
2. To launch an industry best practice third-party qualification system, which will evaluate risks regarding corruption, labor practices, data security and financial stability.



Our economic impact

At the end of 2017, we began to look for a way to measure and demonstrate our economic impact in the regions in which we operate. In this report, for the first time, we outline this impact and commit to collecting data to enable more comprehensive analysis going forward. Our integrated economic impact includes:

Direct impacts:

Employment

Direct employment: By the end of 2017, we employed 24,670 people.

Indirect employment (jobs created in our supply chain) and induced employment (jobs created as a result of our employees spending money): Based on the most modest assumptions regarding the indirect and induced employment impact of technological companies, we estimate we created more than 70,000 jobs in the regions where we operate and reduced unemployment.

Community investments

In 2017, we invested \$1.5 million in social programs.

Value for our customers

Our latest set of industry-leading offerings allow our customers to accelerate their continuous digital transformation so they can grow revenue, build loyalty and be more efficient.

Tax contributions

In 2017, we recorded \$76 million tax cost.

Value for our shareholders

Diluted GAAP earnings per share in 2017 was \$2.96.

Value for our suppliers

In 2017, our procurement budget was \$800 million.



Indirect impacts:

Supporting local economies and communities

Our policy is to hire local talent wherever possible. This has a positive impact on local economies. By enhancing the skills of our employees and members of our local communities, we also help improve livelihoods and financial wellbeing.

Innovation

Amdocs is driven by innovation and continually brings innovations to the market. This attracts investment, develops innovation thinking, creates infrastructure and conditions for further innovation, and develops businesses and economies.

In 2017, our research and development expenditure was \$259 million.

Transforming lives globally

Our innovations are transforming economies and lives across the world. For example, our mobile financial services solution opened more possibilities for previously unbanked or underbanked people who did not have access to financial services. They can now manage their finances, transfer money, shop, buy and pay bills, using their mobile phone.

CSR governance structure

Amdocs' global CSR strategy is driven from the top. Our dedicated CSR leader is supported by a global CSR team. This team is overseen by our People Excellence and Organization Growth leader, who reports directly to the head of Amdocs People.

Our CSR strategy is also managed by a number of specific teams that report directly to members of our executive management. Environment, Health and Safety; Information Security; and Global Procurement are all positioned within our Global Operations team. Ethics is managed directly by Amdocs' general counsel.

Together, they oversee the implementation of our CSR strategy, ensuring we make a difference every day.

Stakeholder engagement and materiality assessment

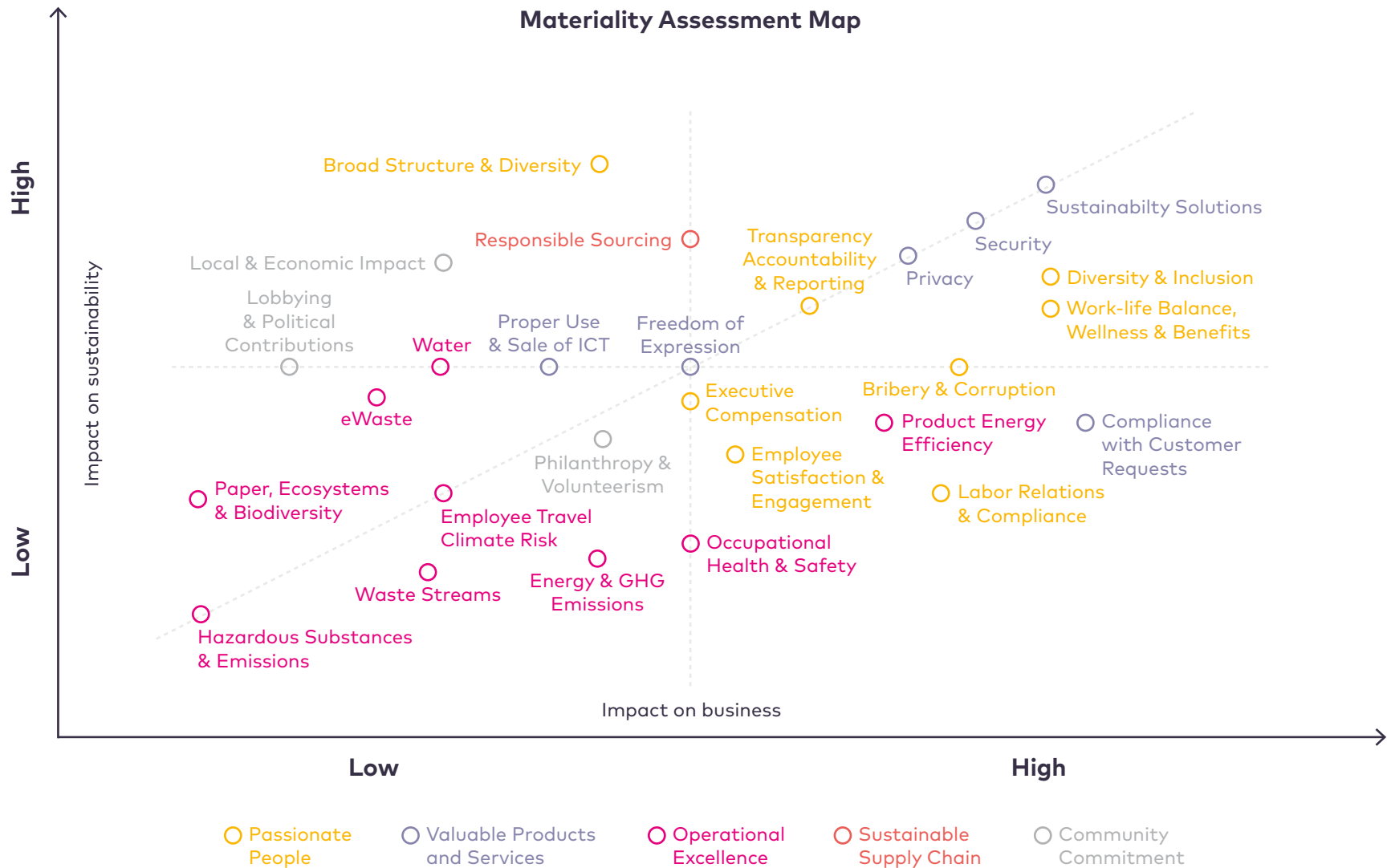
Stakeholder engagement is a core element of our CSR strategy. Our main stakeholders include employees and members of our communities, customers and business partners, shareholders, NGOs and community partners, public sector organizations and universities.

Every year, we conduct a detailed employee engagement survey, which provides us with 50 indicators that enable us to understand what matters most to our people. We also participate in joint projects with stakeholders to strengthen relationships and understand what matters most to them. This may involve bringing stakeholders together, for example, for a community project or to solve an innovation challenge.

To understand which topics are most important to our stakeholders, in 2013 we conducted a materiality assessment. This revealed 26 key CSR issues. In 2017, we reviewed these issues and their significance to sustainability and our business success. In 2018, we plan to update our materiality assessment.



Stakeholder engagement and materiality assessment





2. Passionate people



We are **one team**
together we **play to win**

92% of employees are willing to go the extra mile to help Amdocs succeed.

Amdocs Employee Engagement Survey 2017

Introduction

The world is experiencing rapid technological change. In the coming years, globalization, automation and artificial intelligence will further transform our world and the way we work and live.

At Amdocs, we are preparing our people for the future.

- We are taking steps to secure our people's future employability and relevance in a rapidly evolving global business landscape. We empower our workforce by providing opportunities to engage with our business-wide developments and innovations, navigate career paths and cultivate new skills.
- We are working hard on diversity and inclusion to ensure that our talent pool represents as many views and cultures as possible, and excels at working in international teams, spread all over the globe.
- We want to maintain our position as an employer of choice, attracting top talent. We continuously seek to create meaningful and inspiring employment opportunities. Our employee-centric approach to wellbeing and equal opportunities also helps create a sense of belonging, supporting employee retention.
- Working to the highest ethical standards and values, we are transforming our company with an organizational culture that enables our employees to shine, to think and to create.

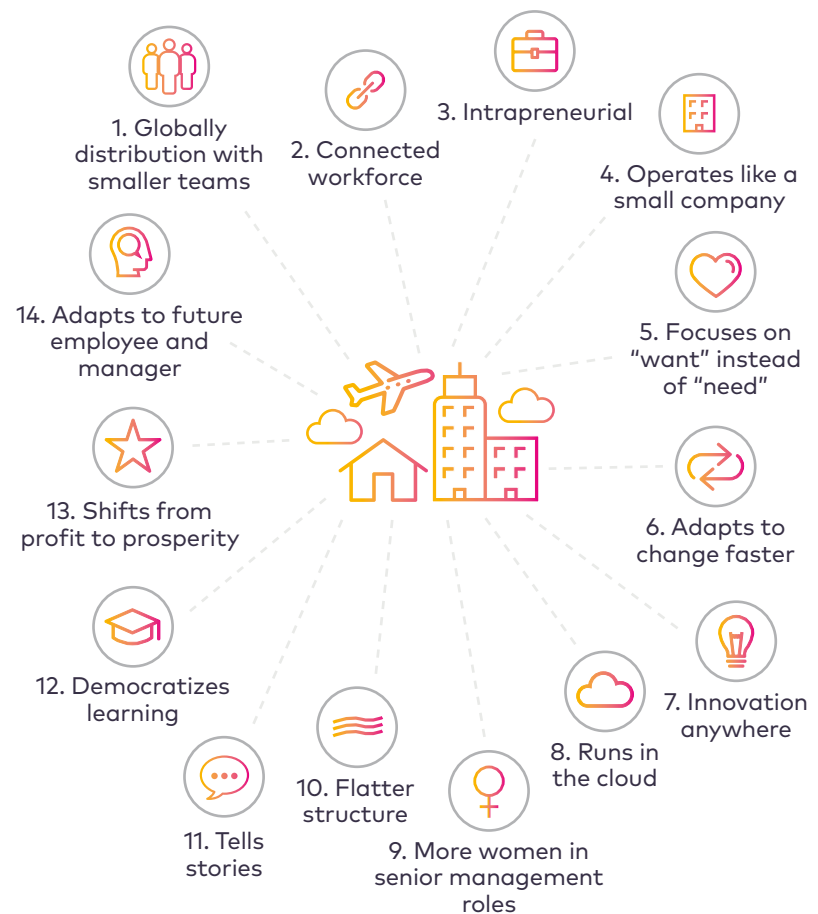


We want our people to feel passionate about working at Amdocs. To identify their needs and areas where we can improve, we conduct an annual employee engagement survey. We are pleased that in 2017, our employee satisfaction rate increased to 79%, up four points from 2016.

