



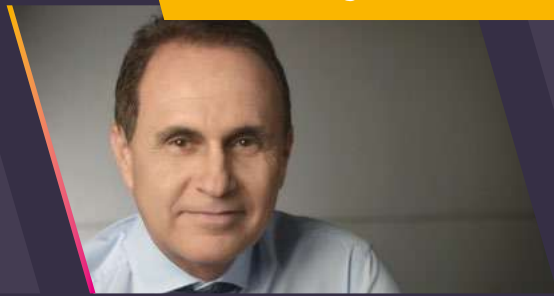
corporate social responsibility report **2018-2019**

January 2020

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ceo message



At Amdocs, we believe in building a better future.

As we help our service provider customers modernize, automate and digitize their business, we also seek to make a difference for the benefit of wider society. We do so through prioritizing inclusion and diversity, supporting the communities around the world in which we work, and by creating sustainable products and services.

This report covers Amdocs' financial years 2018 and 2019, which saw our revenues break the \$1 billion per quarter barrier for the first time and profitability at the higher end of our forecast. Just as importantly, these years also saw the company invest further in our corporate social responsibility activities, looking to bring our global scale of 25,000 employees and presence in over 85 countries to good effect.

During this period, for the first time, Amdocs was included among the leaders in the S&P Dow Jones Sustainability Index (DJSI) North America, ranking in the top 10 percent. DJSI referred to Amdocs as being among the "best-positioned companies to address future sustainability challenges and opportunities," highlighting our performance around environmental and social policies, including operational eco-efficiencies, corporate social responsibility and employment practices.

In general, our over-arching corporate social responsibility theme is building a better future through inclusion. We are committed to diversity, believing a gender diverse, multi-cultural workforce provides strength and a competitive advantage. We seek to create a welcoming work environment for all employees, regardless of age, disability, ethnicity, gender, religion or sexual orientation.

Inside the company we run internal programs to increase representation and empower female employees of our company. We have placed particular effort in recruiting more women for core technology roles, while in terms of the company's senior management, women general managers are leading over 40% of the employee population. While we have made progress in this area, we do believe we can do better and have set ourselves a long-term target: to increase female representation

in the company by 20%. We believe these ambitious targets are attainable and reflect our commitment to the importance of gender diversity in the workplace.

We strongly believe we should support the communities in which we work, placing special emphasis on improving employability for young people. We prioritize financial, digital and English literacy, mentoring and STEM (science, technology, engineering and mathematics) education. For example, in India, we have trained thousands of people in digital literacy and helped students participate in STEM-related programs. We are delighted that approximately one in five of our employees are involved in volunteering in their community.

We also place high value on protecting the environment and minimizing any negative environmental impacts of our operations and seek to create sustainable products and services. For example, we help service providers shift away from costly, space and energy-consuming hardware components, by delivering software-driven capabilities.

In 2018, Amdocs committed to the global Science Based Target initiative, which independently assesses corporate emissions reduction targets against the latest climate science. We are working on setting emission reduction targets in line with the level of de-carbonization required to keep global temperature increase below 2°C, as pre-defined by the Paris Agreement.

Our employees sign up to a written Code of Conduct each year; however, we believe ethics go deeper. We are proud of our set of company values, which influence everything we do, and we provide employees with concrete tools to ensure strict adherence to the high standards embodied in these values.

All these activities provide a sound basis from which we can continue to provide societal value as well as shareholder returns. I strongly believe corporate social responsibility is an important vector through which to judge a company and am determined that Amdocs will be a market leader in this realm too.

Shuky Sheffer

president and chief executive officer

CSR report highlights

Amdocs among the companies

"best-positioned to address future sustainability challenges and opportunities"

according to the Dow Jones Sustainability Index

Community



of volunteering for children and youth at risk and under-represented populations

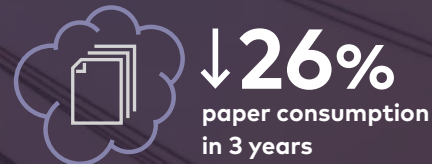


Our social app in Mexico has already helped

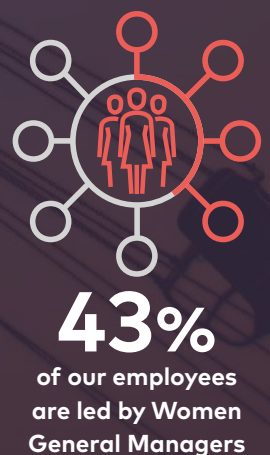


Impact at
80
locations
worldwide

Operations and Sustainability



Diversity and Inclusion



1. 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 along with technology and distribution ties to 600 content creators, Amdocs delivers business improvements to drive growth.

Amdocs' market offerings meet key industry needs:



Deliver a digital-first user experience and grow consumer revenue



Grow your media and entertainment business



Provide superior, automated enterprise services



Transform to open cloud networks and realize 5G



Modernize, automate and operate your digital business



Enter new domains to drive growth and disrupt the industry to enhance loyalty and brand value

Our offerings are underpinned by our technology foundations, including Microservices360, cloud, open source, open APIs, artificial intelligence, machine learning and data analytics, and deployed using best-practice DevOps to quickly iterate optimal scope, control costs and drive business priorities.

Our sustainability commitment

Our corporate social responsibility **mission** statement and **vision** supports our continuing development: **We care and we act.**

At Amdocs we care and we act



Recognition of our sustainability efforts

The S&P Dow Jones Sustainability Index (DJSI) selected Amdocs as one of its index components in 2019, recognizing Amdocs among the companies **"best-positioned to address future sustainability challenges and opportunities"**. Becoming an index component has positioned us **in the top 10%** of our industry (TSV IT) in North America, and an important assurance of our sustainability efforts. DJSI has been measuring and advancing corporate ESG practices since 1999, providing investors with information for managing sustainability investment portfolio.

MEMBER OF
**Dow Jones
Sustainability Indices**
In collaboration with **SAM**
a S&P DOW JONES COMPANY

CSR governance structure

At Amdocs, our global CSR strategy is driven from the top by our dedicated CSR leader. The realization of the CSR strategy is handled by the CSR and Environment, Health and Safety team, and is supported by People, Legal, Finance and Global Operations departments, who report directly to Amdocs' Chief Operating Officer who is also our Chief Financial Officer. Together they oversee the implementation of our CSR strategy, ensuring we make a difference every day.



Stakeholder engagement and materiality assessment

Our main stakeholders include employees and members of our communities, customers and business partners, shareholders, NGOs and community partners, public sector organizations and universities. Stakeholder engagement is a core element of our CSR strategy, and as such we ensure that it is an important component of our work processes. Amdocs sees stakeholder engagement as a mutually beneficial process: we understand the needs of our stakeholder, and in turn,

stakeholders are privy to our focal points and priorities. The understanding and trust created during the process strengthens the company and creates resources for dealing with non-financial risks.

Organizing joint projects with stakeholders helps to strengthen our relationships with activities like common community projects, or innovation challenges. We regularly conduct detailed employee engagement surveys, providing us with 50 indicators that create an understanding of what matters most to our people.

Stakeholder Group	Examples of engagement channels
Employees	Employee Engagement Survey Innovation Challenges Employee Assessments
Clients	Joint Innovation Challenges
Suppliers	Annual Events Internal and External Audits
Communities and NGOs	Regular Communication Through Community Leaders and Community Partners
Investors and Environment, Social and Governance (ESG) Analysts and Shareholders	Webcasts and Presentations Proxy Materials and Annual Reports Letter to Shareholders Feedback on ESG Questionnaires Regular Communication
Academia and Professional Community	IT and Business Challenges Internships for Students Industry Conferences Amdocs Open Ecosystem

Our impact on Sustainable Development Goals

The work that we do impacts the world around us and our CSR strategy is aligned to the UN Sustainable Development Goals (SDGs). Through our operations, products and community projects, we cultivate shared value for a better future.



SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

In the near future, almost half of today's jobs will be gone and completely new jobs will emerge. The European Commission believes there could be as many as 756,000 unfilled jobs in the European ICT sector by 2020. As a tech company, the growing skills gap in our industry is a challenge for our business.

Our mission to build a sustainable future includes empowering individuals to develop skills to enhance their future employability. We make youth ready for the future by teaching students about today's digital world and through participation in financial, digital and English literacy courses.



SDG 5: Achieve gender equality and empower all women and girls

Amdocs believes in the empowerment of women and promotes these values both within our workforce and in our community relations initiatives. Diverse teams outperform in terms of overall success, profitability, innovation, motivation, performance and returns on investments.

We also work on such empowerment through our community projects. For example, we provided financial training to over 1,500 women entrepreneurs in India and run a two-year program to promote STEM education among 14-16-year-old girls in Israel.



