

## CENTURYLINK ANTI-CORRUPTION POLICY

Issued By: Corporate Ethics and Compliance Department  
Applies To: Directors, officers, and employees of CenturyLink worldwide  
Effective Date: January 1, 2018  
Supersedes: Policy dated July 1, 2016

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### PURPOSE AND SUMMARY

The CenturyLink Anti-Corruption Policy (the “Policy”) outlines acceptable and non-acceptable behaviors to ensure compliance with global anti-corruption laws, including the Foreign Corrupt Practices Act, the U.K. Bribery Act, and Brazil’s Law No. 12,846. It is our policy to prohibit all bribery and corrupt practices, including illegal or improper payments, gifts or inducements of any kind, to or from any person, third party, competitor, current or prospective customer, vendor, supplier, or any official in the private or public sector.

### SCOPE

This Policy applies to all directors, officers, and employees of CenturyLink, Inc., and its subsidiaries, affiliates and operating segments, wherever incorporated, chartered, organized or located, including related companies, partnerships and joint ventures in which CenturyLink, Inc. has a controlling interest (“CenturyLink” or “Company”). This Policy is also relevant to all third parties who conduct business or act on the Company’s behalf, whether inside or outside of the United States.

To the extent a provision of this Policy conflicts with applicable law, the law controls. If you are uncertain what laws apply to you, or if you believe there may be a conflict between different applicable laws, consult the Law Department before proceeding.

### DEFINITIONS

“**Anything of Value**” means anything, regardless of its value, whether tangible or intangible, offered, promised, paid, authorized, or otherwise provided to any person or Government Personnel. The definition is broadly construed and there is no minimum value. Examples include, but are not limited to, cash or cash equivalents (e.g., gift cards), discounts, gifts, favors, use of materials or equipment, travel and entertainment expenses, employment, charitable donations and scholarships.

“**Bribe**” or “**Bribery**” is the offer, promise, payment or acceptance of anything of value, or any inducement of any kind, intended improperly or illegally influence a decision or outcome, to obtain or retain business, or to obtain an improper advantage.

“**Facilitation payment**” means any payment to Government Personnel to expedite or secure performance of a routine and non-discretionary governmental action. Examples include payments to speed up the approval and processing of travel visas, work orders and licenses. Facilitation payments are sometimes referred as “grease payments.” CenturyLink prohibits facilitation payments.

**“Government Agency”** means any local, state, provincial, national, federal or foreign government agency, or any other organization run by or owned in whole or in part by any local, state, provincial, national, federal or foreign government agency.

**“Government Personnel”** includes any public official or public employee in any branch of government (executive, legislative, and judicial) at any level of government (local, state, provincial, national or federal), whether foreign (non-U.S.) or domestic. Examples include, but are not limited to, (i) officers or employees of any government or any department, agency or instrumentality thereof; (ii) any officer or employee of any company or organization owned or controlled, in whole or in part, by a Government or Government Agency; (iii) candidates for political office; (iv) ambassadors and representatives of foreign governments; (v) honorary officials, such as Royal family members; (vi) union officials; (vii) judges legislators and their staff members; and (viii) representatives and employees of political parties and public international organizations such as the International Red Cross, United Nations, World Bank, NATO and FIFA. The term “Government Personnel” also includes relatives of any of the individuals who fit this definition of “Government Personnel.”

**“Kickback”** means the giving or accepting of money, gifts, or Anything of Value that is provided in return for favorable treatment, typically involving the facilitation of a transaction or some other benefit.

## **POLICY**

### **I. CenturyLink Does Not Bribe.**

We are committed to conducting business ethically, honestly and with integrity. CenturyLink prohibits bribery and corruption in all forms. Employees have three primary obligations under this Policy:

1. Never offer, promise, authorize, pay or accept a bribe, facilitation payment or kickback.
2. Always accurately reflect transactions in CenturyLink’s books and records.
3. Ensure third parties who perform services on behalf of CenturyLink do not offer, promise, pay or accept, a bribe, facilitation payment or kickback.

As a global company, CenturyLink complies with laws throughout the world combating bribery and corruption, including, but not limited to the Foreign Corrupt Practices Act of 1977 (the “FCPA”), the U.K. Bribery Act 2010 (the “U.K. Bribery Act”), and Brazil’s Law No. 12,846.

