

6700 Via Austi Parkway Las Vegas, NV 89119 Telephone 702-244-7318

Linda C. Stinar Director, State Regulatory Affairs

March 2, 2015

Mr. Timothy Sullivan Interim Executive Director California Public Utilities Commission 505 Van Ness Ave. San Francisco, California 94102 <u>Timothy.sullivan@cpuc.ca.gov</u>

RE: CenturyLink's G.O. 156 Annual WMDVBE Report

Dear Mr. Sullivan:

Enclosed please find the 2014 Annual Report of Centurylink Communications Company, LLC, CenturyTel of Eastern Oregon, Inc. d/b/a/ CenturyLink, CenturyLink Public Communications, Inc. d/b/a CenturyLink (collectively, "CenturyLink") pursuant to Section 9 of General Order 156 of the California Public Utilities Commission.

If you have any questions concerning this report, please do not hesitate to contact me by telephone at 702-244-7318 or by email at Linda.C.Stinar@centurylink.com.

Sincerely,

Lindo Stim

Linda Stinar

Cc: Stephanie Green 505 Van Ness Ave. San Francisco, CA 94102 <u>Stephanie.green@cpuc.ca.gov</u>

Attachment

WMDVBE CALIFORNIA ANNUAL REPORT/ANNUAL PLAN TABLE OF CONTENTS

Description

Page No.

2014 ANNUAL REPORT

9.1.1	Description of WMDVBE Program Activities – Internal and External	2
9.1.2	Summary of WMDVBE Purchases and/or Contracts, with Breakdowns Ethnicity, Product and Service Categories	8
9.1.3	WMDVBE Program Expenses	13
9.1.4	Description of Progress in Meeting or Exceeding Set Goals	14
9.1.5	Summary of Utilization of WMDVBE Subcontractors	15
9.1.6	A list of WMDVBE Complaints and Current Status	16
9.1.7	Elimination of Excluded Categories	17
9.1.8	Description of Efforts to recruit WMDVBE Suppliers in Low Utilization Categories	18
9.1.9	Support for Excluded Categories Included with 9.1.7	20
10.1.1	Short-term, Mid-Term and Long-Term Goals	21
10.1.2	Description of WMDVBE Planned Program Activities – Internal and External	22
10.1.3	Plans for Recruiting WMDVBE Suppliers in Low Utilization Areas	23
10.1.5	Plans for Subcontracting	24
10.1.6	Plans for Complying with WMDVBE Program Guidelines	25

ATTACHMENTS

A. Supplier Diversity Program Document

2014 ANNUAL REPORT

Section 9.1.1

INTERNAL MINORITY, WOMEN and DISABLED VETERAN BUSINESS ENTERPRISES ("MWDVBE") PROGRAM ACTIVITIES¹

A. Introduction

CenturyLink's Supply Chain organization values all supplier contributions and recognizes their individual importance. Minority, Women and Disabled Veteran Business Enterprises ("MWDVBE") are a vital part of the CenturyLink's supplier base and are integral to customer satisfaction. CenturyLink has active participation of its senior officers, management, and business units to deliver its MWDVBE programs, and is very committed to supplier diversity.

CenturyLink is proud of its 2014 MWDVBE results. At the corporate level, CenturyLink spent over 14% of its total discretionary spending with MWDVBE suppliers. Our spend with diverse vendors in CA represents 9.68 %.

B. CenturyLink's Internal MWDVBE Program Activities

1. As part of CenturyLink's Supply Chain Organization, CenturyLink maintains a dedicated Supplier Diversity team to implement and manage CenturyLink's MWDVBE Supply Chain program. CenturyLink's Supplier Diversity team focuses specifically on:

- Using MWDVBE firms in direct contracting;
- Encouraging primary contractors to use MWDVBEs as subcontractors;
- Assisting MWDVBEs in the formation of creative alliances that result in their doing business with CenturyLink.

To achieve these goals, and to assure continued opportunities and growth for MWDVBE suppliers, the Supplier Diversity team collaborates with CenturyLink's Supply Chain Organization's strategic sourcing managers, who oversee the daily management and

¹ CenturyLink uses the terminology "Minority, Women and Disabled Veteran Business Enterprises (MWDVBE)" when referring to its supplier diversity program.