SDG 10: Reduce inequality within and among countries

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. The lack of a bank account creates a lack of equal opportunity.

Our products and services are part of a digital innovation which is transforming economies and lives across the world. Amdocs Mobile Financial Service Solutions allow our customers who are service providers, to help unbanked and underbanked people to manage their finances, transfer money, shop, buy and pay bills using just their phone. This service solution opened more possibilities for previously unbanked or underbanked people who did not have access to financial services.



SDG 13: Take urgent action to combat climate change and its impact

Climate change can have an adverse impact on our business, affecting the ability to provide our customers with the quality expected. We want our employees to enjoy a safe and healthy environment, and we support climate action in our community relations projects in addition to our own operations. We undertake many environmental and climate change-related projects every year, such as awareness raising, encouraging recycling, clean-ups, waste reduction and reducing the need of private car transportation.

Risks and opportunities

Risk management

Risk assessment and management is integrated into all our business processes and operations ensuring that we achieve our long-term goals in a sustainable way.

Our comprehensive risk assessment begins by identifying the risk and its placement along the value chain. Risks are then described in full detail, including how they relate to the company. These steps enable us to assess the likelihood of the risk, the appropriate management approach and the necessary cost needed to be designated to each risk. Mitigation plans are presented to the relevant management, who decide on an appropriate plan of action.

Additionally, Amdocs promotes an effective risk culture by operating a hotline and information security unit where employees can proactively identify and report potential risks.

Examples of ESG risks and opportunities

The following are examples of ESG risks and opportunities that have been identified and selected to demonstrate the aforementioned processes.

Work-life balance

Description: Our people are our most important asset and we are 100% committed to their development and wellbeing. Maintaining a good work-life balance is of paramount importance for their wellbeing and one of the key ways in which we maintain our position as an employer of choice. We take an employee-centric approach and know that to be even more successful, we need to increase our focus on employee wellbeing and empower our people.

Risk mitigation: Amdocs has governance processes and programs to identify potential work-life balance risks to rectify them and is currently working on putting additional programs in place.

Access to new markets

Description: Amdocs has clients in geographic locations increasingly affected by extreme weather conditions, which may increase the use of cellphones and cellular data services during natural disasters. This presents the opportunity for Amdocs to build upon our existing products and services and to continue developing technologies to meet the needs of companies as they determine ways to provide cellular and data services and optimize network usage. Amdocs will be able to offer the ICT solutions these companies are looking for. This opportunity is situated along the value chain in "customers".

Strategy to realize opportunity: Since providing ICT solutions is part of Amdocs' core business, this opportunity is managed through continuous business development and embedded in on-going costs.

Time Horizon	Likelihood and Impact
medium-term	high

Development and expansion of low emission goods and services

Description: Our products not only create value to our customers but contribute to solutions to global sustainability projects. Sustainability is for us both a challenge and a business opportunity. With our products, we help consumers and businesses use less paper, plastic and energy, and make data-driven decisions about their homes. (See Valuable Products and Services)

Time Horizon	Likelihood and Impact
medium-term	high

Strategy to realize opportunity: Amdocs' strategy is to provide software and service, to meet the business imperatives of our customers to accelerate their continuous digital transformation.



2. amdocs people

91% of employees are willing to go the extra mile to help Amdocs succeed

Amdocs is a people-centric organization. We know that engaged and inspired employees are vital to the success of our company, so we encourage employees to unleash their potential, have access to professional and career development, be recognized for their achievements as individuals, and know that their wellbeing is high on our priorities.

We are taking the following steps to remain an employer of choice and ensure we are fit for the future:

- We constantly reinvent ourselves, encouraging a culture of [sustained innovation and continuous learning](#) among all our employees. 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 focused on [diversity and inclusion](#) to ensure that our talent pool represents as many views and cultures as possible, and our people excel at working in international teams, spread all over the globe.
- It is crucial for our business to maintain our position as an [employer of choice](#), attracting top talent. Our employee-centric approach to wellbeing and equal opportunities as well as our corporate purpose help create a sense of belonging, supporting employee retention.

For the fourth year running, Amdocs has ranked among the **best 15 employers in Israel** according to the Business Data Israel's annual index. We believe this is due to our employee-centric approach that make our employees feel passionate about working at Amdocs. We identify their needs and areas where we can improve by conducting regular employee engagement surveys. We are pleased that according to our 2018 survey, **79%** of employees are proud to work at Amdocs, and **91%** of employees are willing to go the extra mile to help Amdocs succeed.

2.1 Employee development

We believe in a world of opportunity, where people can develop and grow their career within Amdocs and continue to lead the sector in innovation. We provide our people opportunities for innovating, learning and developing their careers.

In 2018, we spent approximately 443 USD per full-time employee on training and development and 457 USD in 2019.

95% of full-time employees received multi-source appraisals by our new excellence standards: results and customer value, engagement and positive attitude, learning and versatility, change and agility, personal capabilities, teamwork and collaboration.

The following programs are part of our employee skills development and assessment process:

Performance Management Process: Our performance review process aims to drive a culture of open dialogue and growth mindset to enable development and future readiness of our talent. Our guiding principle is to provide meaningful ongoing feedback, appreciate efforts, clarify

expectations, connect people contribution with the bigger picture and support individual growth. Our six excellence standards are the basis for employee assessment. Performance review starts with individual assessment against the excellence standards and followed by a discussion between each employee and their manager.

The Skills Hub: its objective is to drive a continuous learning culture by providing access, motivation, and assessment for relevant technology skills. We want to ensure our employees stay ahead, while holding the required skills for the digital transformation.

The skills hub has three components:

- A tech radar where employees can see which skills they need to perform their role and skills that are in high demand at any given time
- A skills repository which includes in-depth information for each skill, a library and networking opportunities
- A skills assessment in which each employee performs a self-assessment of the core skills required for their position, and then their manager adds their assessment





Opportunities to innovate

We believe that to innovate we must allow experimentation, tolerate failure and quickly try different things. Amdocs fosters an organizational culture that encourages innovation by up-skilling, encouraging, rewarding and recognizing employee innovation efforts.

Our Innovation champions, a select group of Amdocs employees from different departments, who have been nominated as best practice leaders, drive collaborative innovation within business units and across Amdocs, create and share the culture of innovation and facilitate result-oriented innovation processes throughout the company.

Amdocs provides the infrastructural needs for innovation with the **Amdocs Innovation Center of Excellence**. The center provides a toolbox of methodologies and training materials to support all employees.

Throughout the year, employees are encouraged to identify challenges and turn them into business opportunities. Amdocs engages employees in the innovation process by **crowd sourcing innovation challenges**. We use this challenge as a tool for collecting ideas about various processes, products and services and consequently analyze and prioritize them. This initiative is to raise awareness of specific business needs and to ensure that the employees in all our locations and levels have an opportunity to innovate. This subsequently impacts employee perception around innovation and builds on our innovation story. In 2018, these challenges made way for 500 ideas for innovation to be collected.

Our **DevOps Program** equips Amdocs employees with the ability to work with DevOps methodology. We developed and implemented a full -scope program that improves skills and teaches agile methodologies. In 2018, 38.5% of our full-time employees participated in the DevOps program.

Every year we host the **Innovation Week**, a global event driving the innovation culture and mindset in the company, recognizing exceptional innovation achievements. Innovation

Week includes a worldwide hackathon, exploring future trends, training and education sessions. Among the awards are the "Innovator of the Year", patents and other various hackathon awards. In 2018 our Innovation Week took place on the theme **"Go Beyond"**, in which 8,500 employees were engaged, while in 2019 over 13,000 participated in our Innovation Week around the theme **"Dare to Dare"**.

The "Go Beyond" **Innovation Week** 2018 constituted many activities to encourage innovation. The Z Zone was dedicated to opening employees' minds to the experiences, behaviors, habits, beliefs and expectations of Gen Z, and how they are going to shape the future of our industry. The fifth Global Hackathon focused on getting to know Generation Z by creating a challenge to look at the world from the new generation's perspective and envision the ways they will consume content. The Makers Challenge embraced creativity by challenging employees to work in teams that competed in building a creative drone using ideation techniques that help break thinking habits. Lastly, Celebrating Innovation recognized our Innovators of the Year, Patents of the Year and the Global Hackathon winners. This was the culmination of an innovation-packed year at Amdocs.

During "Dare to Dare" innovation week in 2019, we focused on driving innovation mindset, recognizing exceptional achievements and celebrating innovation. Innovators were recognized for their contribution to the company and society, 220 teams from 28 sites participated in the make-athon by building fun chain-reaction machines, and over 750 participants listed to inspiring talks by leaders who had the courage to dare. Finally, we livestreamed a gaming event featuring Amdocs gamers and held tours at our innovation labs.