The **FCPA** is a U.S. law that prohibits a U.S. company from promising, offering or giving money or anything of value, directly through its employees or indirectly through agents or intermediaries, to a foreign official to induce that official to violate his/her lawful duty, so that the company or another party can obtain, retain or conduct business. Under the FCPA, a U.S.-based company can be held liable for any illegal payments to foreign officials authorized by employees or agents operating entirely outside the U.S. and without any involvement by personnel located within the U.S.

The **U.K. Bribery Act** has a wider scope than the FCPA. The law applies to any company which does business in the United Kingdom, such as CenturyLink, and prohibits bribery in the *private sector*, as well as the public sector, no matter where in the world the bribery occurs.

**Brazil’s Law No. 12,846** establishes a comprehensive system of corporate and individual liability for acts of corruption against Brazilian and foreign public officials or governmental bodies.

CenturyLink is also committed to full compliance with all global anti-money laundering laws. Money laundering, which is often connected to acts of corruption, is the practice of engaging in financial transactions in order to conceal the identity, source and/or destination of money derived from, or intended to facilitate, a crime. If you encounter any

suspicious activity regarding possible money laundering, contact the Integrity Line.

### **Key Points to Remember:**

- ✓ CenturyLink prohibits all forms of bribery, regardless of whether it is paid to Government Personnel or a person in the private sector.
- ✓ Bribes can include money, gifts, favors, charitable or political contributions, hospitality, and reimbursement of expenses.
- ✓ CenturyLink prohibits kickbacks and facilitation payments.

## **II. Consequences of Bribery and Corruption: Civil and Criminal Penalties**

Bribery is a criminal offense, and may result in severe penalties to CenturyLink, including fines, exclusion from government contracting, forfeiture of property, legal action by competitors, reputational damage, and loss of business. Employees who violate this Policy may be subject to discipline, up to and including termination of employment. Individuals who violate applicable anti-corruption or anti-bribery laws, regulations or international conventions may also be personally liable and subject to civil and criminal fines and/or imprisonment.

## **III. What are your Obligations?**

### **a. Do not accept, offer or pay a bribe.**

You must not offer, promise, authorize, pay or accept any facilitation payment, bribe, kickback or Anything of Value to any person, including any Government Personnel or any private individual or entity, either directly, or indirectly through a third party, in order to secure any contract, benefit, concession or other improper advantage for CenturyLink. You must avoid any action that creates even the reasonable appearance of a violation of any applicable anti-corruption or anti-bribery laws.

### **b. Use business courtesies for a legitimate business purpose.**

Our business relationships occasionally involve the offer and receipt of business courtesies – for example, gifts, meals or tokens of appreciation and gratitude, or invitations to a sporting event or other social gathering. These activities can be appropriate and legal, but must be *reasonable* and *legitimate* and comply with the CenturyLink Business Courtesies Policy. Before offering or accepting any gift, entertainment or other business courtesy, ask yourself if the expense is both reasonable and directly related to the business purpose. Note that the offer or acceptance of a business courtesy is *never acceptable* where:

- something is expected in return (i.e. “quid quo pro”), such as where the business courtesy it is intended or expected to influence a business decision or an outcome
- the business courtesy is cash or a cash equivalent, such as a gift card or gift certificate
- the business courtesy involves entertainment at an inappropriate venue or of a sexual or similarly inappropriate nature
- the business courtesy violates the law or the recipient’s internal policies or ethical standards

In addition, it is never appropriate to solicit a business courtesy. For more specific guidance, refer to the CenturyLink [Business Courtesies Policy](#).

c. **Pre-approval is always required before offering or providing a business courtesy to any Government Personnel.**

*You have specific obligations when dealing with Government Personnel.* Before you authorize or offer to extend a business courtesy, or provide any gift or Anything of Value, to Government Personnel, including any local, state, federal or foreign government official, you must first obtain **pre-approval** through the CenturyLink Government Business Courtesies approval tool, located on the Corporate Ethics and Compliance website on the Company intranet. If the tool is unavailable, you may contact [Corporate Ethics and Compliance](#) directly or by using the advice function through the Integrity Line. Failure to seek pre-approval may result in discipline up to and including termination of employment.