In addition, every quarter we review our performance to benchmark ourselves against our peers. For example, in 2017 Amdocs for the 3rd year running ranked among the top 10 employers in Israel in business information group BDI's annual index.

We are proud of our people and strive to create an environment where our people are equally proud to work.

14 principles of the future organization



Source: <https://www.forbes.com/sites/jacobmorgan/2015/01/14/the-14-principles-of-the-future-organization/#44f0b0e93ec2>
Jacob Morgan thefutureorganization.com and the FOW Community

2. Passionate people

Employer of choice

Our incredibly high retention rate is a testament to the success of our efforts to prioritize the continuous improvement, growth and fulfilment of Amdocs' most prized resource: our people.

The competition for high-tech talent in the labor market, as well as our desire to be a sustainable company, means we take seriously our employer value proposition (EVP).

We take an employee-centric approach and know that to be even more successful, we need to develop our corporate purpose and employee wellbeing and empower our people even more.

In the coming year, we will develop our EVP further, taking into consideration the factors that motivate top talent to stay with us over the long term, as well as what we can offer our employees.



82% of employees
are proud to work
at Amdocs

63% of employees
work with us for at
least 3 years

On average, employees
work at Amdocs for a
period of **7 years**

Employee-centric approach

The sites at which our employees work are diverse – some big, some small – and are spread all over the world. Our task is to create a sense of belonging and ensure equal opportunities for all our employees, no matter where they are based.

We provide competitive wages, health insurance and other employment benefits that surpass the legal requirements of the countries in which we operate. Beyond that, we believe it's the small touches that demonstrate appreciation for our employees. That is why we mark our employees' celebrations with gifts for events like birthdays, marriages and births. We also give awards for long service and high performance.

We want to hear from our employees and encourage people to give their feedback. In 2017, for example, we received a request from employees working at some of our smaller sites to organize more projects and events for them. In response, we are launching several social and environmental projects at our smaller sites, sending the message that even the smallest sites are an essential part of the big Amdocs team.

Wellbeing

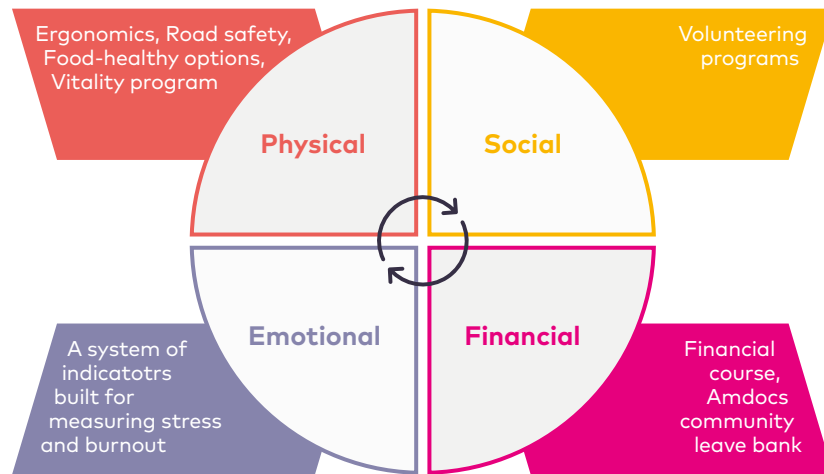
Numerous activities take place at Amdocs sites around the world, targeting physical, emotional, social and financial areas of employee wellbeing.

Case study:

Our company-wide Amdocs Community Leave Bank helps colleagues who encounter serious illness, injury, a personal situation, or who need to take time off to care for an immediate family member. The support service re-allocates people's leftover vacation days at the end of each year to employees in need, enabling them to take much needed paid time off to care for themselves or their loved ones. We launched this project in July 2017 and have so far allocated 65 out of 750 'banked' days.

2. Passionate people

Employer of choice



To help us understand what our employees think about wellbeing, in 2016 we conducted a survey of over 1,300 Amdocs employees on this topic. From the results, we concluded that work-life balance should be the most important area on which to focus across all regions going forward.

In response, we have started to monitor stress and burnout indicators at all sites. We are also planning to expand our pilot healthy lifestyle programs that are currently running in the UK and South Africa.

"The Vitality program (our healthy lifestyle program) is a fantastic benefit! As an employee, I enjoy perks like weekly cinema tickets and half-price gym membership – which means that my family and I get the benefit of Vitality even when we're not sick!"

Many of my friends have taken advantage of the other benefits like the i-watch, or the discounted spa weekends at Champneys!

When I have had to use the medical insurance, I was able to access top-class health professionals and private hospital treatment very quickly and with no hidden costs.

I can't recommend it enough!"



Danielle O'Brien
HR partner, Amdocs UK

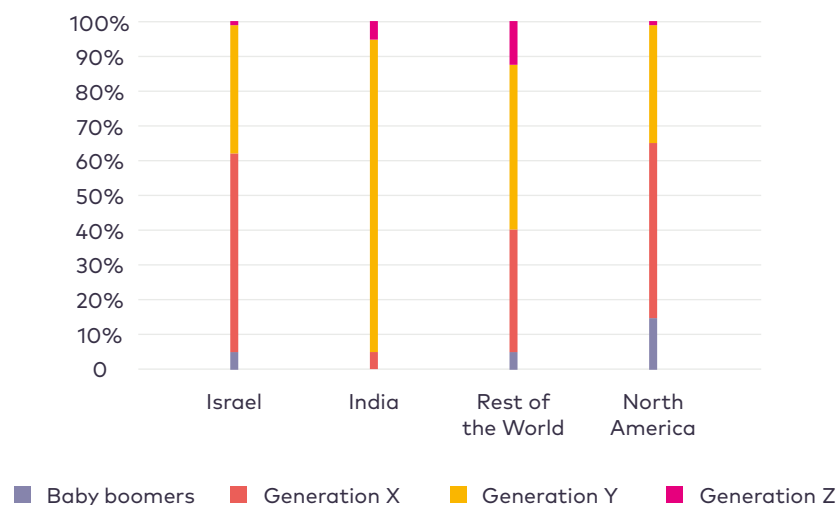
Diversity and inclusion

Amdocs celebrates diversity and we constantly work towards making our company more inclusive, welcoming and respectful. We strive to reflect the multicultural society we operate within, and our people come from many different nationalities and cultures, representing all genders and four generations. Every person brings unique knowledge, skills and experience, adding value to the Amdocs team. We ensure equal opportunities for all our employees and make an extra effort to attract diverse talent to Amdocs.

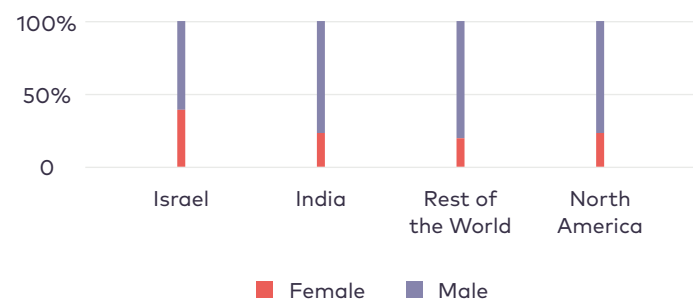
Mosaic of our employees

Amdocs employs **24,670 people³** in **more than 85 countries**, and **30.2%** of our employees are women. Under-representation of women in the high-tech industry is a common problem. We chose gender diversity to be our strategic focus and are working on increasing the number of women in our teams. We also seek to strike a balance between senior and younger employees, to benefit from their varying perspectives and insights. Every generation is represented in each region (with the exception of India, as our development center management services there target younger employees).

Age diversity of our employees by region



Gender diversity of our employees by region



3. Total workforce numbers as of September 2017, restated to exclude subcontractors.

2. Passionate people

Promoting gender diversity

We understand that gender diversity is crucial to our identity, creativity and product development. It's so important that we made it a strategic priority, supervised by our senior vice president, chief financial officer & chief operating officer, Tamar Rapaport Dagim, and head of Amdocs people, Karmit Shilo.

Research shows a direct correlation between gender diversity and increased return on investment. Simply put, diverse teams outperform non-diverse teams. At Amdocs, women represent 30% of employees. This is consistent with the high-tech industry, which has traditionally faced challenges attracting women. However, we are ambitious and want to increase female representation, especially in technological and managerial positions (women currently represent 23.6% of managers).

In 2016, we formed a diversity and inclusion steering committee, with members representing our human resources, finance, and business units. We also launched our gender diversity and inclusion framework.

This aims to increase the representation of women at Amdocs by developing women in senior roles. We decided to focus on senior roles because of the proven, direct correlation between the number of women at the top and the overall number of women in a company.

We began by conducting research to understand Amdocs' gender story. We analyzed and subsequently, are continuing to monitor all compensation processes and performance reviews to work towards eliminating the gaps and discrepancies between genders. To further promote equal pay and prevent discrimination, we introduced an unconscious bias awareness education module to our annual salary revision process. Gender KPIs are reviewed at quarterly management meetings. And we are currently developing a project to improve organizational visibility of gender indicators by creating an information dashboard for senior managers.



Just over one year ago, we launched our flagship women empowerment program – INSPIRE. While most companies' gender-related programs are initiated top-down and are designed for women, our program is unique, because it identifies organizational champions – both men and women – and empowers them to be the catalysts of the change that we want to see. We consider engaging men in women empowerment to be a crucial success factor. So far, 30 managers across various units, roles, levels and regions have been selected to drive cultural change to accelerate the involvement and enhancement of women at Amdocs.