CenturyLink 2014 Annual Report

strategic relationships with prime minority and non-minority suppliers. CenturyLink's Supplier Diversity team meets regularly with the strategic sourcing teams to provide assistance with any MWDVBE issues or questions; to assist with the Request for Proposal ("RFP") bidding processes; and to ensure that the strategic sourcing teams understand and incorporate CenturyLink's MWDVBE initiatives in contracts with CenturyLink. The Supplier Diversity team also works directly with managers in CenturyLink's business units to ensure personnel involved in Supply Chain decisions are trained in the use of MWDVBE suppliers.

Following are highlights of CenturyLink's internal MWDVBE program activities that are conducted by CenturyLink's Supplier Diversity team :

- Continued focus and communications of CenturyLink MWDVBE corporate policies and initiatives to ensure opportunities and utilization of MWDVBEs at CenturyLink.
- Tracking and reporting direct contracting and subcontracting spending with MWDVBE suppliers to CenturyLink leadership, CenturyLink Supply Chain Organization, and CenturyLink business units
- Maximizing opportunities and participation by MWDVBEs by providing information and introducing MWDVBE suppliers to CenturyLink's Supply Chain strategic sourcing teams.
- Preparing compliance reports on the utilization and business development of MWDVBEs for many organizations including Public Utilities Commissions, State Governments, corporate customers, and community based organizations and special interest groups.
- Monitoring CenturyLink's prime contractors' quarterly MWDVBE subcontracting activity in support of CenturyLink's Supply Chain/Supplier Diversity subcontracting policy and Supply Chain requirements.

2. Enhanced Capability to Identify and Track MWDVBE Supplier Data

CenturyLink's Supplier Diversity team continued to contract with 3rd party supplier to provide detailed reporting on all CenturyLink suppliers with spends greater than \$1,000.

The 3rd party supplier analyzes over 10,000 CenturyLink suppliers for MWDVBE, small business, and CPUC-certified classifications. Supplier also provides SIC commodity code classifications so that CenturyLink can access more detailed information of commodity spend. CenturyLink can also access database of more than 400,000 certified diverse businesses for potential inclusion in RFPs.

In addition, the Supplier Diversity team works with 3rd party supplier to provide on-line reporting capabilities for all CenturyLink prime suppliers, with whom CenturyLink spends greater than \$1M annually, to report their MWDBVE subcontracting activities. Training on the on-line reporting tool was made available quarterly in 2014 to approximately 10 prime suppliers to allow them to report their 2014 MWDVBE utilization data in a centralized system. Prime/indirect suppliers are required to report their MWDVBE spend on a quarterly basis.² CenturyLink currently has 168 prime/indirect suppliers reporting via the on-line tool.

3. Supplier Diversity Training

CenturyLink's Supplier Diversity team made presentations to various business unit managers during the 2014 year. The goals of the meetings were two-fold: first, to present MWDVBE use results, and second, to reiterate the corporate commitment to the supplier diversity initiative. Information was presented about awareness of and compliance with the California Public Utilities Commission ("CPUC") General Order 156 ("G.O. 156") CenturyLink's focus includes increasing use of existing CPUC-certified

² CenturyLink has adopted the Technology Industry Group (TIG) standards for reporting MWDVBE spend by direct or prime suppliers.

CenturyLink 2014 Annual Report

suppliers at CenturyLink, and identifying existing suppliers that should be certified by the CA PUC due to business utilization in the state of California to ensure that they comply with obtaining certification. CenturyLink also emphasized the need to have CenturyLink's prime contractors utilize CPUC-certified suppliers and report on this utilization in the on-line reporting tool provided.