**Link:** CenturyLink Government Business Courtesies Tool

Public Policy employees, like all CenturyLink employees, must obtain pre-approval: (1) before offering any business courtesy to Government Personnel, and (2) before making any charitable contribution or sponsorship to an organization or event affiliated with or comprised of Government Personnel. However, Public Policy employees who find themselves in *unexpected circumstances* making it impractical or impossible to obtain pre-approval may offer business courtesies to Government Personnel only if the following conditions are met:

- the business courtesy complies with applicable law and the general guidelines for offering business courtesies set forth in CenturyLink's Business Courtesies Policy;
- as soon as practicable after the business courtesy is provided, the Public Policy employee obtains approval from their next (or higher) level manager through use of the business expense reimbursement process outlined in the [Business Expense Reimbursement Policy](#) applicable to that employee; and
- the employee must provide in the reimbursement request sufficient detail (e.g., name, agency, monetary value of the business courtesy, date and description of the business courtesy provided) to enable the approving supervisor to make an informed decision regarding the request, and to facilitate an audit of such expenses.

Additionally, when such circumstances arise, Public Policy employees must, as soon as practicable, report any business courtesy offered to Government Personnel to the Corporate Ethics and Compliance Department or through the above-referenced approval tool.

d. **Do not make or offer to make a facilitation payment.**

In some countries, it may be customary business practice to make payments or gifts of small value to government officials to expedite a routine action. For example, you may need to obtain a license or permit on an expedited basis. However, you are prohibited from making "facilitation" or "grease" payments because they are illegal under the U.K. Bribery Act and the laws of many countries where we do business. If you are unsure whether a payment is a prohibited "facilitation payment," seek guidance from the Law Department or the Corporate Ethics and Compliance Department.

e. **Maintain accurate books and records.**

CenturyLink is subject to numerous laws that require us to ensure that the Company's books and records are complete and accurate. Each employee has a duty to ensure that we maintain accurate books, records and financial reporting within all CenturyLink business units and for significant business partners working on our behalf. Therefore, all accounting records, invoices, vouchers and other business records must be complete and accurately reported and recorded. Expense reports must accurately represent your business expenses, and must be maintained in reasonable detail. No accounts may be kept "off-book" in order to facilitate or conceal improper payments, and each transaction entered into by employees or agents must have proper internal authorization and approval.

You must never agree to a request for a false invoice or for payment of expenses that are unusual, excessive, inadequately or improperly described, or that raise questions under this Policy or related CenturyLink guidelines on accounts and recordkeeping. Doing so may lead to discipline up to and including termination of employment as well as civil and criminal liability.

Even if you do not directly interact with Government Personnel, you may see the paperwork associated with people who do. For example, as a supervisor you may approve a business expense for an employee who interacts with Government Personnel. In such case, you are CenturyLink's best chance of detecting improper activity related to Government Personnel. You must be mindful of transactions that, although properly documented and accounted for, nevertheless involve providing Anything of Value to a government official that could violate the law. For instance, you may notice that a meal reimbursement request that has been properly supported by a receipt and business purpose might nevertheless violate anti-corruption laws because the meal included a government official. If you learn of any false or misleading entries, or unrecorded payments, you must report it immediately to the Integrity Line.

#### **IV. Third Party Due Diligence**

While the use of business partners and other third parties can help us meet our business goals, these arrangements can pose risks. In some circumstances under the FCPA, U.K. Bribery Act, and other applicable laws, CenturyLink can be held liable for improper payments made by third parties who work on our behalf. Liability may arise whether or not the third party is subject to these laws, or whether a contractual relationship exists between CenturyLink and the third party. These risks can be minimized if we take the following precautions:

- Carefully choose business partners, agents, consultants, and other third parties by conducting proper *due diligence* on the third party.
- Identify and address any “*red flags*” (described in Section IV(b) below) that a proposed third-party relationship may raise.