We celebrated International Women's Day with a campaign to recognize inspiring women at Amdocs and highlight their contributions to the company. Senior women held open-door meetings to share their stories and offer career advice to employees.

"I'm really proud to be part of the Inspire program here at Amdocs, to be part of something that will not only make our company stronger but will also have a long-lasting impact on women's careers in technology. I have worked with a lot of great women in my career, but when I started learning about the systemic barriers they face in the workplace, I was shocked – we need to do something about this!"



Geoffrey Dudding
director of software
engineering,
Amdocs Canada

2. Passionate people



Participants of Inspire program 2017

Recruiting minorities

We work hard to increase diversity at Amdocs. In Israel, for example, where almost 75% of the country is Jewish, the establishment of our Galilee (Nazareth) hub in 2012 was a significant move. There, 60% of our employees are Christian, Muslim, Druze or Circassian. The rich cultural and religious diversity in the region has enabled us to reach our business target of supporting customers in Europe, the Middle East, and Africa 24/7, 365 days a year, while complying with local labor laws and respecting each group's religious days of rest and holidays. The success of this hub has reaffirmed our belief that cultural diversity helps us achieve our business objectives and contributes positively to the community.

Amdocs is a member of Collective Impact Partnership for Arab Employment that aims to improve Arab employment opportunities in Israel.

Amdocs CEO Eli Gelman praised the Galilee hub as "a shining example of our commitment to diversity."

Collective Impact Partnership for Arab Employment

In 2013, a study by the Israel Democracy Institute identified disparities between Jews and Arabs in levels and fields of employment and income in Israel. Arabs, who comprise 20% of the population, contribute only 8% of GDP. 70,000 Arabs with higher education are un- or under-employed.

The Collective Impact Partnership for Arab Employment works to raise the level of Arab employment opportunities. In 2016, Amdocs was one of 5 companies that piloted the partnership's intervention models for change. At a later stage, 10 more companies joined the pilot, which resulted in the approval of three-year work plans by each company's management. So far partnership has led to the successful hiring of a few hundred people. In 2018 partnership aims to achieve 2.2% increase in Arab Israeli employment.



President Representatives of Collective Impact Partnership for Arab Employment

"If someone would have told me two years ago, when we initiated this program (Collective Impact Partnership for Arab Employment) that we would reach this moment with these results, I would have said they were being unrealistic...You are making a move that is vital to the future and prosperity of the State of Israel."

Reuven Rivlin
president of the State of Israel

2. Passionate people

I think that Amdocs in Israel is very inclusive. Looking around, you can see good representation of the Arab sector in both technical and managerial roles at different levels. The best thing I like about working here is the complexity of the projects and how we manage to handle it through teamwork and expertise."



Khalil Jiries
DTO software architect,
Amdocs Israel



Empowering our employees through change

One reason we believe Amdocs has thrived for over 35 years is the fact that we never stand still. As the market changes, we continually reinvent ourselves, encouraging a culture of sustained innovation and constant learning. Today, Amdocs is going through further change, making us fit for the future so we can continue to lead the sector in innovation.

These changes are related to our:

- Mode of operations – We are implementing DevOps – a set of practices intended to reduce the time between committing a change to a system, and the change being implemented in production, while maintaining quality⁴. The main principles of DevOps are a design-led approach, cross-functional teams, small iterations, and automation.
- Mode of development – Includes the introduction of microservices and open source.
- Organizational structure – We are working to ensure a less hierarchical structure, by increasing our employees' area of responsibilities and enabling them to recognize their impact.
- Corporate culture – Based on values and principles, rather than a set of strict rules and procedures. This allows people the freedom to be creative, use their initiative and innovate.
- Employees' skills – Our employees need to be prepared for the changes that lie ahead. We will help upskill them in computational thinking and cross-cultural competency, social intelligence and sense making, teamwork and collaboration skills, adaptability and developing an agile mindset.

4. Definition proposed by Bass, Weber, and Zhu



2. Passionate people

Empowering our employees through change



The 10 most important work skills in 2020.
Resource: Institute for the Future for the
University of Phoenix Research Institute

Learning opportunities

To succeed, our employees need to constantly keep up with change, stay relevant, and be professionally versatile – effectively becoming lifelong learners. Over the past year, we have implemented key changes in our learning ecosystem, based on future trends, market best practices, and our employees' needs and requirements:

- We collaborate with our employees and managers, ensuring our learning programs and processes are relevant to both the business and employee development goals.
- We offer learning opportunities from multiple external and internal sources.
- We have introduced platforms and solutions geared for the future of learning: enabling user-generated and curated content; utilizing our DOXtube video platform to enable remote learning anytime and from any place; broadening our use of communities; initiating meet-ups and collaborations.
- We have introduced informal learning activities such as hackathons, meet-ups, games, podcasts, panels, webinars and mentoring, with more to follow.

In 2017, our employees each received more than 20 training hours on average.

2. Passionate people

Career development

As an employer of choice, we believe in a world of opportunity, where people can develop and grow their career within Amdocs. In 2016-2017, we invested in creating a global infrastructure to help our employees plan their careers. We rolled out "career maps", which show employees possible pathways for changing roles within the company. These maps also help them identify potential skills gaps and enable them to plan how to fill them.

We introduced career-planning workshops and an annual, global Career Week. These provide employees with opportunities to meet with peers, articulate their career aspirations, learn from experts and gain new skills.

Finally, we revised our internal mobility policy to demonstrate our commitment to career development. We encourage our employees to identify and apply for open positions that interest them within the company.



Opportunities to innovate

Amdocs fosters an organizational culture that encourages innovation by actively up-skilling, encouraging, rewarding and recognizing employee innovation efforts. For example, our ongoing Shapers program develops employees to be disruptive leaders and challenges them to develop start-ups within the company.

In 2017, our Innovation Week took place on the theme of 'Think new'. As part of the week's activities, we held a 24-hour hackathon, involving 1,250 people in 35 offices worldwide. Participants were challenged to design a mobile consumer application that will reach 1 million users. The winner was FunnyVid, a collaborative app enabling groups of friends to create and share video stories.

In addition, Innovation Week provides an opportunity for all our employees to experience the most advanced innovation methodologies. Every employee is given an opportunity to propose a solution for a social or

business challenge – individually or as part of a team. Ideas can be nominated for our annual corporate "Innovator of the Year" award. The winner receives a monetary prize and recognition from Amdocs' CEO and colleagues.

In the reporting year, 188 ideas were submitted by 122 individuals and 66 teams. Our winners created innovative solutions for technical support, Amdocs Open Network and Amdocs Intelligent Operations.

Throughout the year, employees at all levels and across all business units are encouraged to identify challenges and turn them into business opportunities. The Amdocs Innovation Center of Excellence possesses a toolbox of methodologies, best practices and training materials to support them in this endeavor.

In 2017, for example, one team came up with 'Airbnb for the workplace'. The idea was to solve the challenge of finding a place to work when travelling abroad for business. The team created a system for colleagues travelling to other Amdocs sites, which shows where there are temporarily available work spaces.

2. Passionate people

Looking forward

When considering our business future, our first priority must be to look towards our "Passionate People". In 2018, our people-focused priorities will include continuing to create a diverse and inclusive talent pool. This will involve measures such as increasing the representation of women in positions of leadership, training all managers and new employees on the concept of unconscious bias, increasing minority recruitment and defining our approach to hiring people with disabilities.

We will continue to empower our people to ensure their future employability by shifting mindsets from specific skills training to continuous learning. And we will continue to build our innovation culture, organizational capacity and sustainability. We will do this, for example, by creating a system for employee networking groups, scaling up our innovation leaders community and launching a new gig economy tool that enables employees to connect, contribute and mentor innovation projects.

Finally, through continuing to focus on work-life balance, employee wellbeing and our employer value proposition, we will maintain our position as an employer of choice.

"It is no exaggeration to say that our people are our most precious resource. They are crucial to achieving all other business objectives, now and for the future. So it's right that we focus on developing and rewarding our employees."



Karmit Shilo
group president,
Amdocs People



3. Valuable products and services



We **always deliver value**
to our customers

3. Valuable products and services

Introduction

The value of a product or service has changed. It is no longer measured solely by its business value parameters, like efficiency or profit. Today, the value a product or service brings to society is considered by many to be of equal importance.

At Amdocs, we seek to create products and services that deliver value for both business and society. Our aim is to be the industry's premier provider of sustainable products and services, and to lead in innovation.



Making a positive impact through product solutions

To create value for our customers and, at the same time, help tackle global sustainability issues, we offer a range of innovative products and services:

Offering	CSR Impact
Amdocs Network Functions Virtualization and Orchestration Solutions	Helping service providers shift away from costly, space and energy-consuming hardware components, by delivering software-driven capabilities.
Amdocs Mobile Financial Services – money transfer solutions	Around the world, 2 billion people do not have a bank account, not only because of poverty, but also due to costs, travel distance and the paperwork involved. With Amdocs Mobile Financial Service Solutions, unbanked and underbanked people can manage their finances, transfer money, shop, buy and pay bills using just their phone.
Amdocs Document Management as a Service – electronic document and records management solution	Even in the digital era, many companies remain dependent on paper documents. We offer a document management lifecycle service, which enables service providers to replace their manual paper documents with new electronic forms, saving resources and making administration easier for customers.
Amdocs Connected Home – smart home solution	Consumers can easily monitor and automate their home, allowing them to understand and control their energy consumption, make heating and cooling adjustments remotely, and identify maintenance problems more quickly.