4. CenturyLink Internal Resource Groups

CenturyLink supports a number of diversity groups made up of CenturyLink employees who have a common interest in promoting the company's diversity philosophy. These internal resource groups have as a goal to participate in community outreach activities on behalf of CenturyLink, and often refer suppliers to CenturyLink. The Resource Groups include:

ABTP – Alliance for Black Telecommunications Professionals
EAGLE – Employee Association for Gays and Lesbians
PAAN – Resource group for Asian and Pacific Islander employees
CenturyLink FRIENDS – Resource group supporting persons with disabilities
CenturyLink Women – Resource group supporting women
CenturyLink Veterans – Resource group supporting veterans
SOMOS (Success-Oriented Members Offering Support) – Resource group
supporting Hispanic employees
Voice of Many Feathers – American Indian resource group

C. External MWDVBE Program Activities

In 2014, CenturyLink maintained a very strong presence in the minority business community by taking part in presentations and actively participating on various boards of directors, at conferences and other minority-focused business events, and engaged in the following activities as part of its MWDVBE program:

• NMSDC Regional Program Managers Seminar

- National Minority Supplier Development Council Annual Procurement Conference
- National Veterans Small Business Conference
- Women's Business Enterprise National Council Annual Conference

A. CenturyLink's External Practices and Outreach in Support of Supply Chain from MWDVBEs

In 2014, CenturyLink's Supplier Diversity team actively sought out MWDVBE suppliers that are California-clearinghouse-certified and was successful in identifying 2 suppliers with MBE certification status to assist in meeting our goals.

In addition, the Supplier Diversity team at CenturyLink did the following in 2014:

- Completed presentations on process to doing business with CenturyLink and provided information on procurement policies to potential I MWDVBE suppliers to encourage and instruct them concerning CenturyLink's Supply Chain practices and how they can participate as potential suppliers and be selected as suppliers to CenturyLink.
- Maintained an external CenturyLink website for potential and current suppliers, which contains information concerning becoming an MWDVBE supplier.
- Maintained strategic business relationships with minority Chambers of Commerce and other minority groups and organizations for the purpose of disseminating information about CenturyLink's program and ensured that CenturyLink is represented, visible and accessible to MWDVBEs.

B. CenturyLink's external outreach program included active participation in the following national and regional organizations:

- Minority Chambers of Commerce National focus
- National Minority Business Development Agency -Washington D.C.
- National Minority Supplier Development Council
- Small Business Administration
- Technology Industry Group
- Women's Business Enterprise National Council



SUMMARY OF MWDVBE PURCHASES AND/OR CONTRACTS, WITH BREAKDOWNS BY ETHNICITY, PRODUCT AND SERVICE CATEGORIES

The following charts provide a breakdown of CenturyLink spend in California:

2014 Summary of MWDVBE Purchases by Ethnicity.

Gender	Ethnicity	2014 Spend	% of Total CA Supply Chain Spend
FEMALE	AFRICAN AMERICAN	\$8,332	0.01%
	ASIAN PACIFIC	\$843,949	0.60%
	CAUCASIAN	\$445,245	0.32%
MALE	AFRICAN AMERICAN ASIAN PACIFIC	\$799,107 \$11,148,927	0.57%
	HISPANIC	\$196,265	
	DISABLED VETERAN	\$222,788	0.16%
MWDVBE Spend		\$13,664,613	
Total YTD Spend	d in CA	\$141,199,283	9.68%

Gender	Ethnicity	2014 Spend	Product/ Service	% of Total CA Supply Chain Spend
FEMALE	CAUCASIAN	\$35,425	Product	0.03%
MALE	AFRICAN AMERICAN	\$799,107		0.57%
	ASIAN PACIFIC HISPANIC	\$11,142,927 \$196,265		7.89% 0.14%
		\$190,200	Product	0.14%
FEMALE	AFRICAN AMERICAN	\$8,332	Service	0.01%
	ASIAN PACIFIC	\$843,950	Service	0.60%
	CAUCASIAN	\$409,820	Service	0.29%
MALE	ASIAN PACIFIC	\$6,000	Service	0.00%
	DISABLED VETERAN	\$222,788	Service	0.16%
Total YTD Sp	end in CA	\$141,199,283		9.68%