In 2018 we were able to improve on the incubation processes and best practices, also creating platforms to increase the execution of ideas. In 2020, we will strive to enhance more robust incubation processes and focus on major remote sites.

Learning opportunities

We strive to promote an organization where all employees can learn and develop their skills. To ensure our programs continue being relevant, we collaborate with our employees and managers.

We have introduced the following approaches 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; and initiating meet-ups and collaborations.

We started using Massive Open Online Course (MOOCs), which engages employees to learn at their own pace, while shifting the process away from the traditional learning methods. 7.8% of our full-time employees participated in our MOOCs program in 2018.

To monitor the progress of these various learning initiatives we use both immediate feedback and later feedback from employees and managers in relevant programs to measure the value of training to the business. We also use surveys to either all employees (employee engagement survey) or random groups of employees (pulse surveys) to measure the value of investment in learning and training.

The average amount of time spent per full-time employee on training and development in FY2018 was 30 hours.

Below are the satisfaction rates with "Learning and Growth" programs for the following fiscal years:

FY2016	FY2017	FY2018
64%	66%	65%

Moving forward, our priorities for the next years are:

- 1 To shift our employees' mindset from mastering 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

25% of our positions were filled by our employee internal mobility process

Career development

As an employer of choice, we believe in a world of opportunity, where people can develop and grow their career within Amdocs.

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 have 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. We encourage our employees to identify and apply for open positions that interest them within the company.

Our ongoing **Shapers program** is a disruptive leadership and innovation program, consisting of 22 employees who demonstrated the potential to disrupt and shape the future of our business while taking part in a dynamic and innovative cross-company initiative. Throughout the program, participants are provided with tools to help develop their leadership potential, this is done through generating ideas that will gradually be developed into projects. The current cycle of the Shapers program consists of 22 employees from 7 countries.

In 2018 we revised our **internal mobility policy**. We are strengthening internal career opportunities processes by encouraging employees to enhance their brand by offering different workshops, preparing them for internal interviews and selection processes, encourage hiring units and managers to consider and hire potential talent in Amdocs and work with HR leads to open internal opportunities for internal candidates. There is transparency about open positions that are available to employees through various platforms such as our Intranet site, our Applicant Tracking System (ATS) and our weekly internal newsletter sent to every region. They include open opportunities by region and global relocation opportunities. Employees apply directly on the ATS system and their CVs are tracked and submitted to the relevant hiring managers.

25% of our positions were filled by our employee internal mobility process, and we are focusing on plans to increasing this percentage.

2.2 Diversity and inclusion

Amdocs is constantly working towards making the company more inclusive and welcoming. Our belief is that diversity helps achieve our business objectives and contributes positively to the community, in short, **diverse teams outperform**. Every person brings unique knowledge, skills and experience, adding value to the Amdocs team. We ensure equal opportunities to all our employees and make an extra effort to attract diverse talent to Amdocs. We encourage all employees to value and respect each other, and strictly prohibit harassment based on their race, color, religion, gender, sexual orientation, age, national origin, disability or veteran status or other status that is protected by law. We promote this culture of respect and equality, both in our workplace and in the communities that we call home and have a zero-tolerance approach to discrimination.

Mosaic of our employees

We are proud of our global diverse workplace, which exhibits a powerful mix of cultures, experiences, generations, genders and talents that each represents. Diversity and inclusion are core to our success. Amdocs employs **25,000** people in more than **85** countries and **30.7%** of our employees are women. We chose gender diversity as our strategic focus, but also seek to strike a balance between our senior and younger employees, recruiting ethnic minorities, people with disabilities and LGBT+ persons.

Gender diversity

At Amdocs, gender diversity is crucial to our identity, creativity and product development. We are ambitious in our want to increase female representation in an industry which has traditionally faced challenges attracting women. It is a strategic priority that is supervised by our Chief Financial Officer and Chief Operating Officer, Tamar Rapaport Dagim, and Group President of Amdocs People, Judith Yampolsky. In 2016, we formed a **diversity and inclusion steering committee**, with members representing our human resources, finance and business units.

We try to minimize bias by conducting a mandatory **unconscious bias training** for all managers and new employees, based on materials provided by "Lean In". This training promotes awareness to the biases and barriers that prevent women from fulfilling their potential in the workplace. To further promote equal pay and prevent discrimination, we introduced an unconscious bias awareness education module to our annual salary revision process.



We also launched our **gender diversity and inclusion framework**, aiming to increase the representation of women at Amdocs by developing women in senior roles. We identify, train and promote women as speakers in external forums, and run an internship program for STEM university women students. Aligned with these programs was our March 2019 targeted recruitment campaign in India. The purpose of the campaign was to boost the number of internal vacancies filled by women and was targeted to software developers with 2-5 years of experience.

Gender diversity is also a material issue in our Human Capital Management, and as such have set gender KPIs which are reviewed quarterly.

We run a flagship program to accelerate inclusiveness and elevation of women in Amdocs: **INSPIRE**. The program identifies organizational champions – both men and women – and empowers them to be the catalysts of the change that we want to see. 30 Directors and VPs from various units, roles, levels and regions are been selected every year to drive cultural change to accelerate the involvement and enhancement of women at Amdocs. To date, we provided networking opportunities and mentorship for over 1,500 women in the company and career workshops for women. In 2018 we developed a project to improve organizational visibility of gender indicators by creating an information dashboard for senior managers. The managers can see the percentage of women and men on their team and sort the results per region, country, managerial type (manager/non-manager) and business cluster, among others. The information dashboard additionally allows progress to be tracked over a 12-month period.

30.7% of
our employees
are women

43% of Amdocs employees are led by women general managers

We provide a program called Inspired Connections that offers women a set of internal mentoring circles that consist of key leaders within Amdocs. The purpose of these circles is for the mentees to be exposed to key leaders to get insights and opinions about all aspects of leadership, as well as to develop their professional skills. This program also enables networking opportunities for

its participants, giving them the opportunity to build relationships with their peers from other organizations, and at the same time be exposed to groups of women from all walks of life within Amdocs. There are currently programs in Israel, India, the Philippines, and throughout the Caribbean and South America. We look forward to adding new groups in other regions and cities in 2020.

Diversity indicator	Percentage (0-100%) 2018	2019
Female share of total workforce	30.1%	30.7%
Females in all management positions, including: junior, middle and senior management (as % of total management workforce)	24.2%	24.0%
Females in junior management positions. i.e. first level of management (as % of total junior management positions)	26.3%	26.1%
Females in top management positions, i.e. maximum two levels away from the CEO or comparable positions (as a % of total top management positions)	24.9%	27.1%

Also, the 8 women general managers in Amdocs (out of 34) **manage 43% of the Amdocs employees.**

We are happy to announce the following successes in 2019:



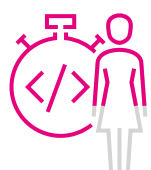
29%

of the new hires in software engineering are women, compared to the 26% we have company-wide



28%

Women Graduates Hired in India vs. 21% in previous years



42%

of the new hires in software testing are women, compared to the 37% we have company-wide

In 2 years, we had a **100% increase** in the number of women in AGE (testing unit) in Cyprus, **growing from 25% women in the team to 41%**, and **growing from 20% to 33%** in Team Lead & Project Management roles

Our long-term goal is to grow women representation by **20% in the next 3 years**: from 31% to at least 37%.

Ethnic diversity

We strive to reflect the multicultural society we operate within, and our people come from many different nationalities and cultures. For example, our most culturally diverse site which is located in Cyprus, hosts 31 different nationalities and we work hard to ensure that all cultures are celebrated. Among other activities, we sponsor major religious festivals, promote inclusion through our football, basketball, volleyball and cricket teams and we give multicultural trainings to managers.

At Amdocs Israel, by mid-2019, almost 5% of our employees were Arabs. Amdocs is a member of Collective Impact Partnership for Arab Employment that aims to improve employment opportunities in Israel for Arab citizens – who make up 25% of the population and constitute the biggest minority group. Amdocs is one of the first companies to pilot the partnership's intervention models for change. So far, the partnership has led to the successful hiring of hundreds of people and it aims to achieve a 2.2% increase in Arab Israeli employment.

In our Galilee (Nazareth) hub in Israel **73%** of our employees are Arabs – Christian, Muslim, Druze or Circassian.

LGBTQ+

For LGBTQ+, Amdocs launched a **"Shine in all colors"** campaign for Pride Week in recent years. Moreover, in 2019, the general manager of Amdocs Open Network led the way at Tel Aviv Pride parade, as Amdocs' senior sponsor for LGBTQ+. In addition, events and activities took place across Amdocs sites in Europe during June 2019, and we are looking forward to expanding our activities to other locations across the world in 2020.