3. Valuable products and services

Making a positive impact through product solutions

Offering	CSR Impact
Small Cells – a small device for covering territory within the mobile network	Small cells can be installed instead of a mobile tower. This reduces the level of radiation and installation costs, resulting in increased amount of territory covered by mobile signal.
Amdocs BriteBill – transforming the way service providers present and manage billing communications	Amdocs BriteBill takes structured documents and applies analytics, design and personalization to elicit behavioral change and a positive outcome for both service provider and customer. BriteBill's design-led approach enables service providers to converse with customers via multiple channels. By creating a new digital bill experience, organizations and customers can replace traditional paper billing, lowering their carbon footprint and reducing paper waste. It also significantly reduces call center volumes.
Amdocs Smartbot – media-centric and intelligence-driven communication, providing intuitive, personalized care to consumers	By digitally providing contextual and intelligence engagements with consumers, they are less likely to take the traditional route of travelling to a local service provider to resolve any issues, reducing CO2 emissions in the process. In addition, Amdocs SmartBot reduces call volumes to customer service, thereby reducing the potential call center footprint and associated energy use.
Amdocs Accurate Selling – enabling streamlined lead-to-cash transactions.	In the past, business customers have found it can take a long time to procure and activate communication services. With unique lead-to-cash offerings, Amdocs provides a streamlined experience resulting in service providers and customers spending less time on physical site visits and benefiting from increased efficiency, reduced operational costs and lower energy consumption.

Product security and privacy

With the digital revolution gaining traction worldwide, we are faced with increased privacy and cyber security risks. In response to the European General Data Protection Regulations – the GDPR, during 2017 we started to put in place a program to ensure and demonstrate our compliance with GDPR as well as other relevant regulations. We started to establish relevant policies and procedures, and designed the implementation of relevant measures and controls that will form part of the compliance program.

Apart from GDPR compliance that will be fully established in 2018, our information security program includes multiple security policies, procedures and standards that manage our day-to-day actions. We comply with international standards ISO 27001; ISO27032 cyber readiness. In addition, throughout the year, independent risk assessments are carried out across Amdocs units and corporate systems, as well as with respect to third parties.

In 2017, we launched an information security awareness-raising program, which includes comprehensive and structured training. As a result, we have seen a dramatic reduction in click rates from phishing drills, going down from 60% to 12%.

Driving innovation with our customers

We believe that an open and collaborative environment is crucial to creating valuable products. As a company focused on innovation, we aim to create such an environment, enabling and supporting innovation in the communication and media industry.

We leverage best-in-class open innovation practices and methodologies, working with a wide ecosystem of partners ranging from promising start-ups, well-established organizations, leading academic institutions and Amdocs customers to explore new domains and technologies.









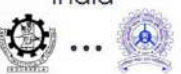

We are proud that our efforts to drive and implement innovation have been recognized, with Tel Aviv University naming us as the recipient of their Innovation Award 2017.

Open Ecosystem

The Amdocs Open Ecosystem helps maximize business value by connecting our customers' business aspirations with our partners' technologies. It includes a diverse range of partners, spread across various domains from entertainment to network.

3. Valuable products and services

Just a few of our collaborations with academia...

	<p>MBA students Strategic Business challenge for Big Data CSAT concept</p> <p>MBA students Strategic Business challenge for VR and AR</p> <p>Ideation workshop for Telco OTT service Big Data ideas</p>	
	<p>Thought Leadership for next generation fraud – Technion and ESCP MBA students project</p> <p>Thought Leadership NFV Academia and industry conference – with Technion CS and Engineering</p> <p>POC Unified Operational Console' tool implemented in several accounts – Technion CS students project</p>	
	<p>OSS and Innovation course was executed for several years were students gain academic points</p> <p>Successful Random Data Testing Tool (RDTT) students project</p>	
	<p>IT IOC POC for meeting rooms was done with MIT US student</p> <p>MIT US MBA student decipher IT challenge for startup scouting</p>	
	<p>India Innovation lab on the cloud – 6 universities with 100 students working on Amdocs defined challenges</p> <p>Projects internship platform with 30 internship and 11 colleges was done with India universities in FY' 15</p>	

We also collaborate with tech companies to identify new trends in technology, including their impact and relevance. In 2017, for example, we created an open innovation platform, which brought together 50 leaders from Amdocs, 30 high-tech companies and leading researchers from academic institutes to discuss blockchain and its impact on the industry. The session was followed by a similar one on augmented and virtual realities. Together, we generated over 50 ideas, the best of which have been evaluated and implemented.

In addition, Amdocs uses design thinking methodology to help our customers gain valuable new insights about their own customers and their needs. Design thinking is a human-centric, collaborative approach to problem solving that is creative, iterative and practical. We support processes, structure and mindset impacting our customers.

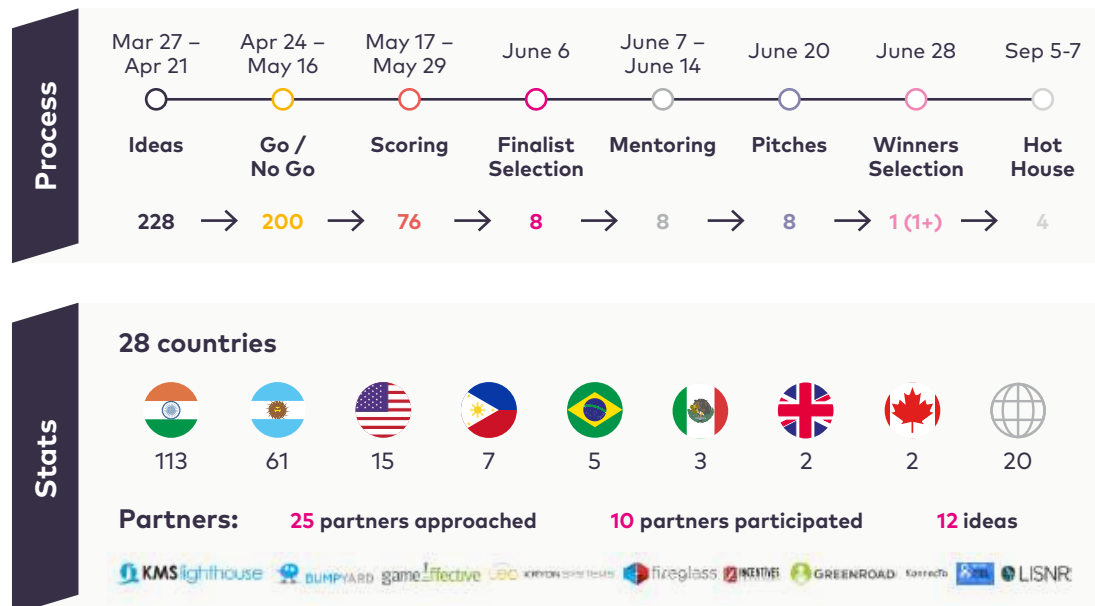
In 2017, we conducted more than 80 such sessions for 10 customer processes, encouraging people to look at things from the end-user's perspective.



3. Valuable products and services

Amdocs and British Telecom's 'Executive Innovation Challenge'

In 2017, we launched our first crowdsourcing innovation challenge in partnership with a customer. Together with British Telecom, we introduced the "Executive Innovation Challenge". All employees at both companies, as well as from 25 partners were challenged to submit an idea for an application that will help attract and retain millennials in the workplace. In total, 228 ideas were generated from 28 countries.



In 2017, together with Sprint and XL-Axiata, we received two Global Telecoms Business awards for consumer service innovation.

Sprint and Amdocs were recognized for their PlanIT project implemented across multiple channels. This solution enables Sprint customers to have complete visibility and control over account data usage whenever and wherever they want – using just a single widget. The innovation in the XL-Amdocs project revolves around the retail experience.



3. Valuable products and services

Looking forward

The world today is very different from only 10 years ago. And looking forward over the next decade and beyond is no easy task. With the rise of digital, customer behavior and business models that were unimaginable only a generation ago are now commonplace. Our industry has been transformed and service providers must keep up with the fast pace of change to continue to provide an attractive customer experience. Our job is to help customers keep up – and get ahead.

Going forward, our focus must be on ensuring that our products and services bring added value to our customers, helping them achieve their business as well as sustainability goals. This will involve priorities such as helping our customers transform into digital players, with omni-channel experiences.

We will also help customers make responsible use of big data to improve their operations and customer experience. We take consumer privacy and security seriously and have made it a priority to address the impact of our products and services on both, ensuring we meet consumer expectations, as well as regulatory demands.

Our ongoing objectives in this area are long-term and forward-looking, and they include: the conclusion and implementation of our privacy program, establishment of a data privacy office, initiating research into key upcoming issues; exploring the potential risks associated with our current portfolio; working to predict those that could affect our future products and services; and assessing the potential for membership of organizations that bring together customers and peers in developing industry-wide approaches to privacy management.

"Our strategic objective in all our products and services is to deliver a frictionless consumer experience while empowering every woman, man and child across the globe to connect, be entertained, be secure while at work or play! The advancement in technology and connectivity is one of the greatest social equalizers across the globe enabling everyone to access the worlds resources at their finger tips, and we at Amdocs want to be at the heart of this empowerment!"



Anthony Goonetilleke
group president,
Amdocs Technology



4 . excellence



We strive for **excellence**
constantly improving our
professionalism

4. Operational excellence

Introduction

At Amdocs, we expect excellence in every part of our operations. However, excellence is not limited to our business outcomes. At Amdocs, excellence also requires that we provide a safe and healthy work environment for our people, maintaining the highest ethical standards of business conduct and minimizing our impact on the environment.

What do we mean by this? We work hard every day to prevent accidents and occupational illness, promote ethical practices throughout our activities, and reduce our energy and resources consumption. And our senior management leads the way in ensuring that these priorities are incorporated into every phase of our operations.

We strive to continuously improve our policies and processes by conducting rigorous audits and compliance self-assessments, measuring our progress and raising awareness. And we're not stopping there. We're extending our monitoring and assessment procedures beyond our internal operations, reviewing environment, health & safety, as well as ethical standards of both our business partners and the companies we acquire.



Environment, health & safety

How we manage environment, health & safety

We want every employee to enjoy a safe and healthy work environment, and we strive to ensure that our operations are managed in an environmentally responsible and sustainable way. We have implemented a global environment, health and safety (EHS) management system, according to the international standards OHSAS 18001:2007 & ISO14001:2015.

Our EHS management system has been designed to provide effective tools for our operations worldwide. We classify our sites according to the size and the complexity of their EHS aspects and adjust our tools and methodologies accordingly. Each region is managed by a regional EHS coordinator, who supports the individual site EHS coordinators in all EHS activities and tasks.