2014 MWDVBE Summary Products and Services

2014 Summary	of MWDVBE Purchases	by SIC Code
--------------	---------------------	-------------

SIC CODE	PRODUCT/SERVICE	ETHNICITY	JAN-DEC SPEND
16 Heavy Construction, ex. Building	Service	CAUCASIAN FEMALE	350.00
17 special trade contractor	Product	CAUCASIAN FEMALE	35,425.18
17 special trade contractor	Service	ASIAN PACIFIC MALE	6,000.00
17 special trade contractor	Service	DISABLED VETERAN	222,788.00
17 special trade contractor	Service	CAUCASIAN FEMALE	394.46
17 special trade contractor	Service	CAUCASIAN FEMALE	12,323.75
36 Electronic & other electric			
equipment	Product	ASIAN PACIFIC MALE	4,936.20
36 Electronic & other electric			
equipment	Product	HISPANIC MALE	196,265.00
36 Electronic & other electric			
equipment	Product	AFRICAN AMER MALE	799,107.11
39 Misc Manufacturing	Product	ASIAN PACIFIC MALE	11,116,086.00
39 Miscellaneous manufacturing			
industries	Product	ASIAN PACIFIC MALE	21,904.59
42 Trucking and Warehousing	Service	CAUCASIAN FEMALE	396,751.95
		AFRICAN AMER	
73 Business Services	Service	FEMALE	8,332.00
72	c .	ASIAN PACIFIC	
73 Business Services	Service	FEMALE	843,949.50
TOTAL YTD MWDVBE CPUC SPE	ND		13,664,613.74

2014 Summary of MWDVBE Spend % Breakdown

Ethnicity	% of Total CA Supply Chain Spend
MINORITY FEMALE	
AFRICAN AMERICAN	0.01%
ASIAN PACIFIC	0.60%
CAUCASIAN	0.31%
MINORITY MALE	
AFRICAN AMERICAN	0.57%
ASIAN PACIFIC	7.89%
HISPANIC	0.14%
DISABLED VETERAN	0.16%
% of Total YTD Spend in CA	9.68%

2014 Prime Supplier MWDVBE Subcontractor Spend

		MBE	WBE
		1,722,475.89	3,578,555.12
YTD CA Spend Total	\$141,199,283		
% OF SPEND	3.75%		

2014 Data on Number of Suppliers – Utility Specific Spend

# of MWDVBEs	DVBE	MBE	WBE	Grand Total
Under \$1M	1		5	6
Under \$5M		7		7
Over \$5M		1		1
Total	1	8	5	14

2014 Supplier Payment Data – Utility Specific Spend

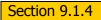
# of MWDVBEs	DVBE	MBE	WBE	Grand Total
Under \$1M	\$222,788		\$445,245	
Under \$5M		\$1,880,494		
Over \$5M		\$11,116,086		
Total	\$222,788	\$12,996,580	\$445,245	\$13,664,613

Section 9.1.3

Supplier Diversity Program Expenses

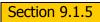
Wages	\$105,000
Other Employee Expenses	\$2,200
Program Expenses	\$89,000
Consultants	\$63,000
Total Program Expenses	\$259,200

These are overall expenses for MWDVBE program.



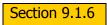
DESCRIPTION OF PROGRESS IN MEETING OR EXCEEDING SET GOALS

- A. The following is an outline of CenturyLink goals and results for 2014:
 - 1. CenturyLink continues to be able to identify all state-specific spend
 - 2. CenturyLink worked with its' top five prime suppliers with spend in California to ensure they are reporting their MWDVBE subcontracting spend through the online tool, and that they are appropriately utilizing CPUC-certified MWDVBE subcontractors. Over 30 prime suppliers with spend in CA reported utilization of MWDVBE subcontractors. CenturyLink will continue to work to identify CPUC certified suppliers utilized by our prime suppliers for reporting purposes.



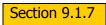
SUMMARY OF UTILIZATION OF MWDVBE SUBCONTRACTORS

As described earlier in this Report, CenturyLink has contracted with a 3rd party solutions provider which allows for on-line reporting capabilities for all CenturyLink Supply Chain suppliers with spend greater than \$500,000 to report their subcontracting efforts. Training is provided quarterly. 10 suppliers were trained in 2014. Suppliers with annual spend of greater than \$500,000 are expected to report their direct spend with MWDVBE subcontractors on a quarterly basis.



LIST OF MWDVBE COMPLAINTS RECEIVED AND CURRENT STATUS

No complaints from MWDVBEs have been received by CenturyLink.