We also work with several organizations to support LGBTQ+ youth at risk.

2.3 Employer of choice

Work-life balance is material to our business due to its significance to our employees' wellbeing and engagement.

Our main guiding pillars that ensure we continue being an employer of choice are:

- Continuing focus on the wellbeing of our employees
- An employee-centric approach
- Enhancing our volunteering efforts and engagement with our communities

We are proud to say that our retention rate includes **60.5%** of employees working with us for at least 3 years. The average tenure at Amdocs is **6.3** years.

Employee-centric approach

Our task is to create a sense of belonging and ensure this for all our employees. We provide competitive wages, health insurance and other employment benefits that surpass the local regulatory requirements of the countries in which we operate.

In July 2017 we launched a company-wide project, Amdocs Community Leave Bank. The project aims to help 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, where applicable, 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.

Wellbeing

In our company-wide engagement survey, our employees identified work-life balance as the most important issue for their wellbeing. To help us understand what wellbeing encompasses we created a model that unifies physical, social, emotional and financial aspects that influence the wellbeing of our employees.

We created projects that focus on the different aspects included in our wellbeing model. To ensure emotional wellbeing we developed tools, governance processes and programs to help potential review of wellness.

To ensure social and financial wellbeing, we have a variety of volunteering programs and financial courses. The physical wellbeing projects include ergonomic, road safety, food-healthy options and The Vitality Program, which currently runs in the UK and South Africa. Through Vitality, employees enjoy perks such as weekly cinema tickets and half-price gym memberships, which means that the benefits are not limited to when an employee is sick but work to improve wellbeing all year round.

Access to medical insurance ensures top-class health professionals and private hospital treatment very quickly and with no hidden costs.

In 2020 we are working on putting additional programs in place.

Collective Agreement

Amdocs employs people who are represented by independent trade unions in Canada, Brazil and Chile. In the Netherlands and Germany, we have a works council body that represents the employees, along with bodies in France and Finland.

60.5% of employees
have worked with us for
at least 3 years

Corporate citizenship and community projects

We are a socially responsible company that cares about the world around us, and the growing use of information and communications technologies across the globe provides us with a significant opportunity to make a difference. We focus on three areas:

- Empowering the younger generation
- Diversity and employability
- Wellness

Volunteering is central to our community approach and part of our DNA as a company. We learned that employee volunteering improves collaboration, increases engagement at work and contributes greatly to job satisfaction. We believe our long-term, dedicated, mutually beneficial volunteering model is unique in our industry.

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. Among our employees, we now have a global network of **150** community leaders in **80** sites who run community partnerships at a local level.

Our community projects add up to a big difference across the world. In 2018, 87 Amdocs community leaders set up over **600** activities, **5,200** employees participated in our volunteering projects and contributed a total of **35,000** volunteering hours. In 2019, we had a record of **40,000** volunteering hours from **5,036** employees.

Future employability is the focus area of our community relations. In a world of vast technological changes and uncertainty, we help prepare children and young people for the vast challenges in the job market that lie ahead.

We run future employability programs in all the regions we operate in, with programs aiming to close the digital gap. For example:

- In Israel, more than 1,000 students visit Amdocs sites every week, we run 5 weekly learning centers teaching 100 young people English and math, and we teach experimental math to 90 primary school children. We are also active participants of 52P, a national project encouraging excellence in education and Oversight, a program bringing together 70 experts from Israel's top organizations to find solutions for minimizing the skills gap.
- In India in 2018, we trained over 6,000 students in STEM education and life skills, provided vocational training to over 1,000 students, digital literacy to over 7,800 students and gave scholarships to 143 engineering students. 150 women who took our vocational training found a job or started their own business.

Jalisco Sin Hambre

In 2019, we also launched the app Jalisco Sin Hambre, (Jalisco without hunger), built by Amdocs employee volunteers, which helps food insecure people access food that would otherwise go to waste. Jalisco Sin Hambre, allows companies, farmers, and individuals to enter information regarding their surplus of food or food nearing the spoil date and matches them to local families and individuals who have registered for food donations.

Since launching in October of 2019, **120,000 people** been helped in Jalisco, Mexico.

The total monetary value of our corporate citizenship and philanthropic contributions in 2018 amounted to \$670,826 in cash and in 2019 it was \$652,128 while we donated 1,350 computers to schools and charities in 2018-2019.



40,000 volunteering hours in 2019 from 5,036 employees



3. valuable products and services

The value of a product or service has changed.

It is no longer measured solely by its business value parameters, like efficiency or profit, but also by the value it brings to the society. At Amdocs, we seek to create products and services that deliver value for business, society and the environment.

3.1 Making a positive impact through our solutions

Our solutions are designed to modernize, automate and digitize our customers' business, making them more efficient, less reliant on physical hardware and scalable so they don't waste resources.



Impact	Solution
Encouraging the use of cleaner cars in London Amdocs' solutions and products supports the provision of key digital business systems and automation technology to enable Transport for London to charge highly polluting vehicles for entering specific zones within the city, encouraging the use of cleaner cars, improving the UK capital's air quality, and creating the world's largest ULEZ.	Transport for London's new Ultra-Low Emission Zone
Energy efficient software solutions Our products and solutions support service providers shift away from costly, energy-consuming hardware components by delivering software-driven capabilities on shared platforms. Our software minimizes the reliance on high-touch manual processes typically performed by large teams of employees in physical global footprints, minimizing the need for physical real estate assets.	Network Functions Virtualization and Orchestration Solutions MarketONE Content processing and automation Smart Operations
By using our technology, customers' potential consumers can easily monitor and automate their home, controlling energy consumption by making heating and cooling adjustments remotely and quickly identifying maintenance problems.	Connected Home
Social Innovations Around 2 billion people do not have a bank account, not only because of poverty, but also due to the costs, travel distances and the paperwork involved. Amdocs Mobile Financial Service Solutions allow our customers who are service providers, to help unbanked and underbanked people to manage their finances, transfer money, shop, buy and pay bills using just their phone.	Mobile Financial Services
An initiative to anticipate, learn and further implement a new technology. It is a platform that allows us to investigate new trends and technologies and identify key use cases that can form the basis of Amdocs' strategy and roadmap. It brings innovators across Amdocs groups together with ecosystem players such as startups, large enterprises and Academia leaders to co-ideate and co-innovate around new technologies.	The Launchpad

Impact	Solution
Reducing the use of paper and plastic Enables organizations to replace manual paper documents with new electronic forms, saving resources and making administration easier for customers.	Document Management as a Service BriteBill
Our eSIM platform allows service providers to manage end-to-end eSIM activation, eliminating the need to produce traditional plastic SIM cards. Besides making the plastic SIM redundant, it also saves on the transportation of SIMs while still having the same advantages of a "physical" format.	eSIM platform
Small cells (for mobile network coverage) can be installed on existing structures instead of purpose-built mobile towers. This reduces the level of tower construction, materials usage and installation costs, yet still provides an increased amount of territory covered by mobile signal.	Small Cells Rollout Solution
Reducing site visits and associated energy use By digitally providing contextual and intelligence engagements with consumers with a chatbot, 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.	Smartbot
With unique lead-to-cash offerings, Amdocs provides a streamlined experience helping in service providers and customers spending less time on physical site visits and benefiting from increased efficiency, reduced operational costs and lower energy consumption.	Enterprise Accelerator Smart Selling Solution



Our products and services help tackle global sustainability issues



3.2 Customer satisfaction

The Amdocs Voice measures customer loyalty and is based on the Walker Loyalty Matrix, a proprietary algorithm of Walker Information. The algorithm classifies each respondent as: Truly Loyal, High Risk, Trapped, or Vulnerable. Each year Amdocs surveys approximately

60 customers (1,200 respondents). More than a half of respondents (55%) are surveyed face-to-face or through phone interviews, with the others completing online surveys. The rise in the amount of "Truly Loyal" customers determines the account executives' compensation.

	FY2015	FY2016	FY2017	FY2018	FY2019
% Truly Loyal Respondents	60%	64%	61%	60%	67%

3.3 Driving innovations for and with our customers

In 2016 - 2019, we introduced many types of process innovations. Our atomIQ platform was developed to incorporate AI and automation to our managed services at scale. This includes intelligent automation to analyze events and identify anomalies, auto-ticket-routing (auto-triage) that uses machine learning to analyze trouble and service tickets and automatically route them to the relevant team. On top of that, at the end of 2018 we started implementing Site Reliability Engineering (SRE) methodologies into our managed services. This concept, invented by Google, brings DevOps tools and methodologies to ongoing operations, effectively improving operational reliability and excellence with a software engineering approach.