Our team works together to streamline our EHS efforts. And to maximize performance, we conduct performance review self-assessment, hazard

identification and risk assessments, environmental reviews, legal compliance assessments, operational control checklists, emergency drills, internal audits and training programs.

Reducing our greenhouse gas emissions

Our most significant environmental impact comes from our greenhouse gas (GHG) emissions. These largely derive from the energy we use in our buildings and data centers (purchased electricity), as well as from air travel and employee commuting.

We manage our carbon footprint using the Greenhouse Gas Protocol Corporate Standard. We calculate and report our emissions, which are verified by a third-party independent auditor. In FY17 we improved our data collection reliability and our GHG reporting. As a result, our verification assurance level has been raised from 'limited' to 'reasonable'.

4. Operational excellence

Environment, health & safety



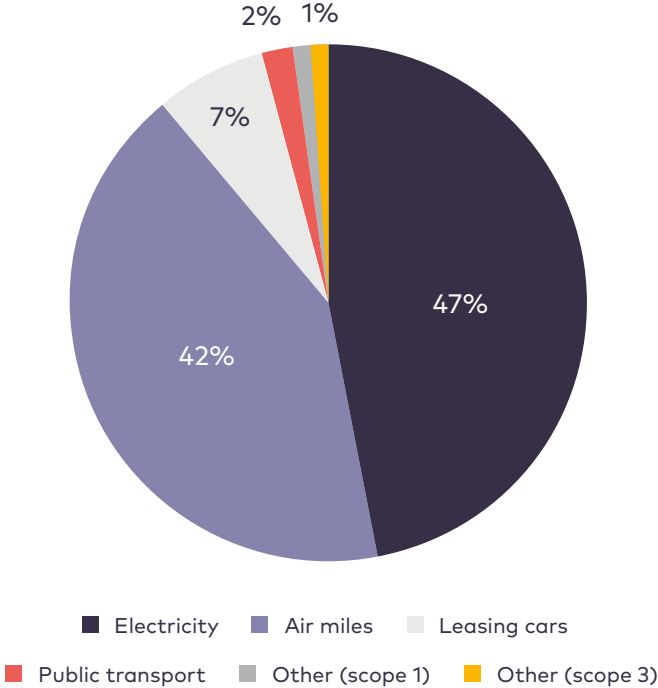
GHG Emission (tCO₂eq)

	Scope 1	Scope 2	Scope 3	All scopes	All scopes per employee
FY15	1,139	72,224	97,039	170,402	9.22
FY16	959	64,307	87,656	152,922	7.45
FY17	1,607	66,087	117,003	184,697	8.31

In FY17, we are delighted that we managed to reduce our relative emissions (per employee) by 10% compared with FY15 – despite an increase in the number of employees and inclusion of additional environmental impacts in our calculations. These include, for example, diesel consumption for our generators, ozone depleting substances from our air conditioning and fire suppression systems, natural gas consumption and electricity consumption from sites with communication rooms but no employees, what explains the increase in comparison to FY16.

Certificate of Amdocs FY17 Greenhouse Gas emissions report and verification

Sources of emissions (FY2017)



5. Data only for Israel

Reducing GHG emissions through energy efficiency

	FY15	FY16	FY17
Electricity consumption (MWh)	115,931	107,046	110,495
Fuel consumption ⁵ (Gasoline for cars) – million liters	4.9	4.7	3.7
Fuel consumption in Israel (diesel for cars) – million liters	1.0	1.2	1.3

Amdocs is making several efforts to reduce electricity consumption in our sites and data centers and improve efficiency of the cars fleet.



4. Operational excellence

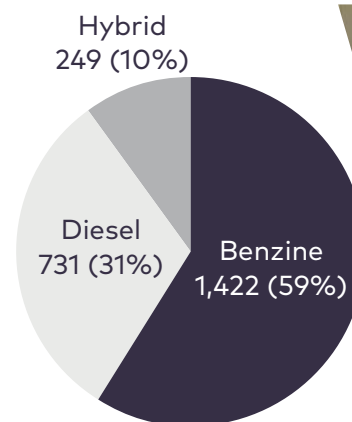
Environment, health & safety

The increase in the electricity consumption was due to inclusion in the scope of the report of sites that while not used as working places, still consume significant electricity (data centers, compact data centers and large communication rooms).

Some projects done in the past years that reflect Amdocs efforts to reduce GHG emissions are:

- **Decommissioning hardware:** In Israel, India, Brazil and the USA, we reduced our annual CO₂e emissions by approximately 2,023 metric tons as a result of optimizing equipment and merging data centers
- **Replacing conventional light bulbs with LED:** In APAC and Brazil, using LED lighting reduced our annual CO₂e emissions by approximately 985 metric tons
- **Replacing chillers and raising chiller temperature:** In Israel, we replaced six chillers, reducing our annual CO₂e emissions by approximately 937 metric tons, and raised chiller temperature by 1°C

- **Meatless Mondays:** We joined the Meatless Monday initiative in Israel, which raises awareness of the environmental and health impacts of meat consumption
- **Tree planting in India:** 200 employees gathered to plant saplings at Amdocs Gurgaon, raising awareness of the importance of tree conservation and environmental protection
- **Carpool and shuttle services in Israel**
- **Hybrid & fuel-efficient vehicles**



Amdocs and Vertiv™ win London 'Environmental Project of the Year'

Together with Vertiv™, formerly Emerson Network Power, we are proud to have won the 2017 'Environmental Project of the Year' ACR News Award in London.

Winners were selected by an independent panel of industry experts, who recognized the strength of our data center cooling project. The panel praised the project management and application of the energy-efficient Liebert PDX with EconoPhase as the ideal cooling solution for this project. The project enabled us to perform an informed risk-benefit analysis and identify the most efficient thermal management solution for the Chiswick Park data center.

Offsetting carbon

Carbon offsets are credits for reducing GHG emissions that occur at another location. Buying one ton of carbon offsets means there will be one less ton of carbon dioxide in the atmosphere than there would otherwise have been. As part of our carbon reduction program, we offset a portion of our GHG emissions.

Supporting biogas installation in India

In FY16 and FY17, we supported a local NGO to install individual biogas plants in rural areas of Uttar Pradesh and Gujarat in India. These plants replaced firewood for cooking with clean, sustainable and efficient biogas, and the project generates an estimated annual emission reduction of 21,800 tCO₂.

The system allows households to use their cattle dung to produce clean biogas for domestic purposes. The residue can be used as an organic fertilizer, improving soil conditions and crop yield.

4. Operational excellence

Environment, health & safety

The environmental benefits of the project are not only replacing firewood (and therefore deforestation), but also providing a solution for waste disposal and improving biodiversity. The project also reduces the community's exposure to smoke and air pollutants from traditional cooking stoves.



Reducing our waste

To lower our environmental impact, we also focus on reducing waste. Adopting the 3Rs approach – reduce, reuse, recycle – we already run recycling programs for batteries, fluorescent bulbs, paper, cardboard, PET bottles and toner cartridges.

Some initiatives done in this aspect were:

In 2017, we implemented our office supply repurpose project campaign. This involved raising employee awareness about waste and running competitions to find the best repurposing ideas.

For the second year running, Amdocs in 2017 was the main sponsor of Limassol's environmental festival, organized by Green Dot. The event educates the citizens of Limassol, and especially children, on the importance of recycling.



In the USA, Amdocs Champaign partnered with Habitat Restore to host an electronic recycling drive. Together, we collected four large containers filled with everything from old PCs, cassette recorders, tape decks and iMacs, to home theater equipment, cell phones, cordless phones and laptops. The items were donated to the Habitat for Humanity store (Restore), who comb through the recycled electronics for anything they can either sell or fix for resale. All other items are sent for recycling.



Reducing our paper consumption

Paper is made from wood, which is an important natural raw material. As a software firm, we need paper for our various office and business requirements but are working to lower the volume of paper we use.

Paper consumption (in tons)

2014	2015	2016	2017
209.8	182.5	53.3	24.6

The table above shows an 88% reduction in our paper use compared to FY14, and 54% compared to FY16. 99% of our sites use recycled paper, or paper from sugar cane pulp (which is more sustainable than regular paper) where recycled paper is not locally available.

4. Operational excellence

Environment, health & safety

Occupational health and safety

Our occupational health and safety program focuses on:

- Providing a safe and healthy workplace to prevent accidents and work-related illnesses
- Increasing awareness among our people about occupational health
- Preparing and responding to emergencies to protect our people and property.

In FY17, 41 recordable accidents occurred in our workplaces, with 13 lost days. This is an improvement from FY16, when we had 118 accidents reported, with 23 lost days. We have maintained our rate of zero fatal incidents.

Improving comfort in the workplace

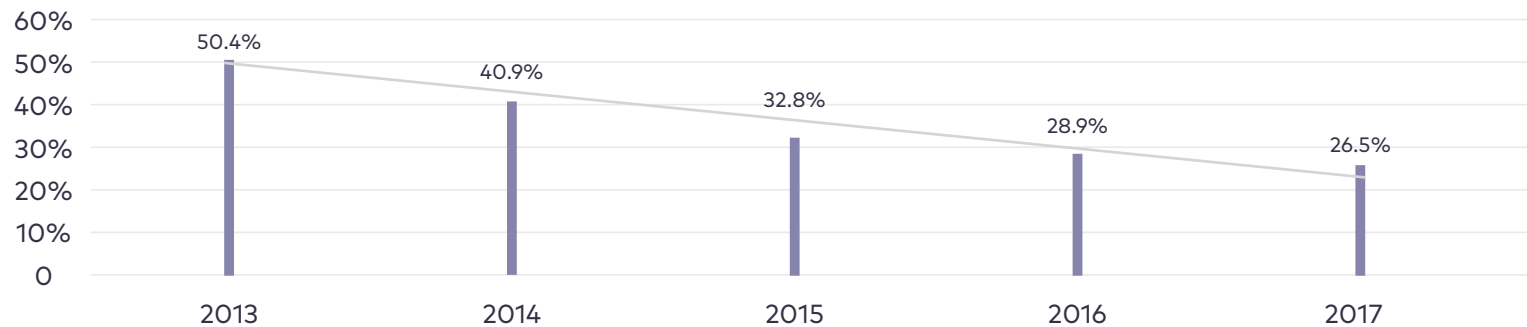
Due to the nature of our work, most of our employees are office-based and sit for long periods in front of their computers. This can sometimes lead to physical discomfort or even pain. Our ergonomics project aims to offer relief.