##### **a. What kind of due diligence of third parties is required?**

The due diligence required will depend on the facts and circumstances of the situation. Not all the steps described below will be necessary for each third-party review. The Corporate Ethics and Compliance Department, in consultation with the Law Department, Corporate Security and/or the business unit, will determine the appropriate steps required in any particular case.

- Collaborate with the Corporate Ethics and Compliance Department to conduct a background check.
- Ensure the written agreement contains appropriate provisions regarding the third party's duty to comply with applicable anti-corruption laws and CenturyLink's right-to-audit for compliance.
- Evaluate the background, experience and reputation of the business partner or third party.
- Evaluate the business rationale for engaging the third party.
- Obtain the third party's understanding and agreement to abide by the standards set forth in CenturyLink's [Supplier Code of Conduct](#).
- Require third parties to disclose affiliations with Government Personnel.
- Understand the services to be provided, and methods of compensation and payment.

This list is not exhaustive. The key point to remember is that we must diligently assess who we do business with and monitor the relationship to protect CenturyLink from third-party misconduct and reputational damage.

**b. What are “red flags”?**

The U.S. Department of Justice has identified certain factors as anti-corruption “red flags.” The existence of a red flag means that we need to inquire further and carefully consider the risks associated with entering or continuing a relationship with a third party where a red flag has been identified. Examples of red flags include:

- Refusal by the third party to agree in writing to comply with anti-corruption laws.
- Undisclosed sub-agents or sub-contractors who assist in the third-party’s work.
- A close personal or professional affiliation between the third party and Government Personnel.
- Poorly documented or questionable requests for reimbursement of expenses.
- Requests for false invoices or other false or misleading documents.
- Unusual payments or financial transactions, such as payments to an offshore bank account.
- A desire to keep the relationship secret.

**c. Risk Management Reviews**

If your job duties involve the negotiation and execution of written agreements with third parties (e.g., suppliers, business partners, consultants, subcontractors), you should ensure that the terms of such agreements – including those terms concerning the third party’s obligation to comply with anti-bribery laws – are reviewed and approved by the Law Department. You can seek guidance from the Corporate Ethics and Compliance Department for review of any non-standard contract terms during the negotiation and renewal of, or amendments to, third-party contracts by contacting RM Reviews. [RM.Reviews@CenturyLink.com](mailto:RM.Reviews@CenturyLink.com) is a single point of contact that distributes risk issues to subject-matter experts throughout the Company for advice or review.

**d. Annual Certification of Compliance**

As appropriate, CenturyLink may require third party representatives to submit to an annual review of their continuing compliance with anti-corruption laws. CenturyLink may also require third party representatives to complete training courses and annual compliance certifications as part of the Company’s Corporate Ethics and Compliance program. For further guidance on monitoring the compliance of third parties, contact the Integrity Line.

**e. Retention of Third Parties**

If you plan to retain a third party to interact with foreign government officials on behalf of CenturyLink, you must engage the Corporate Ethics and Compliance Department to assist in the evaluation process. The Corporate Ethics and Compliance Department, in consultation with Human Resources and the Law Department, will provide guidance on whether the job duties warrant a more extensive job application, interview or background check.

## **COMPLIANCE AND SANCTIONS**

Compliance with this Policy is mandatory and subject to audit. Failure to comply with this Policy may be grounds for disciplinary action, up to and including termination. In addition, individuals violating anti-bribery laws may be fined and/or imprisoned as the result of civil enforcement or criminal prosecution.

## **REPORTING AND NON-RETALIATION**

CenturyLink employees should, in accordance with local law, report any conduct that they believe in good faith to be a violation or apparent violation of this Policy to their manager, Human Resources, the Law Department, or the CenturyLink Integrity Line. We will treat all reports as confidential to the best of our ability. Information

pertaining to the investigation will be shared on a need-to-know basis only, and in accordance with applicable law. CenturyLink prohibits retaliation for good faith reports of suspected misconduct.

## **RESOURCES AND CONTACT INFORMATION**

Questions concerning this Policy may be directed to the Corporate Ethics and Compliance Department through the CenturyLink Integrity Line using one of the following means:

- E-mail: [IntegrityLine@CenturyLink.com](mailto:IntegrityLine@CenturyLink.com)
- Web: <http://www.centurylinkintegrityline.com>
- Telephone: 1-800-333-8938 (U.S. and International)
- Fax: 303-675-0762

Q&As concerning frequently encountered situations and frequently asked questions can be found in the Annex, attached hereto. Additional resources and contact information can be found in the Company's [Code of Conduct](#) and on the [Corporate Ethics and Compliance Department intranet page](#).