SUMMARY OF PURCHASES AND OR CONTRACTS IN EXCLUDED CATEGORIES

CenturyLink has no excluded categories.

Section 9.1.8

DESCRIPTION OF EFFORTS TO RECRUIT MWDVBE SUPPLIERS IN LOW UTILIZATION CATEGORIES

1. Public Relations and Advertising Firms

CenturyLink has had a business relationship for many years with several minority and woman-owned public relations and advertising firms. The efforts to contract with MWDVBEs in these areas continue and identifying CPUC certified firms is a priority for 2015

2. Legal Services, Legal Counsel and Risk Management/Insurance

CenturyLink has a business relationship with a minority certified law firm. The effort to contract with additional MWDVBE firms in the legal and risk management arenas continues to be a priority.

- Brown Law Group ALC African American firm
- Document Technologies Women owned firm

3. Utilities

Where governed by regulation, CenturyLink sources its energy needs through the regional provider of record (i.e., electricity from power companies, utility companies, etc.) Where unregulated commodities exist, CenturyLink seeks to source via competitive searches, including MWDVBE providers.

4. Airlines

CenturyLink sources among the air carriers who provide coverage in the routes most frequently used by its corporate travelers. Both Regional and National carriers are considered, with the list of providers determined by geographical coverage abilities. CenturyLink contracts with two large airlines and no specific targets for MWDVBE spend have been established.

5. Rental Cars

CenturyLink also contracts with national distribution channels for satisfying rental car needs.

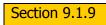
CenturyLink utilizes national car rental agencies, and has established a target of 10% MWDVBE indirect spend with them.

6. Hotels

National Hotel chains are sourced as the primary provider of comprehensive coverage for corporate traveler lodging needs. CenturyLink has not yet identified any hotels that are CPUC-certified.

7. Large Financial Organizations

CenturyLink has not identified any large financial companies that are CPUC-certified.



Support for Excluded Categories

CenturyLink has no excluded categories.

2014 ANNUAL PLAN

Section 10.1.1

Short-Term Goals, Mid-Term, and Long-Term Goals

For calendar year 2015, CenturyLink expects to be able to continue to report all of its Supply Chain spending at a state-specific level.

CenturyLink will continue to leverage 3rd party databases and on-line reporting system to evaluate supplier spend by commodity, MWDBE suppliers, and CPUC certified suppliers. These reports will be analyzed on a quarterly basis and shared with CenturyLink leadership, CenturyLink Supply Chain Organization, and CenturyLink business units responsible for purchasing products or services.

CenturyLink will continue to focus on overall diversity in 2015. Key activities include

- All employees were required to complete diversity training through our on-line Code of Conduct system.
- Increase participation of marketing opportunities to diverse business and consumer audiences.
- Increase employee participation in resource groups by 18%.

Section 10.1.2

Description of MWDVBE Planned Program Activities for 2015 – Internal and External

- CenturyLink will continue to work with its Prime Suppliers with spend in CA to ensure they are accurately identifying CPUC certified subcontractors and reporting their MWDVBE subcontracting activity.
- Actively continue to identify CPUC certified suppliers within supply chain for utilization in CA business opportunities
- CenturyLink will continue to do training on CA GO 156 with strategic sourcing managers and business unit stakeholders.

Section 10.1.3

2015 Plans for recruiting MWDVBE suppliers in low utilization areas

CenturyLink's Supplier Diversity team will continue to work with the CenturyLink's Supply Chain organization and other internal business units to formulate strategies to increase MWDVBE participation through Request for Proposal bid opportunities and through special efforts to seek and identify MWDVBE suppliers in low utilization categories.