We begin by assessing how people work in order to prevent repetitive strain injuries. We provide employees with comfortable workstations and ergonomic office chairs. We are also raising awareness of how to properly adjust workstations.

In 2017, we conducted trainings and individual consultations at all our sites, which shed light on common and self-correctable practices to improve workstation comfort. We also made this information available for our employees through our EHS portal.

Road safety

To help keep our employees safe on the road, we run a road safety project. At present, this runs in Israel, India and CALA regions, and involves practical driving instruction and educational materials. 100% of Amdocs' Israel fleet is also equipped with Mobileye vision technology for advanced driver assistance systems. Thanks to this program, we have seen a steady decrease in the number of work-related driving accidents over the years.



Percentage of vehicle fleet that caused accidents with damage over \$350

The scope of disclosure includes only Amdocs Israel

4. Operational excellence

Environment, health & safety

Emergency preparedness

We take seriously our responsibility to keep our people safe at work. This includes being prepared in the case of an emergency. We have distributed instructions relevant to each of our sites as to how to respond to earthquakes, fires, and other possible emergency situations. In addition, at all our sites, we have appointed leaders who are responsible for first aid and building evacuations. Emergency response drills are also conducted each year at every site.

Since 2014, 60 Amdocs employees in Israel have been recruited to United Hatzalah, a volunteer-based emergency medical services organization. They have completed paramedic training and provided treatment for minor and major medical events at our sites during work hours.

Since 2015, every year we provided our Israel based employees and their spouses a CPR training called 'Safe Family', about 2000 participants have been trained to date. In addition, we have equipped some of the offices with automated external defibrillators and an accompanying training video.



FRIENDS OF
UNITED HATZALAH
OF ISRAEL

Ethical conduct

As a company traded on NASDAQ, we are subject to and enforce strict regulations regarding ethical conduct. However, we consider responsible business conduct to be about much more than simply ticking the box. Instead, we see it as a strategic opportunity, crucial to creating the kind of positive working environment that will help our people thrive and innovate. Ethics is in our DNA.

With thousands of employees working in our offices across the globe, and many others connected to our company through our supply chain, we have developed strong corporate values to inspire ethical behavior. We have established clear rules to guide personal interactions and decision-making. Our values and core principles are set out in the following documents, which are made available to all employees and contractors worldwide:

- Code of Conduct
- Amdocs Human Rights and Labor Practices Statement
- Anti-Bribery and Corruption Procedure
- Gifts and Hospitality Procedure

- Information Security Policy and IP Protection Guidelines
- Insider Trading Policy
- Appointing and Operating Agents in the Group

A dedicated page on our portal includes all ethics-related policies in three languages. Each year, we conduct an online ethical training. During 2017, this training achieved 100% attendance.

In addition, we launched our 'Back to Basics' ethics program. This provides employees with leadership role models and focuses on business conduct, personal and social behavior. For managers, we developed a toolkit comprised of several hypothetical ethical scenarios, both internal and external, which are intended to help guide ethics-based discussions between managers and their teams.



4. Operational excellence

Ethical conduct

Our Amdocs Internal Audit department conducts an annual ethical climate survey. The most recent survey showed that the vast majority of employees considers Amdocs' ethical climate to be good or very good. In addition, 98% of respondents said that they are aware of Amdocs' Code of Ethics and Business Conduct Policy, and 96% feels that they have a clear understanding of the ethical behavior expected from them by management.

Employees are encouraged to raise concerns regarding any type of unethical behavior without fear of reprisal. We give a guarantee that their concerns will be treated with the greatest respect, seriousness and confidentiality.

For cases where employees might feel uncomfortable approaching their managers or HR, we operate a 24/7 ethics hotline, through which employees can report concerns anonymously. This enables all employees to make a disclosure in complete confidence online or over the phone and in their local language via a specialist third-party provider. We communicate to employees regularly about this hotline.

Every report submitted is screened by Amdocs head of internal audit and examined accordingly. A summary of all misconduct cases, including reports from our ethics hotline and other sources (HR, Information Security, etc.), is presented to our CEO and audit committee on a quarterly basis. We have also successfully improved our reporting to include metrics on the volume and types of issues raised by staff.

Anti-fraud and anti-corruption

We regularly review our business practices and update our policies to ensure that we meet best practices among our peers. And we work hard to maintain rigorous procedures to review our business activities to identify any potential risks. When necessary, we immediately seek the advice of expert counsel.

In 2017, we established a fraud risk management program, which organizes all anti-fraud activities under one umbrella. Significant efforts were made to review and update our Amdocs Gifts and Hospitality Policy, and to improve our procedures for the pre-approval of gift and hospitality expenses.

We are also refining our risk-based procedures for onboarding, monitoring and reviewing engagements with agents and other third-parties. These processes include undertaking due diligence reviews and ensuring strict approval requirements where warranted. We conducted due diligence regarding a number of mergers and acquisitions that took place in 2016 and 2017. This included pre-acquisition anti-corruption

due diligence as well as post-closing anti-corruption integration steps. Once acquisitions are complete, we swiftly integrate our anti-corruption, remediation and compliance measures into the acquired company, and conduct ethical training for our new employees.

In addition, we introduced comprehensive training for specific employees in sales, finance and management positions. This involves face-to-face anti-corruption training sessions, updating our teams on recent developments in applicable anti-corruption laws, and training regarding any changes to Amdocs' anti-corruption procedures to ensure ethical business conduct.



4. Operational excellence

Looking forward

Going forward, we will continue to place great emphasis on operational excellence. We will reduce our environmental impact even further by focusing on GHG emissions. In 2018, we will improve GHG management according to ISO14064 principles, with better documentation of processes and improved verification of records. We will quadruple the number of electric vehicles in our fleet and reduce air and road travel as much as possible. We will focus on green procurement and increasing our use of renewable energy, and we will work hard to raise awareness of our efforts among our people.

In addition, we will continue to focus on the health and safety of our employees, ensuring greater ergonomic intervention and awareness. We will continue to prioritize upholding our high standards of ethical business conduct. And we will focus on enhancing our unwritten contract between our people and the company around ethical behavior. We will do this through developing ethical organizational structures and running awareness-raising events.

"Operational excellence means maintaining the utmost levels of ethics and integrity, so we strive to create a workplace that values environment, health, and safety. At Amdocs, upholding such values is not only integral to our company's framework, but also empowers and encourages the highest standards of work."



Nira Erez
general manager,
Amdocs Global Operations



5. Community commitment



We are **committed** to each other
and **respect** our people

5. Community commitment

Introduction

Integral to Amdocs' corporate culture and strategy is our belief in being responsible citizens. This means everyone – from our senior management to new recruits – being actively involved in the communities where our employees live and work.

As a business, we are always looking to the future, anticipating trends and innovating. Our community strategy, too, is mindful of the long-term. We focus on three issues: empowering the younger generation; diversity and employability; and wellness. We believe it's essential to address these priorities in order to help people learn and develop.

Our programs aim to improve STEM education, financial, digital and English literacy, coding skills and design thinking. In fact, our initiatives often focus on more than one of these subjects at a time, to amplify their impact.

Volunteering is central to our community approach. We encourage and support our employees to volunteer, and through these initiatives we strive to create long-lasting, cross-sector partnerships in our local

communities. This is very important to us as it not only benefits our community partnerships, but also Amdocs. We have found that employee volunteering improves collaboration, increases engagement in work, and contributes greatly to job satisfaction. From among our employees, we now have a global network of community leaders who run community partnerships at a local level. We believe our long-term, dedicated, mutually beneficial volunteering model is unique in our industry.



*Some of our
community leaders*

"Volunteering makes me feel more connected. It inspires my soul and my mind. It has helped me to find different, creative ways to have a positive impact on society and the environment."



Apoorv Chandra,
customer
support agent,
community leader,
Amdocs India

"When I do volunteer work on projects close to my heart it leaves me with a feeling of warmth and satisfaction – that I have a purpose and am fulfilling my purpose in life. I like to feel that I am making a difference – however small it might be – as long as I contribute to a bigger cause and am able to make a difference. If I can contribute to helping one person achieve or overcome obstacles – then I succeeded with my purpose in life."



Yvonne Olivier, administrative assistant,
community leader, Amdocs South Africa

"With the help of our amazing volunteers, we are building together long term strategic projects that has a significant impact on the life of our ecosystem. The level of expertise, and commitment that it brings to our social projects makes me absolutely certain in our common success and a great change we can make in the life of our communities. We are privilege to be in a position that on top of our day to day work we help shaping a better future for our children."



Nitzan Raich, business analysis specialist, community leader,
Amdocs Israel

5. Community commitment

"I feel the importance of volunteering to Amdocs. They encourage and support it. Here at Amdocs Dusseldorf, management gives volunteers time in our quarterly site meetings to share their experiences."



Sabine Florian
administrative assistant,
community leader,
Amdocs Germany

Making a difference, globally

Our community projects add up to a big difference across the world. In 2017, 170 Amdocs community leaders set up 690 activities.

In 2017, to mark our 35th anniversary, we set an ambitious goal to increase our volunteering hours from 25,000 to 35,000. We are proud that we surpassed this goal, with more than 5,000 employees contributing 37,000 volunteering hours to make a difference in their communities. We have increased employee engagement and awareness through a variety of campaigns, including our highly successful Good Deeds Month, a global effort through which many of our volunteering initiatives were accomplished.

Good Deeds Month

For the second consecutive year, we designated March as Good Deeds Month, and this time, our goals were bigger than ever. We organized over 350 opportunities around the world for employees to participate in, ranging from helping children in need, to visiting the elderly and building parks. Over 2,200 employees volunteered during the month, enjoying informal communication with management and colleagues.