Our innovation process aims to improve the customer experience. Automating billing processes that reduce the amount of manual touch in complex billing processes significantly improve their reliability, as there is less room for errors. Likewise, using artificial intelligence to pre-empt issues can eliminate customer-impacting issues before customers even notice, with a very positive impact on their customer experience.

We also help our customers accelerate their digital journey and launch of new services, which helps them become more competitive.

Our **Joint Innovation Center** is a program we have established with our customers that aims to accelerate innovation and deliver tangible results, by leveraging startup technologies and our own expertise. The Joint Innovation Center provides a collaborative environment where the service provider and technology providers team with developers to deliver innovative technology and applications. By having developers working hand in-hand with the service provider's technology experts, they can access resources they would not get anywhere else and accelerate their innovations. Projects focus on areas of significant business or technology interest and typically involve external startups, innovators, entrepreneurs, academics, and inventors. Projects are organized in short 'sprints' designed to determine success or failure quickly. The Joint Innovation Center oversees the entire lifecycle of innovative solutions from inception to commercialization.

Design Thinking sessions

We use Design Thinking methodology to help our employees and 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. Focused, fun and interactive Design Thinking sessions promote creative ideas that make a difference and deliver real business results.

Qmarkets system

Our Qmarkets system is a campaign management tool available to all our employees, helping them to create, manage, rate and follow processes. Amdocs appoints leaders to judge and provide feedback to participants. Ideas are collected and filtered, based on originality, strategic fit, value, feasibility, and time-to-market.

Open Ecosystem

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 communications 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.

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.

In 2018 Amdocs and Telstra received the TM Forum Excellence Awards for Open Digital Ecosystem Platform of the Year.

Collaboration with the Academia

Through our collaboration with the academic world, Amdocs initiates research cooperation to bring cutting-edge solutions to our customers' challenges. This provides an opportunity for both Amdocs and our customers to collaborate with the global academic community at the front end of R&D to generate solutions for complex challenges and maximize academic innovation.

4. environment, health and safety

4.1 How we manage Environment, Health and Safety

Amdocs is committed to conserving natural resources by reducing the use of energy, consumables and water; minimizing pollution by reducing greenhouse gas (GHG) emissions and reducing landfill waste. Additionally, 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 and ISO14001:2015.

Our EHS management system is classified according to size and complexity of EHS aspects, allowing us to adjust our tools and methodologies accordingly.

Additional plans of action are being presented, reviewed and guided by the Chief Operating and Chief Financial Officer.

To maximize performance, we conduct performance review self-assessment; hazard identification and risk assessments; environmental reviews; compliance assessments and programs with environment, health and safety regulations; operational control checklists; emergency drills; internal audits, training and education programs (as well as continuously monitoring changes in policy around the world).

4.2 Environment

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

The main focus of our environmental policy are:

- To reduce office energy consumption (scope 2 GHG emissions)
- To improve data collection for water consumption, ozone-depleting substances and waste (especially paper, e-waste, batteries and landfill)

Our specific targets for 2019 were to:

- 1 Reduce of 3.4% of Amdocs global energy consumption per office area
- 2 Improve local recycling programs
- 3 Reduce paper consumption per employee

Our environmental assessment will be concluded in February 2020 and we will update this report with the 2019 data.

Core memberships

Amdocs is a member of multiple influential sustainability organizations which include:



GeSI 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.



CDP is an international not-for-profit organization which supports companies and cities to measure, manage and disclose their vital environmental information. These insights enable investors, companies and governments to mitigate risks from the use of energy and natural resources, and to identify opportunities from taking a responsible approach to the environment.



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

We conduct our business in an environmentally responsible way by minimizing the footprint of our operations



Reduction of GHG Emissions

In recent years, Amdocs has committed to continuing its work in reducing greenhouse gas emissions – our most significant source of environmental impact. The emissions are largely derived from the energy 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. In addition, we calculate and report our emissions in accordance to ISO14064-3, which are verified by a third-party independent auditor.

In 2018, Amdocs committed to the Science Based Target initiative. We are working on setting emission reduction targets in line with the level of de-carbonization required to keep global temperature increase well below 2 degrees Celsius. Amdocs will approve and publish the final targets by February 2020.

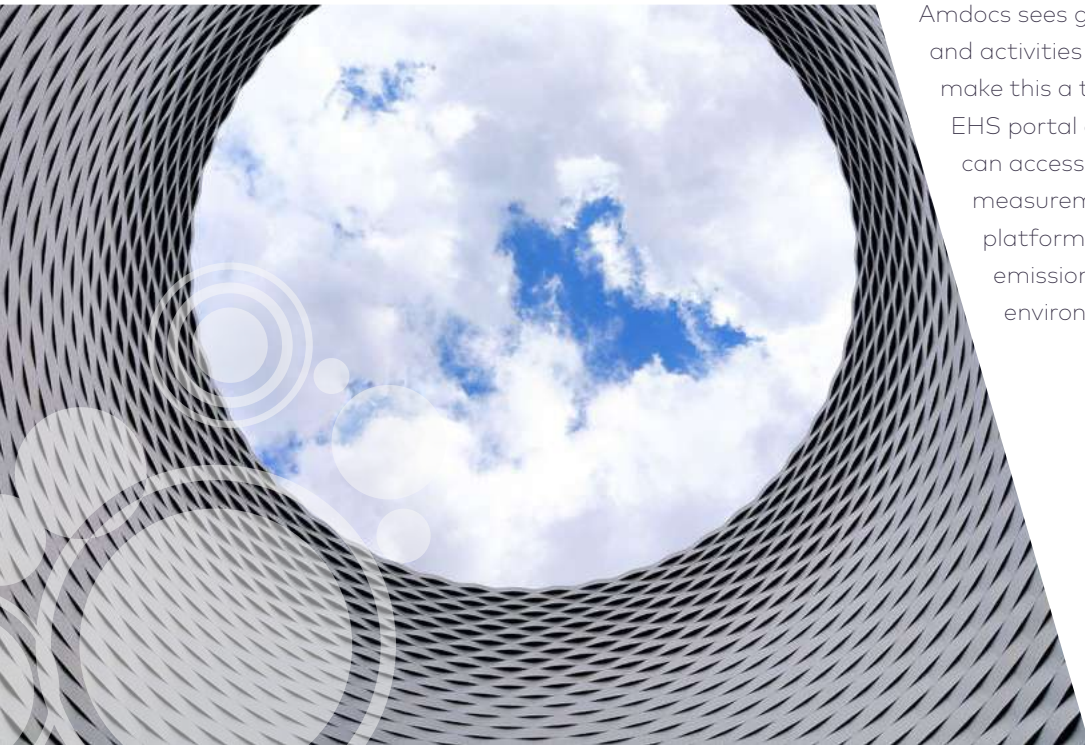
Our commitment to GHG reduction has been shown through striving to improve our data collection reliability and our GHG reporting., according to the GHG Protocol:

	Scope 1	Scope 2	Scope 3	All Scopes	All scopes per employee
FY2016	959	64,307	87,656	152,922	7.45
FY2017*	1,607	66,087	117,003	184,697	8.31
FY2018	1,087	58,270	119,339	178,696	8.01

*In FY2017 the number of our employees increased, and we included additional environmental impact indicators, compared to FY2016.

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. These additional measures contributed for a more accurate report and GHG emissions management.

In FY2018, we are delighted that we managed to reduce our relative emissions (per employee) by 3.77%. In February 2020 we will update this report with the results of our environmental assessment for 2019.



Amdocs sees great value in making EHS goals and activities transparent to our employees. To make this a tangible reality, we introduced an EHS portal on our intranet where employees can access information related to GHG measurements. Furthermore, they have a platform to offer suggestions to reduce emissions and contribute towards our environmental sustainability.



Reducing GHG emissions through energy efficiency

	FY 2015	FY 2016	FY 2017	FY 2018
Total electricity consumption (MWh)	110,495.47	107,045.83	115,931.05	108,607.56
Fuel consumption (gasoline for cars)* in million liters	4.90	4.67	3.69	3.14
Fuel consumption (diesel for cars)* in million liters	1.09	1.16	1.33	1.37

*Data only for Israel

Amdocs is making several efforts to improve the efficiency of our electricity consumption and transportation methods. Considering that data centers are a major source of emissions for Amdocs, we initiated a number of projects to reduce energy usage in data centers around the world. Annual incentive programs and goals of all data-centers managers are based on their personal goal achievements, including energy efficiency projects.