Specifically, CenturyLink's Supplier Diversity staff in partnership with its Supply Chain strategic sourcing teams will take measures to increase MWDVBE suppliers in low utilization categories as follows:

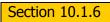
- Utilize referrals from public agencies, Technology Industry Group, trade associations and minority supplier councils
- Actively seek MWDVBE suppliers that meet specific requirements of internal business units
- Facilitate introductory meetings between internal clients, strategic sourcing managers and MWDVBEs
- Connect MWDVBE suppliers with prime non-minority suppliers to explore subcontracting opportunities
- Provide information and education to MWDVBE suppliers on specific requirements and needs of Requests for Proposal to ensure higher rate of success with preparation of responses
- Debrief unsuccessful MWDVBE suppliers and provide guidance to help improve competitiveness in future bidding opportunities

Section 10.1.5

Plans for Encouraging Prime Contractors to Engage MWDVBE Suppliers in Subcontracts

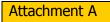
CenturyLink plans to continue to encourage prime contractors to subcontract with MWDVBE suppliers and will provide specific goals and targets for prime contractors with spend over \$5M to reach their subcontracting commitment to CenturyLink. CenturyLink's subcontracting plan will be strictly adhered to and monitored through annual scorecard meetings with the larger prime contractors and through individual strategic sourcing manager monitoring their assigned prime suppliers.

CenturyLink Supplier Diversity team is also available to assist the supplier with resources and answer questions relative to subcontracting activity.



Plans for Complying with MWDVBE Program Guidelines

CenturyLink plans to continue to improve its outreach efforts, and its identification and use of MWDVBE suppliers in California by all the methods described in this Report and Plan.





CenturyLink Supplier Diversity Program

700 W. Mineral Avenue Littleton, CO 80120

Supplier Name: <u>CenturyLink</u> Product/Services: <u>Telecommunications</u>

CenturyLink (NYSE: CTL) is the third largest telecommunications company in the United States. The company is a global leader in cloud infrastructure and hosted IT solutions for enterprise customers. CenturyLink provides data, voice and managed services to business, government, individual and wholesale customers in local, national and select international markets through our high quality advanced fiber-optic network and multiple data centers. The company also offers advanced entertainment services under the CenturyLink[™] Prism[™] TV and DIRECTV brands. CenturyLink's customers range from Fortune 500 companies in some of the country's largest cities to families living in rural America. Headquartered in Monroe, La., CenturyLink is an S&P 500 company and is included among the Fortune 500 list of America's largest corporations.

CenturyLink Diversity Steering Committee

CenturyLink has a senior-level Diversity Steering Committee which shapes and drives the company's overall diversity strategy. The committee is led by the CEO, and members of the CEO's senior leadership team serve on the committee. The committee reviews results, approves and provides guidance and feedback to the company's diversity initiatives, including company culture, employee engagement, marketing, supplier relationships, recruitment and talent development.

CenturyLink believes that embracing diversity and creating a culture of inclusion makes CenturyLink a better company. By incorporating a variety of viewpoints, insights and perspectives, CenturyLink is a better service provider, a better community partner and better able to serve our diverse employee and customer base. The Diversity Steering Committee plays a key leadership role in bringing this philosophy to life within the culture of the company.

CenturyLink Supplier Diversity Vision

The Supplier Diversity Organization is an integral part of CenturyLink's Global Supply Chain and the team

leader reports directly to the Chief Procurement Officer. CenturyLink values the unique blend of cultural,

social and business expertise, as well as the energy and creativity that diverse suppliers provide, with their

total cost solutions.

The primary goal of our Strategic Sourcing and Supply Chain Organization is to develop and maintain strategic relationships with our suppliers that result in the on-time delivery of the highest quality products and services at the best total cost of acquisition to CenturyLink. An important part of the process is contracting with ethnic minority, women, and disabled veteran owned business enterprises (MWDVBE's) that help us achieve the primary goal.

At CenturyLink, creating sustainable supplier diversity participation in our supply chain is critically important. To accomplish this, we have integrated supplier diversity into our strategic sourcing process through measurable goals and objectives, as well as engaging top suppliers company-wide to increase our indirect spending. Additionally, we hold regular meetings with our top prime suppliers, maintain an open door policy with diverse suppliers, include MWDVBEs as part of RF processes and maintain an active presence in diverse business organizations and local minority and women chambers of commerce.

CenturyLink believes that working with companies owned by ethnic minorities, women and disabled veterans is smart business. Diverse suppliers are strategically sourced to be integrated within the full spectrum of supply chain. Commodities within supply chain routinely sourced for diverse suppliers include, but are not limited to: Advertising/Marketing, Communication Devices, Construction, Fleet, IT, Office Services, Professional Services, Real Estate, Support Hardware, Warehouse/Logistics, and Travel.