In 2017

37,000 hours of volunteering
21% of employees volunteer
690 activities

170 community leaders – employees who voluntarily manage community initiatives on top of their day-to-day job

290 community partners
16 joint customer initiatives
1,000 computers donated to the community

5. Community commitment

Making a difference, globally

Good Deeds Month

March 1 - April 2, 2017

Good Deeds Month at a glance: **5072 volunteers** and **16,336 volunteer hours**, **241 events** have happened. A selection of events happening globally with increased focus on Science, Technology, Engineering and Math (STEM)

Ottawa, Canada: Hackathon to develop solutions for community NGO's/hosting a technology night

Champaign, US: Prescription read-book collection for children visiting medical and dental providers

Chicago, US: Read-a-thon and ROCKSTAR reader programs with Christopher House

Guadalajara, Mexico: Science Mentor Program

Puerto Rico: Read-a-thon and toy/supply donation to local children's hospital

Chile: Selling books and donating proceeds for meals and study material for underprivileged children

Brazil: Renovating a public school and buying materials to help improve it

Israel: Bike Rides with youth, baking cakes, gardening, educational centers, building App's, computer donations, Prium Celebrations, Sodkut Project, English Lessons

India: Organizing a book donation drive, Creation a school library, Magic Bus Movie Day, Zumba Session, card making day

Russian Federation: Profession & presentation skills training for kids supported by Refugee Kids Center

UK: All 6 sites will join together to collect Easter eggs, pack and distribute to the Evelina London Children's Hospital

Rennes, France: Discussion and presentation of an engineer daily activities to young students

Italy: Visit disable adults to learn from THOSE CLEVERLY masters the art of cloth painting and decoupage.

Philippines: Tutoring high school students as well as organizing book and school supply donation drive

Indonesia: Revamping Rasunawa's IT Lab by painting and donating computers, white boards and furniture

Global Social Hackathon

The largest event of our Good Deeds Month was our 4th Global Social Hackathon. This pro-bono project saw 1,250 employees utilizing their coding skills, curiosity and compassion to make a difference for those in need.

Over 250 teams – across 35 sites in 15 countries – spent 24 hours straight developing effective solutions designed to meet the needs of 14 NGOs based in Israel, India, the UK, and Canada.

North America	Candlelighters Christie Lake Kids
India	Teach for India Mentor Together NASSCOM MANN DESHI
Israel	IsrA.L.S Lines & Thoughts Or Yarok Gvahim Cracking the Glass Ceiling Olim-beyahad
Rest of the World	Dorothy house Avon Wildlife Trust



5. Community commitment

Diversity and future employability

In the nearest future, almost half of today's jobs will be gone and completely new jobs will emerge. Our mission to build a sustainable future includes empowering individuals to meet the current and future challenge of unemployment. We do this through programs designed to increase employability, develop skills and enhance livelihoods. The goal is to help prepare people for the vast changes to the job market that lie ahead.

In many of our offices, our employees often host local students to learn about today's digital world and other important topics, and to participate in financial, digital and English literacy courses. In India, for example, we have trained 7,500 people in digital literacy, and invested over 1,500 hours in mentoring secondary school and engineering students. This involves advising them on academic and career planning, life skills, corporate readiness and English communication.

In 2017, we launched our first ever public online course, which was developed by Amdocs Learning and Development and Amdocs Open Network experts. The course is intended to educate the general public about Radio Network Optimization, and it was published on the [FutureLearn](#) platform.

New jobs that will appear in near future*:



Remote operators



Online chaperones



Robot counselor



Privacy consultant



Big data doctor

* According to multiple Deloitte Insights



Just some of our local programs...

- Internship program in partnership with Tsofen in Israel – Interns from the Arab sector work on real projects within Amdocs, learning computer coding skills and building applications for business or social purposes.
- Helping children with disabilities (with Puhu Juniorit Unified) – A team at Amdocs Finland volunteered at a special basketball tournament for children with disabilities.
- Mentoring people with disabilities – In partnership with JDC Israel Tevet, we run a program that helps people with mental or physical disabilities succeed at work.
- Supporting underprivileged children – Our Moscow office develops programs for underprivileged children. For example, they hosted a PC literacy workshop and organized a visit for the children to the Natural Science Museum.
- Cracking the Glass Ceiling: Promoting Science Education to Young Women is a unique initiative run by 'Alliance – Kol Israel Haverim'. Through this two-year program, Amdocs Israel empowers girls ages 14-16 who are studying STEM subjects. At least 80% of girls who participate go on to choose a STEM major in high school.

"Thanks to the internship program Amdocs is leading together with Tsofen, I could make it happen, developing a machine learning platform that predicts whether a program's major milestone is going to be met. This system aims to prevent delays in delivery, preventing lost revenue and maintaining high customer satisfaction. This is based on both dynamic and static characteristics of our projects. In Tsofen, I found eager people (instructors and students) who embraced business and technical challenges. The system was delivered in a very short time and was even submitted for a patent."



Yuval Balak
solution integration & implementation
manager, Amdocs Israel

5. Community commitment

Just some of our local programs...

- Training women in entrepreneurship – In India, we support financial training for women entrepreneurs, helping them take steps to enhance their livelihoods. Together with the Mann Deshi Foundation, Amdocs introduced a financial literacy and livelihood entrepreneurship program. In the past three years, over 1,500 women have participated in this program.
- Social project in Rome – Amdocs Italy partnered with Arvad, an association dedicated to helping people with disabilities.



Deepa's story:

Deepa got in touch with the Mann Deshi Foundation through a community activist. She has an only son, who was unfortunately diagnosed with bone cancer. With her husband's limited income and the costly treatment needed for her son, Deepa enrolled in our livelihood & financial literacy program, which is being implemented by the Mann Deshi Foundation.

Deepa began to learn Torans back in 2016, a traditional handicraft to make jewelry. She marketed her products through the foundation and earned Rs. 2,000 from her first sale. She continued putting in more and more effort and during the Diwali festivities, she managed to earn a profit of Rs. 10,600 in just one month. From humble beginnings, today Deepa feels confident about the family's ability to afford her son's treatment.

Empowering the younger generation

Creating a sustainable future means empowering the next generation. We target youth in underprivileged communities who grow up in environments where they are not encouraged academically. Many of these young people have potential in STEM subjects but for different reasons are limited in their future career choices. We reach children and teenagers through mentoring, teaching, and supporting them financially and emotionally.

Emotional support is important to our projects as building self-esteem and self-confidence is a crucial success factor for empowerment. We also focus on building long-term relations with our community partners, including NGOs, charities, schools, municipalities and others.

Some of our local programs include:

- **Toronto** – Employees came together to create STEM kits for children, including an introduction to coding book, an inflatable globe, and other items to get young minds excited about science.



- **Israel** – we participated in the School 2035 project. This was organized by UNICEF, the US Embassy and Ministry of Education in Israel, Council for Student Rights, and high school design streams. The project was so successful that we were invited to present it to parliament.



5. Community commitment

Empowering the younger generation

- **USA** – Amdocs San Jose partnered with the Family Giving Tree to host a back-to-school drive to collect backpacks filled with school supplies. Employees volunteered at the donation drop-off site to help the organization sort through more than 40,000 backpacks received from all over Silicon Valley. We have also launched backpack projects in other states, as well as in Germany, and Israel.
- **India** – We have helped 7,350 students through STEM-related programs. 115 students received a scholarship from Amdocs to continue their education to become an engineer.
- **UK** – Amdocs attended the Cheswick School Year 9 networking session organized by Enjoy Work. We were interviewed by students looking for guidance on career choices.

"It is a huge relief that our next generation of workers are keen to learn and showed a high degree of professionalism and maturity, beyond their years of experience."



Mike O'Sullivan
sales director,
United Kingdom



- **Worldwide** – Every year, we celebrate Universal Children's Day with social projects. For example, volunteers in Cyprus hosted 50 kids who got to see Amdocs' offices and learn about today's digital world.
- **Vietnam** – Amdocs Vietnam organized several activities for orphans in the SOS Children's Village.
- **India** – As part of Joy of Giving Week campaign, employees pick up wish tags placed on the tree and sign up to sponsor the specific wishes. In total, 876 employees participated in the campaign and donated \$2,000.