## ANNEX

This document is intended to address frequently asked questions concerning anti-corruption and anti-bribery laws, including the Foreign Corrupt Practices Act of 1977 (the “FCPA”), the U.K. Bribery Act 2010 (the “U.K. Bribery Act”), Brazil’s Law No. 12,846, and other applicable anti-corruption and anti-bribery laws. It also includes common scenarios involving improper gifts and payments which could trigger these laws. The following questions and answers are intended for general informational purposes only. Please contact the Corporate Ethics and Compliance Department via the Integrity Line if you have any questions concerning these FAQs, our Anti-Corruption Policy, or any related matters.

- Q. Is the value of a gift or meal given to a non-U.S. government official important under the FCPA?**
- A.** Yes. There is no *de minimis* provision under the FCPA or U.K. Bribery Act. These laws prohibit giving “anything of value” (irrespective of value) if it is given to improperly influence a government official’s judgment to obtain or retain business.
- Q. It seems that a global company like CenturyLink has little, if any, control over third parties with whom we do business, such as business partners or suppliers. How can CenturyLink be responsible for the acts of these independent businesses under the FCPA?**
- A.** The FCPA prohibits not only direct bribery, but it also prohibits indirect bribery. A company can still be criminally liable under the FCPA if it knows or should have known that a third party will offer or pay a bribe to government officials for the purpose of obtaining or retaining business. The issue is not control over the third-party CenturyLink does business with, but whether the company knows what that party is doing in order to sell the company’s products or services. If CenturyLink employees know or even suspect that a business partner or supplier is bribing government officials, and CenturyLink continues to conduct business with that third party, CenturyLink is at risk of violating the FCPA. This can be a complex area, so always contact the Corporate Ethics and Compliance Department if a question arises.
- Q. I have been waiting for the approval of a business license for several weeks. CenturyLink needs this license to begin selling services in a new international market. Can I make a payment to the government agency responsible for reviewing our license application for the purpose of speeding up the review process?**
- A.** No, this is a “facilitation payment” or “grease payment” and is prohibited under CenturyLink’s Anti-Corruption Policy and many anti-bribery laws, including the U.K. Bribery Act.
- Q: What if I am told that I must make a payment or suffer harm to my personal health or safety?**
- A:** In exigent circumstances (for example, if a situation involves extortion, duress, or immediate threats to personal safety or protection), a facilitation or other payment will not give rise to FCPA liability because those payments are not made with corrupt intent or for the purpose of obtaining or retaining business. If you are forced to make a payment to avoid real threats of violence or harm, the payment must be reported to the Corporate Ethics and Compliance Department as soon as possible. Failure to report such circumstances may result in discipline, up to and including termination.



**Q: What if a payment that facilitates a governmental action is authorized by applicable local laws? Is that a prohibited facilitation payment?**

**A:** An important exception exists for a payment that facilitates a governmental action that is authorized by applicable local laws. For example, a fee that is payable to expedite the regulatory review of our application to provide services in a country that is made in compliance with a published law, regulation or tariff is not considered a “facilitating” or “grease” payment and would therefore be permitted. *Given the very complex rules in this area and in order to avoid any inadvertent non-compliance, you or any employee desiring to make a payment of this type should first obtain prior written approval for the expenditure from the Corporate Ethics and Compliance Department.*

**Q. I was recently approached by a supplier who offered to give my brother a job, but the supplier made it clear that in return they expect me to use my influence to ensure CenturyLink continues to do business with them. Is this legal? What should I do?**

**A.** No, this is a violation of corporate policy and anti-bribery laws which prohibit commercial bribery (i.e., bribery between two private parties). Even though the transaction did not involve cash, awarding a job in exchange for the award of business or the continuation of business is considered an *illegal payment* in violation of the law and CenturyLink policy. You should contact the Corporate Ethics and Compliance Department through the Integrity Line.