CenturyLink Supplier Diversity Reporting

CenturyLink is proud of its' Supplier Diversity results and we strive to maintain an average of 15% spend annually with MWDVBE's. 2014 MWDVBE spend percentage = 14.34%

CenturyLink's Supplier Diversity organization tracks direct (Tier 1) and indirect (Tier 2) supplier spend by commodity, on a quarterly basis. Diversity categories currently tracked include:

African American Asian-Pacific or Asian-Indian American Hispanic American Native American Woman-owned Service Disabled Veteran-owned Small Disadvantaged Business (SDB) Certified 8 (a) Certified Hub-Zone In addition, the Supplier Diversity team works with our 3rd party solutions supplier to provide on-line reporting and diverse supplier search capabilities for all CenturyLink direct or prime suppliers, with whom CenturyLink spends greater than \$500,000 annually, to report their MWDBVE subcontracting activities. All prime suppliers with an average yearly contract value of \$500,000 are encouraged to have an MWDVBE subcontracting plan as part of their Sourcing contract. CenturyLink currently has its prime suppliers reporting quarterly Tier 2 spend via the online tool.

CenturyLink External Outreach Program

CenturyLink's small and diverse business outreach includes active participation in the following national and regional organizations:

National –

- Latin American Education Foundation (LAEF)
- National Council of La Raza (NCLR)
- National Minority Business Development Agency (NMBDA)
- National Minority Supplier Development Council (NMSDC) * Corporate Member
- Small Business Administration (SBA)
- Technology (formerly Telecom) Industry Group (TIG) *Founding Corporate Member
- Women's Business Enterprise National Council (WBENC) * Corporate Member

National activities participated include:

- NMSDC annual supplier conference
- Veteran's annual Procurement Conference
- WBENC annual supplier conference

Regional -

- Arizona Hispanic Chamber of Commerce
- Asian Chamber of Commerce
- Carolinas Minority Supplier Development Council
- Colorado Black Chamber of Commerce
- Colorado Women's Chamber of Commerce
- Colorado Hispanic Chamber of Commerce
- Maryland/D.C. Minority Supplier Development Council
- Mountain Plains Minority Supplier Development Council
- Northwest Minority Supplier Development Council
- Pacific Southwest Minority Supplier Development Council
- Rocky Mountain Business Opportunity Council
- Rocky Mountain Indian Chamber of Commerce
- Virginia Minority Supplier Development Council, Arlington, VA

Regional activities participated include:

- Access Opportunity Supplier Roundtable presentation panel for MWBEs
- Governor's Procurement Market Place
- Minority Business Opportunity Fair (regional MSDC
- WBEC-West Supplier Match Maker
- Utility Procurement Forum

CenturyLink Recognition in External MWDVBE Community

Over the years, CenturyLink and their subsidiaries have been the recipient of awards from various minority groups and organizations recognizing the efforts that CenturyLink makes in providing supplier diversity opportunities. Recent awards for Supplier Diversity:

- 2014 Top 25 Supplier Diversity Ambassador Minority Business News USA
- 2014 Corporate Member, AZ Hispanic Chamber Million Dollar Business Excellence
- 2013 Best of the Best Top Supplier Diversity, Hispanic Business News
- 2013 Corporate Inductee, AZ Hispanic Chamber Million Dollar Business Excellence
- 2013 Top 25 Supplier Diversity Ambassador Minority Business News USA
- 2012 Regional Minority Business Advocate of the Year, Mountain Plains MSDC

CenturyLink Supplier Web Site

The Sourcing Organization maintains an external CenturyLink website for potential and current suppliers, which contains information concerning becoming an MWDVBE supplier. CenturyLink's external Supplier website can be found at

http://www.centurylink.com/Pages/AboutUs/CompanyInformation/DoingBusiness

To apply for potential business opportunities at CenturyLink, suppliers can:

- 1. Go <u>www.CenturyLink.com</u>
- 2. Select the "About Us" link
- 3. Select "Company Information" option
- 4. Select "Doing Business with CenturyLink" option
- 5. Select the Supplier Registration Form, complete and submit the form and any supplemental documents to the appropriate email