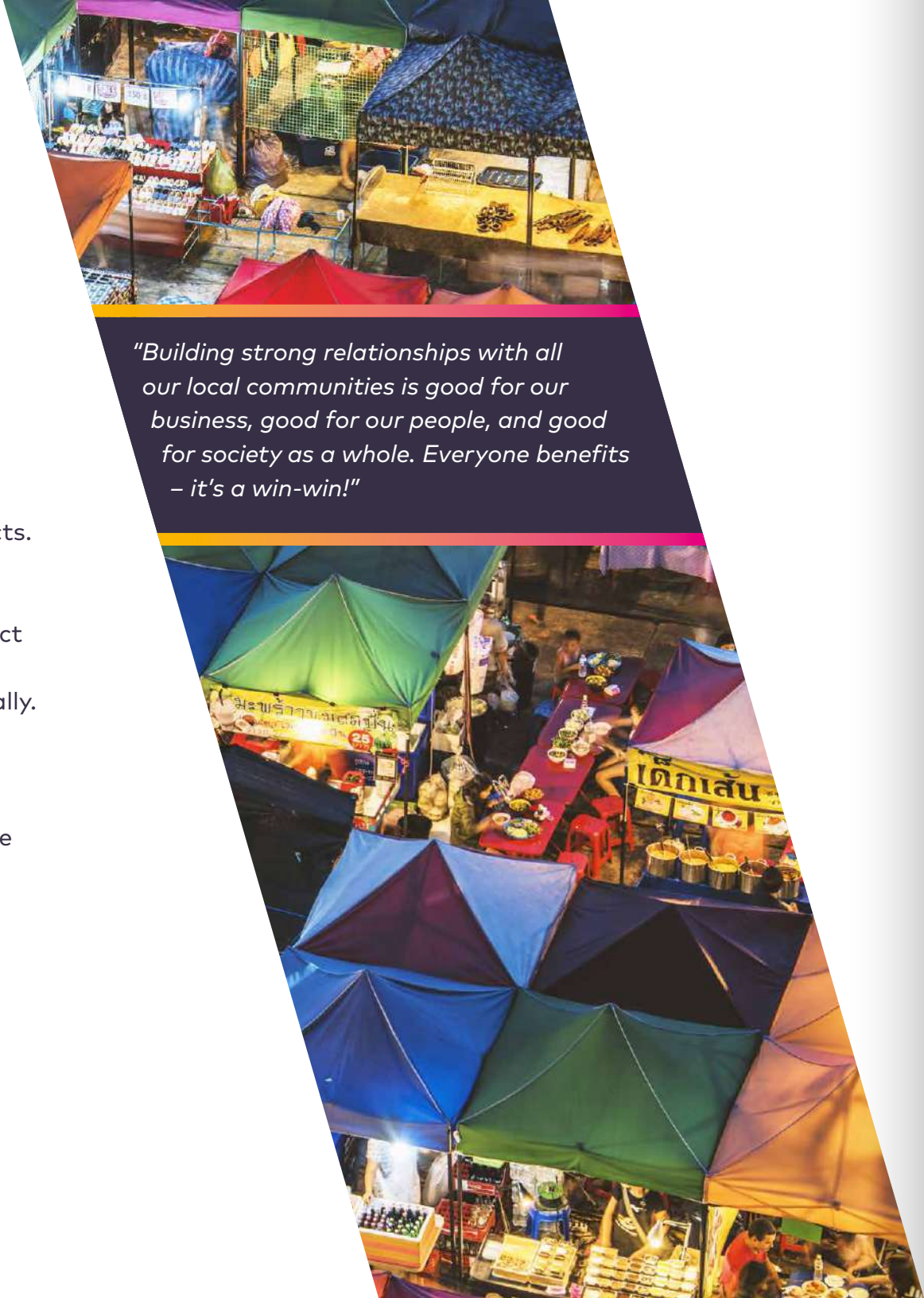
5. Community commitment

Looking forward

In the coming years, we will maintain our strong commitment to diversity, employability and empowering the younger generation.

To grow our positive social, economic and environmental impact on communities, in 2018 we will expand our successful pilot employability projects. We will continue integrating CSR into our business processes. And we will focus on identifying key performance indicators to measure our social impact and raising awareness about our Corporate Social Responsibility initiatives both internally and externally.

Another priority will be to increase the number of social projects we run jointly with our customers. We will continue to encourage our people to become leaders in their communities and to accelerate volunteering as an integral part of our employees' engagement strategy.



"Building strong relationships with all our local communities is good for our business, good for our people, and good for society as a whole. Everyone benefits – it's a win-win!"



6. Sustainable supply chain



We dare to change
have passion to lead

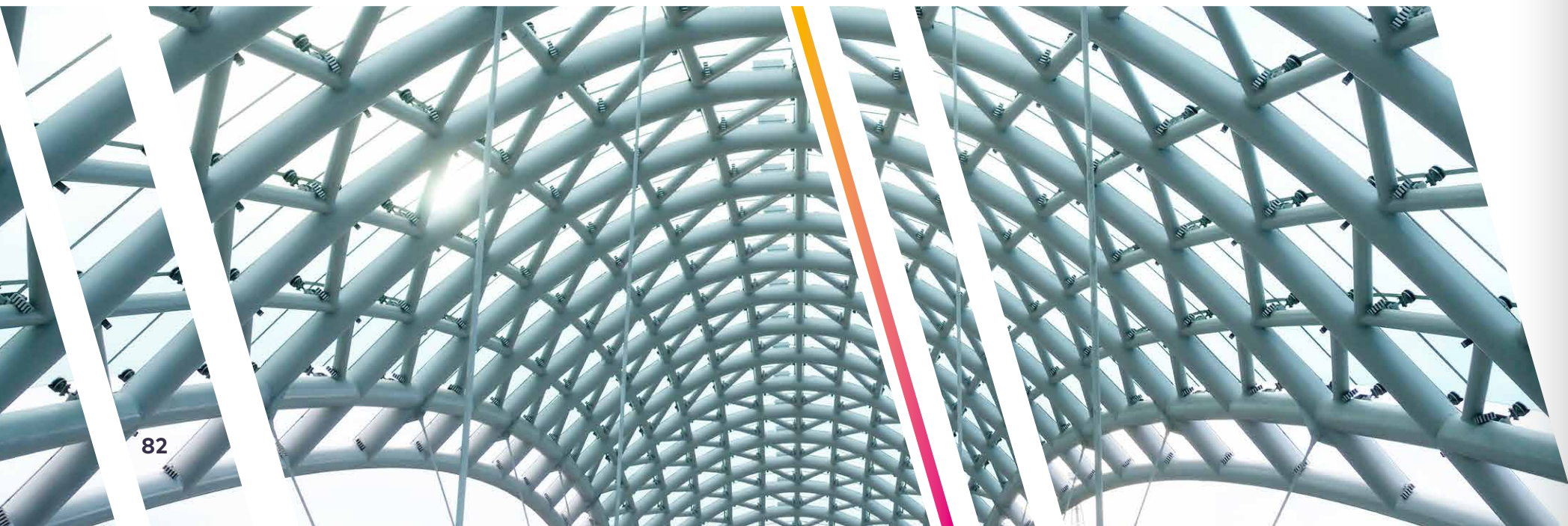
5. Community commitment

Our supply chain profile

In 2017, our database included around 10,000 suppliers. To make our supply chain more manageable, we launched a vendor consolidation project, and by the end of 2017 had cut the database to around 7,000 suppliers.

In order to develop communication channels with suppliers we organize annual events during which we discuss important changes, inform about Amdocs' direction and needs, and receive supplier feedback. Each strategic supplier has a personal manager.

We look to build long-term relationships with suppliers, which helps ensure good quality and low CSR risks. We also seek to influence our suppliers – as a global company, we understand our responsibility not only to uphold high standards of corporate social responsibility regarding our social and environmental impact, ethical dealings, product quality and human rights, but also to ensure that these high standards trickle down to our supply chain.



Managing our supply chain

Supplier Code of Conduct

Our Amdocs Supplier Code of Conduct was renewed in 2017. This aims to ensure that all our suppliers implement – and adhere to – our high standards across their business and within their own supply chain.

Compliance with the code is subject to an audit at the discretion of Amdocs. Failure to comply may result in discontinuing our current relationship and/or preventing future business relationships between Amdocs and the supplier. In 2017, we did not have any such cases.

The code sets out our standards and requirements in connection with the following aspects of CSR:

- Ethics
- Corrupt practices
- Fraud and money laundering
- Nondiscrimination
- Prevention of underage labor
- Prevention of involuntary labor
- Working hours

- Wages and benefits
- Anti-harassment and abuse
- Violence
- Freedom of association
- Health and safety
- Data privacy
- Environmental protection

Evaluating our suppliers

Several years ago, to build a sustainable supply chain, we began the process of evaluating our suppliers. The first steps of the program involved analyzing our suppliers' database. We asked our suppliers to undergo Ecovadis sustainability evaluation on a voluntary basis. In the upcoming years, we will enhance our evaluation process of existing suppliers and integrate CSR evaluation into our procurement system. We have already begun this process, evaluating service vendors in terms of financial stability, any labor-related claims, and corruption risks.

6. Sustainable supply chain

Green procurement

We have strict environmental requirements when procuring catering, janitorial and waste vendor services. When we buy any hardware, we also have strong requirements on energy consumption, and energy efficient hardware procurement is included in our management key performance indicators.

In our medium and large sites (covering around 60 sites) we only purchase recycled paper, in compliance with our environment, health and safety policy.

Looking forward

To date, our efforts have been focused on engaging with the maximum number of suppliers. We are now looking to build on this engagement and will target our approach to focus on suppliers with a higher CSR risk.

In 2018, we will launch a suppliers' qualification system. This will help to streamline third-party onboarding and will continuously monitor changes in our suppliers' activities and evaluate risks regarding corruption, labor practices, data security, and financial stability.

"Our goal is to continuously improve our CSR performance, and at the same time, to help our suppliers make their businesses more CSR-oriented. Across the world, this can create a big impact."



Idit Meir, head of global procurement, Amdocs

About this report

This report contains data on Amdocs' corporate social responsibility (CSR) performance and activities, covering the period from 1 October 2016 to 30 September 2017. This is our third CSR report. Previous CSR reports cover a different time period, so data comparison can be complex. However, going forward, we will report on CSR performance annually, providing clear and easily comparable data on our performance, and actively encouraging discussion about how we can make improvements over time.

This report is written with reference to the Global Reporting Initiative (GRI) Guidelines. It's a global report detailing activities relating to our material issues at all Amdocs sites. Our materiality assessment was reviewed and renewed in 2017.

The calculation of GHG emissions was conducted according to GHG Protocol. This methodology requires reporting on 3 scopes (Scope 1 – emissions that are the direct responsibility of the reporting company; Scope 2 – emissions for which the reporting company is indirectly responsible, such as the consumption of electricity; Scope 3 – additional indirect emissions in the supply chain).



The report was written with the assistance of Good Vision – CSR Consulting Firm, of the Fahn Kanne & Co. Grant Thornton Group. Good Vision is highly experienced in CSR services and is a member of the GRI GOLD community.

We wish to thank all the people and entities involved in the collection of data, writing and production of this report, particularly our design agency, Penknife Integrated Marketing, and its director, Neil French.

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about amdocs

Amdocs is a leading software and services provider to communications and media companies of all sizes, accelerating the industry's dynamic and continuous digital transformation. With a rich set of innovative solutions, long-term business relationships with 350 communications and media providers, and technology and distribution ties to 600 content creators, Amdocs delivers business improvements to drive growth.

Amdocs and its 25,000 employees serve customers in over 85 countries. Listed on the NASDAQ Global Select Market, Amdocs had revenue of \$3.9 billion in fiscal 2017.

For more information, visit Amdocs at www.amdocs.com