Amdocs has undertaken two main projects, along with a continued effort to reduce GHG emissions and increase energy efficiency which include:

- Gradually changing the approach for employee commuting options. In 2018, there was a conceptual change to promote alternative transportation solutions, such as carpooling, shuttles from train stations, optimization of bus lines in India and infrastructure for employees to cycle to work (parking spaces, compressors, charges and showers). In addition, Amdocs has established a goal to have 42% of the car fleet with efficient cars – hybrids and/or diesel.
- Establishing our "Travel Wise" program in 2018 to reduce business travel by all business units worldwide. The program is followed up by Amdocs' Chief Operating and Chief Financial Officer and encourages managers and employees to install and use advanced IT solutions such as VCs and Skype meetings to minimize travel.
- Other projects and incentives instituted within the past years that reflect Amdocs' efforts to reduce GHG emissions are:
 - Decommissioning hardware: In Israel, India and the USA, we reduced our annual CO₂e emissions by approximately 1,496 metric tons by optimizing equipment and merging data centers.
 - Facilities optimization, such as replacing chillers, raising AC temperature and replacing conventional light bulbs with LED in several sites had an overall decrease on electricity consumption that reflect 1876 tCO₂e emissions reduced in FY18.
 - Additional measures are being taken to reduce water consumption. In India, the reduction on water consumption for Aerators installed on the water taps on all washbasins accounted for 2 tCO₂e reduction.
 - 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 and optimization of transportation services in India can be accounted as responsible for 55 tCO₂e emissions reduction.

Offsetting Carbon

To advance our carbon reduction program, in 2018, Amdocs offset 3,000 metric tons of CO₂e with the project House Biogas, a project by a local NGO to install individual biogas plants in rural areas of Maharashtra in India. Since 2016, this project has generated an estimated annual emission reduction of 21,800 tCO₂e. Amdocs has also contributed for the areas of Uttar Pradesh and Gujarat, where firewood was replaced for cooking with clean, sustainable and efficient biogas. The system allows households to use their cattle dung to produce clean biogas for domestic purposes, and the residue used as an organic fertilizer.

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.

Waste and water management

Despite Amdocs sites being mostly rented, and therefore not completely in control of water and waste management, Amdocs is always seeking to minimize pollution by reducing landfill waste and conserve natural resources, by reducing the use of energy, consumables and water.



Water use across all Amdocs sites

Water Consumption	Unit	FY2015	FY2016	FY2017	FY2018
Total Water Use	Million Cubic Meters	0.160	0.169	0.159	0.158

Waste

By adopting the 3Rs approach – reduce, reuse, and recycle – we have continued to work towards lowering our amount of waste disposed to landfill.

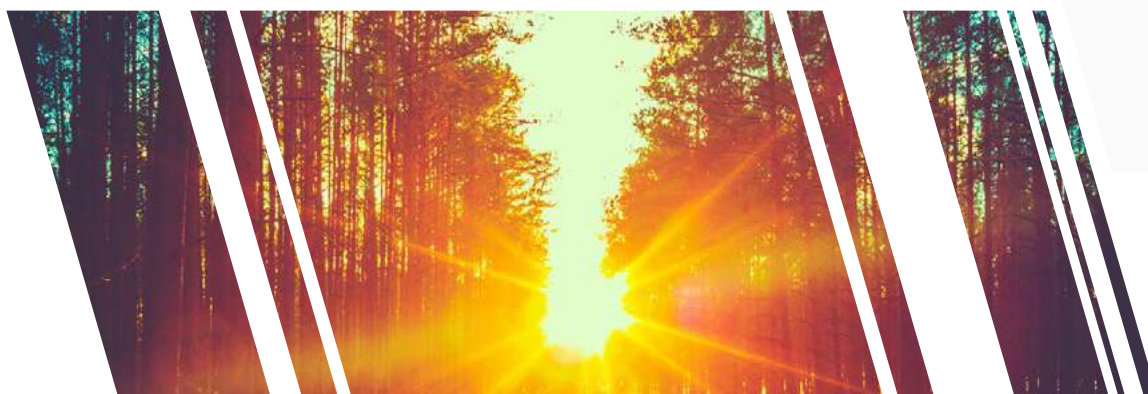
In our efforts to implement 3R approach for Amdocs main sites, we are buying only recycled paper and trying to reduce its consumption. In 2018, we consumed 38.56 tons of paper across our sites with more than 20 employees.

In FY2018, we accomplished our goal to improve data collection for our waste (especially paper), e-waste, batteries, and landfill wastes; and for the first time, we reported on our recycling figures for solid waste recycling (paper, WEEE and batteries). In 2018, our global sustainability efforts resulted to recycling 172.23 metric tons of waste.



Waste use across all Amdocs sites

Waste disposed	Unit	FY2015	FY2016	FY2017	FY2018
Total Waste Disposed	Metric tons	6220.56 met. ton	5174.37 met. ton	4485.78 met. ton	4241.5 met. ton



Other initiatives include:

- Introducing the new digital bill experience in which organizations and customers can replace traditional paper billing, lowering their carbon footprint and reducing paper waste.
- Continuing to run recycling programs for batteries, fluorescent bulbs, paper, cardboard, PET bottles and toner cartridges.
- Amdocs sites in North America and Israel ran recycling campaigns for personal electronic appliances. In two weeks across 11 North American sites, we collected a total of 5,059 pounds of electronic equipment that we then recycled through local recycling companies.
- For the third year running, Amdocs in 2018 was the main sponsor of Limassol's environmental festival in Cyprus, organized by Green Dot. The event educates the citizens of Limassol, and especially children, on the importance of recycling.
- In India, there was a launch of the "Say NO to Plastic" campaign. A workshop was conducted for all employees in the Pune and Gurgaon sites (over 10,000 employees), providing ideas and materials to be reused instead of disposed, such as plastic cups and cutlery. All plastic disposables were then banned from Amdocs offices, and coupled with ongoing activities to promote environmental awareness.
- Global Earth Hour – Amdocs joined the Earth Hour movement; and all Amdocs sites have promoted environmental activities and shut down the lights on-site during the 2018 Earth Hour Day.
- Cyprus and Santiago sites have removed personal waste bins from the office as an example of the sites efforts to raise awareness and increase recycling rates at the sites.



4.3 Health and Safety

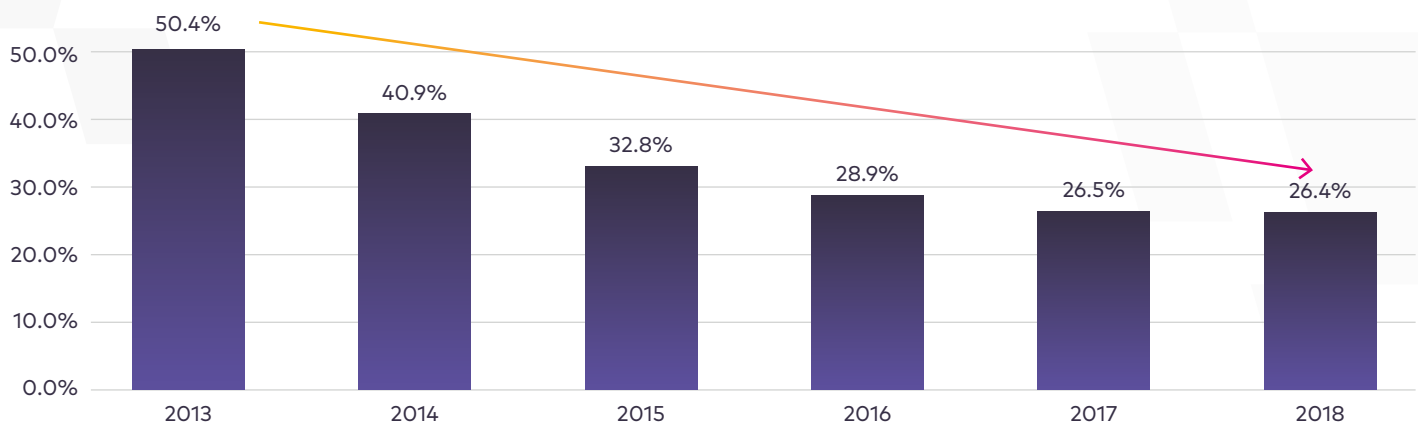
Our team works together to streamline our EHS efforts. Part of our approach is integrating an occupational health and safety program that focuses on:

- Providing a safe and healthful workplace to prevent accidents and work-related illnesses.
- Increasing awareness among our people about occupational health.
- Preparing and responding to emergencies for the protection of our people and property.

In 2018, we set for ourselves a goal to implement a joint health and safety committee at all sites with more than 100 employees. This goal is still in process and will be concluded by the end of FY2019.

Goals for 2020

- 1 Reduce lost time accidents (accidents in which employees take 1 or more days of leave) and lost days due to work-related accidents.
- 2 Growth in ergonomic interventions and awareness.
- 3 Increase H&S awareness among employees (emergency preparedness and during company events).



Emergency

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

Improving comfort in the workplace

Due to the nature of our work, most of our employees are office-based and spend hours in front of their computers. We started our ergonomics project to prevent repetitive strain injuries by assessing how people work. We provided employees with comfortable workstations and ergonomic office chairs. We also raised awareness of how to properly adjust workstations. In 2017, we conducted training 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 currently available in Israel and India. It involves practical driving instructions, road safety lectures, cautious driver contests and educational materials, among other activities. 100% of Amdocs' Israel fleet is also equipped with Mobileye vision technology system for advanced driver assistance systems. Furthermore, we initiated an eLearning program for a safe driving in US and Brazil. Thanks to this eLearning program, we have seen a major decrease in the number of driving accidents with damage over \$350.

Percentage of vehicle fleet that caused accidents with damage over \$350 – data for 2018:

Since 2015, we have provided our Israel-based employees and their spouses an annual CPR training called 'Safe Family'. Approximately 2,000 participants have been trained to date. In addition, we have equipped some offices with automated external defibrillators and an accompanying training video.

5. amdocs operational excellence

5.1 Corporate governance

Our corporate governance system ensures that the company is managed with the interest of all shareholders in mind. These systems include checks and balances that enable the Board of Directors to have appropriate control and oversight responsibilities, while also providing management incentives that have been structured to align management interests with shareholders' interests.

Our Board of Directors stands for election annually and is a "one-tier" system with 2 executive directors and 9 independent directors (as of August 5, 2019). The chair of the board is non-executive and independent, and the board's independence statement is publicly available. The statement includes an explicit definition of board member independence, as per NASDAQ Independence rules, as well as a target share of independent directors on the board (9 out of 11).

Amdocs ensures that our board members are financially literate, with extensive managerial experience at public and private companies, with expertise in understanding our evolving industries.

In addition, the Corporate Governance Committee believes it is important to consider diversity of race, ethnicity, gender, age, education, cultural background and professional experiences in evaluating board candidates in order to provide practical insights and diverse perspectives.

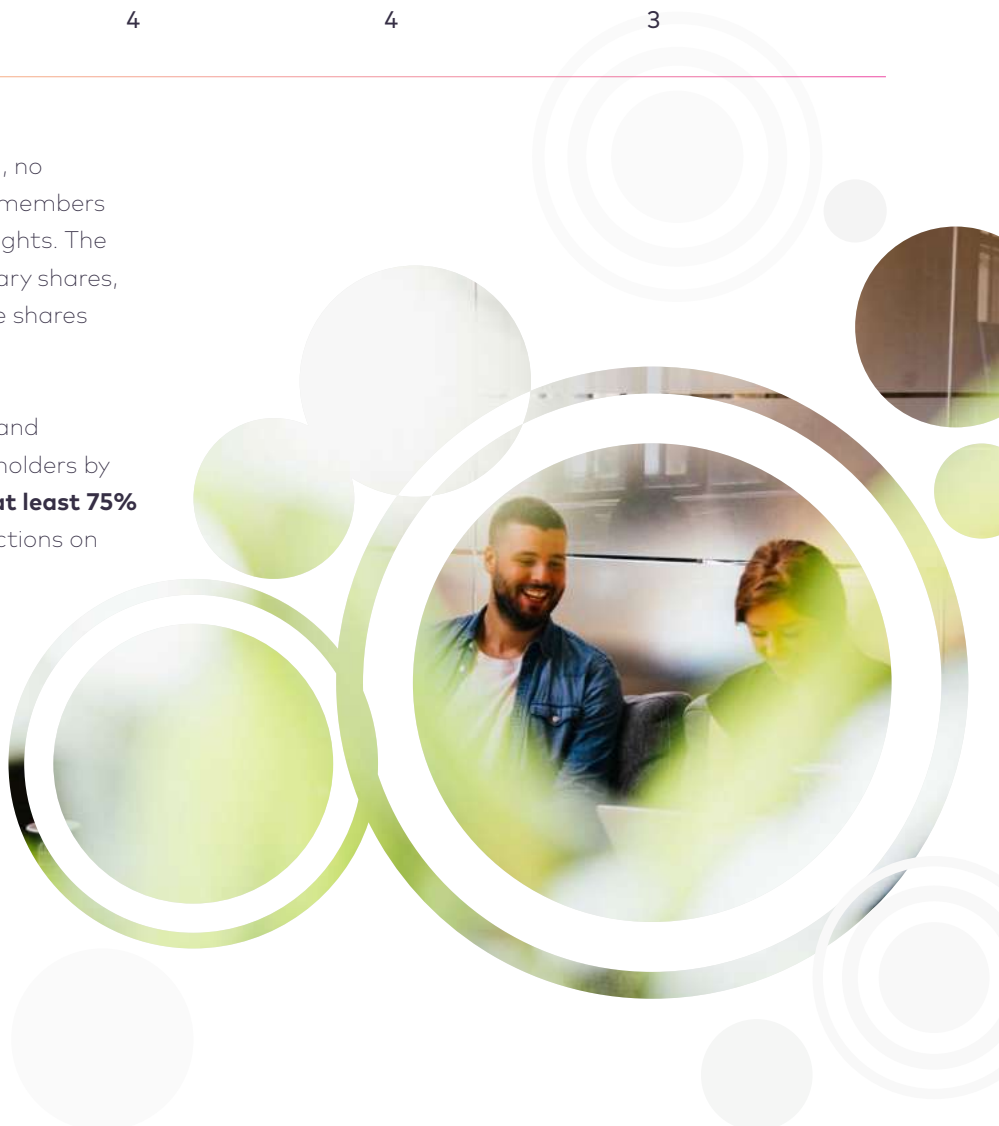
Our Board of Directors established a mandatory retirement age of 73 for directors, apart from exceptional cases where it is waived by the Chair, who has a separate role from the CEO and President.

The Board has established fully independent Audit, Nominating and Corporate Governance and Management Recourses and Compensation Committees.

	Audit Committee	Nominating & Corporate Governance Committee	Management Resources and Compensation Committee	Technology and Innovation Committee
Size of the committee	3	3	3	3
Independent chairperson	Yes	Yes	Yes	Yes
Number of independent directors on the committee	3	3	3	2
% of independent directors on the committee	100	100	100	67
Number of meetings of the committee in 2018	6	4	4	3

To maintain a nonpartisan business approach, no governmental institutions or founding family members own more than 5% of total company voting rights. The shareholder structure is for one class of ordinary shares, each having one vote. There are no preference shares outstanding or other vote restrictions.

We ensure our board of directors is effective and aligned with the long-term interests of shareholders by **maintaining a board meeting attendance of at least 75% per fiscal year** and having Board member elections on an annual basis.



5.2 Ethics

We pride ourselves on our commitment to upholding high professional and ethical standards at all times because **it is the right thing to do**. The trust and confidence of our employees, customers, shareholders, and suppliers is one of our greatest assets and our success depends on maintaining our culture and reputation for excellence and integrity in everything we do. We go above and beyond legal requirements, implementing our own initiatives to ensure ethical conduct in addition to meeting all of our ethics-related obligations as a NASDAQ-traded company. Indeed, we see ethical standards as strategic opportunities, crucial to creating a positive working environment that will not only help our employees thrive but will benefit all those affected by our business.

To reach the 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 also established clear rules to guide personal interactions and decision-making. Our values and core principles are set out in our core policy documents which are made available to all employees and contractors worldwide, which include:

- Corporate Governance Guidelines
- Code of Ethics and Business Conduct
- Amdocs Human Rights and Labor Practices Statement
- Global Anti-Bribery and Corruption Procedure
- Gifts and Hospitality Procedure
- Information Security Policy and IP Protection Guidelines
- Insider Trading Policy
- Third-Party Anti-Bribery and Corruption Procedure
- Amdocs Global Tax Strategy
- Supplier Code of Conduct
- Statement of Significant Corporate Governance Differences

Amdocs' Code of Ethics and Business Conduct applies to all employees and service providers and is the embodiment of Amdocs' shared commitment to the highest standards of integrity. The Code is published as an E-document, and is organized in easily navigated sections that include:

- Employment principles
- Employee health and safety
- Personal data protection and privacy
- Conflicts of interests
- Anti-bribery and corruption
- Gifts and contributions
- Protecting Amdocs assets
- Respect for the marketplace



The Code sets forth heightened responsibilities inherent to certain positions (e.g., special responsibilities to set examples and promote ethics campaigns for managers). The Code also provides numerous hypothetical scenarios and questions and answers that are practical, and which are accompanied by flow charts to assist with decision making. Amdocs builds a culture around ethical behavior by encouraging its workforce to refer to the Code when unsure of what to do and to always raise concerns without fear of reprisal. We constantly encourage our workforce to report all instances of potentially unethical behavior. For this purpose, we operate through a third party, independent provider, an anonymous ethics hotline, available over the phone in local languages twenty-four hours a day. We guarantee that concerns that are raised will be treated with the greatest respect, seriousness and confidentiality. 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, while the anonymity of the sources is always preserved.

We take special pride to be one of the very few big companies in the world that has achieved 100% compliance in employee ethics training. All Amdocs employees undergo a mandatory business conduct training once a year, an e-learning activity which teaches the principles of Amdocs' code of conduct and tests the employees' knowledge of the code. The training includes core modules of:

- Code of Conduct
- Cybersecurity and IP Protection
- Environment, Health and Safety
- Prevention of Sexual Harassment

Employees working in sales, procurement, legal and finance, among other units, are required to take additional courses on Anti-Corruption and Gifts & Hospitality. To pass the course, employees must answer 100% of the questions correctly. Also, all new employees are required to certify their acceptance of the Code of Conduct, as part of their onboarding.

In 2018 and 2019, we proudly continued our 'Back to Basics' ethics program. This campaign provided employees with leadership role models and focused on ethical business conduct, personal and social behavior. To empower our 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.

Amdocs' Internal Audit department conducts an annual ethical climate survey. The main finding showed that 98% of respondents, Amdocs employees, are aware of Amdocs' Code of Ethics and Business Conduct.



100% of our employees complete a business conduct training every year

5.3 Corruption and bribery

Our Global Anti-Bribery and Corruption Policy provides guidance on how to recognize and address potential bribery and corruption issues. This policy is comprehensive, and together with the publicly-available Code of Ethics & Business Conduct, is intended to articulate the guidelines and establish the procedures necessary to ensure our compliance with all applicable anti-bribery and corruption laws.

We work hard to develop and maintain rigorous procedures to oversee and evaluate our business activities in order to identify any potential risks, including bribery and corruption risks. In 2018, we undertook a comprehensive review of our anti-corruption risk assessment and risk-based due diligence program and engaged multiple stakeholders across the organization to implement a new, streamlined third-party onboarding and risk assessment process.

In the context of our M&A activity, we have also continued to focus on pre-acquisition anti-corruption due diligence

and the implementation of anti-corruption policies and procedures post-closing. Once acquisitions are complete, we swiftly integrate our anti-corruption, remediation and compliance measures into the acquired company, and conduct various types of ethics-related training for our new employees.

Amdocs provides comprehensive anti-corruption training for relevant 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.

Through our ongoing efforts to refine our anti-corruption procedures and increase employee awareness, in 2019 we can continue to report zero confirmed cases of corruption and bribery. In addition, we can report that Amdocs has no involvement in any ongoing corruption and bribery cases.

	FY2016	FY2017	FY2018	FY2019
Total number of substantiated corruption and bribery cases	0	0	0	0



5.4 Policy influence

With regards to political contributions, Amdocs prohibits any such activity. We do not contribute as an organization to political campaigns, political organizations, lobbyists or lobbying organizations. We follow this policy in order to ensure that there is no potential for ranked contributions, expenditures, or favoritism from clients and political figures.



5.5 Data protection and cyber security

We put in place a program that ensures and demonstrates our compliance with the European General Data Protection Regulations (GDPR). We also comply with international standards ISO 27001; ISO 27032 cyber readiness.

We took numerous corporate measures to enhance data protection, with specific policies, appointing Privacy Trustees assigned to each unit, implementing Information Security measures, as well as training and awareness campaigns. We integrated a variety of communication support tools and mechanisms, like help desks, focal points, ombudsman and 24/7 hotlines to ensure effective implementation of company privacy policy. We also have in place a vendor management process that includes performing a due-diligence process to ensure suppliers' compliance with privacy laws and principles.

We continue to establish relevant policies and procedures and have significantly improved the implementation of relevant measures and controls that form part of our compliance program.

We are proud that our entire Board of Directors is engaged in the cyber security strategy process, and that many of them have a technical and operational background in cyber security. The following information security and cyber security policies and procedures are

in place for all our employees and contractors especially employees with access to critical information.

An information security and cyber security policy is internally available to all employees, vendors and customers. Information security and cybersecurity awareness training is provided and includes a mandatory annual Code of Conduct training, monthly newsletter, phishing and social engineering simulations, employee performance dashboard and cyber escape rooms.

In addition to the procedures mentioned above, a clear escalation process in the case of potential information threat is provided to all employees. This includes multiple internal incident reporting channels such as by phone, the employee portal and email reporting. All reports are handled by our 24/7 global cyber security center.

Amdocs is committed to ensuring data protection and being fully transparent with our customers regarding information collection use and storing. Further, Amdocs does not divulge a customer's personal data unless proper legal procedure has been conducted from law enforcement or government agencies. We also inform 100% of our customers on the nature of information captured, use of collected information, how long the information is kept on corporate file, how the information is protected and third-party disclosure policy.

5.6 Tax compliance

Amdocs aspires to follow all applicable laws and regulations relating to its tax activities, as to maintain an open and transparent relationship with the tax authorities based on collaboration and integrity, monitor tax governance and manage tax risks.

Amdocs Global Tax Strategy is a document that is publicly available, approved by the CFO and periodically reviewed. It sets out:

- Tax strategy statement
- Approach to governance, risk management and compliance
- Approach to tax planning
- Approach towards dealings with Tax Authorities
- The level of tax risk we are prepared to accept

Amdocs has established and maintains robust policies and compliance processes that are designed to ensure the integrity of our tax returns, and timely and accurate tax payments in all countries in which we operate. This includes ensuring that our tax professionals and staff have the necessary training to manage our tax position appropriately.

We publicly report revenues for the main geographic regions in which we operate. The following table describes our Earnings before Tax (income statement), reported taxes and cash taxes paid (cash flow statement) over the last two financial years.

Financial Reporting	FY2017	FY2018	FY2019
Earnings before tax (thousands of \$)	512,912	421,541	567,887
Reported taxes (thousands of \$)	76,086	67,145	88,441
Cash taxes paid (thousands of \$)	67,544	55,938	81,943

5.7 Sustainable supply chain

We recognize the significance of our supply chain in regards to the quality of our services and their impact. We expect them to meet our high ethical and environmental standards. We aim to ensure our supply chain is inclusive and socially responsible by building long-term relationships with our suppliers, deepening our engagement with them and promoting greater transparency and traceability.

To best develop communication channels with suppliers and partners, 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.

With our Supplier Code of Conduct, subject to annual reviews, we aim to ensure that all our suppliers implement – and adhere to – our high standards within their business and across their supply chain:

- Ethics
- Anti-bribery/Corrupt practices
- Fraud and money laundering
- Non-discrimination
- 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

The Code applies to Amdocs suppliers and any of their employees, agents, officers, contractors, subcontractors, or other representatives of the companies or other entities that provide goods and services to Amdocs. Compliance with our Supplier Code of Conduct is subject to an audit at the discretion of Amdocs. Failure to comply may result in discontinuing our current relationship and/or prevent future business relationships with Amdocs.

Our suppliers must comply with all applicable state, national, international laws, rules and regulations relating to ethical and responsible standards of behavior. We also expect our suppliers to develop and maintain a process to identify labor and human rights, health and safety, environmental, business ethics and legal compliance risks associated with its activities, and implement appropriate procedures to control the identified risks.

Managing the environmental and social impact of our supply chain

To build a sustainable supply chain, a couple years ago we began the process of evaluating our suppliers. We enhanced our supplier screening process and evaluation tool prior to engaging with each new supplier, to assess

corruption risks, labor claims and financial stability, and regularly assess our strategic vendors. In 2019, we requested our relevant service providers to contractually oblige to ethics and business conduct just as they do to other commercial obligations.

To further diversify our supply chain, we built a supplier database in the United States that allows the categorization by gender, Minority Business Enterprise (MBE) and Disabled Veteran Business Enterprises (DVBE). The vendors obtain certification as "diverse" suppliers from a third-party certifying organization.

Amdocs participates in the CDP supply chain, engaging our own suppliers on GHG emissions and climate change strategies.

In terms of green procurement, we have strict environmental requirements for hardware, catering, janitorial/cleaning, and waste vendor services. Energy efficiency of the hardware products is included in the KPIs of the management. In our medium and large sites (covering around 60 sites), we only purchase recycled paper.



about this report



This report contains an overview of Amdocs' corporate social responsibility (CSR) projects and activities during 2018-2019, whose period is from October 1st to September 30th. It's a global report detailing activities relating to our material issues at all Amdocs sites. This is our fourth CSR report. Amdocs 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 and is intended mainly for professional and investors' community.

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.

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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 \$4.1 billion in fiscal 2019.

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

