



2020 Environmental, Social and Governance (ESG) Report



TABLE OF CONTENTS

APPROACH

Message from President & CEO	2
ESG Strategy	3
ESG Priorities	4
ESG Transparency	5

ENVIRONMENTAL

Environmental Impact	7
Emissions and Carbon Intensity	8
Our Emissions by Scope	9
Business Continuity	10
Renewable Energy	12
Real Estate	13
Fleet	14
Product Stewardship	15
Paper	17
Water Conservation	18

SOCIAL

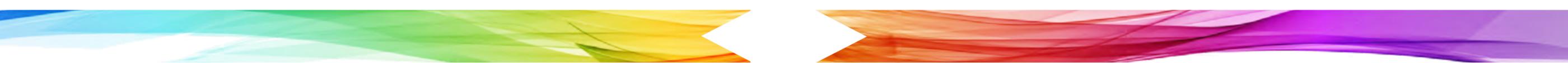
Digital Inclusion	20
Accessibility	22
Digital Safety	25
Robocalls	26
Open Internet	28
Privacy and Data Protection	29
Cybersecurity	31
Human Capital Guiding Principles	32
Our Workforce by the Numbers	32
Committed to Respectful Workplace	33
Employee Compensation and Benefits	34
Diversity and Inclusion	36
Human Prosperity	38
Key Partners	40
Veterans	41
Employee Resource Groups	43
Learning and Development	44
Safety	46
Labor Relations	48
Supply Chain	49
Supplier Diversity	50

GOVERNANCE

How We Govern	52
Ethics and Compliance	54
Code of Conduct	55
Human Rights	57

APPENDIX

Definition of Material Issues	59
ESG Data Index	61
GRI Index	64



APPROACH

IN THIS SECTION

Message from President & CEO	2
ESG Strategy	3
ESG Priorities	4
ESG Transparency	5



MESSAGE FROM THE PRESIDENT & CEO



Windstream made significant advancements over the past year in Environmental, Social and Governance (ESG) performance and management. Our 2020 ESG Report highlights the progress we are making across a broad range of initiatives.

We believe a strong ESG program is an essential part of good corporate governance, and for Windstream, ESG governance starts at the top. In 2020, the company's governing Board of Managers assigned five of its members to oversee and advise our new internal ESG Operational Committee, which is charged with managing our performance and reporting.

I am pleased to report Windstream received the second best ESG risk rating among U.S.-based telecommunications providers in February 2021 by Sustainalytics, a Morningstar company. Sustainalytics' comprehensive assessment demonstrates that Windstream continues to position itself to minimize environmental impacts, to treat customers, employees and partners fairly, and to govern itself with the highest ethical standards.

Windstream also achieved its highest score to date in early 2021 from the CDP, formerly the Carbon Disclosure Project. The company received a "B," or Management band, score, exceeding global and telecommunication sector averages of "C" and the North American company average of "D."

To enhance transparency, we made our CDP submission and targets public for the first time and had a third party independently verify our emission calculations and submission. As a result of our efforts to reduce our real estate footprint and modernize our network infrastructure, we made a substantial reduction in Scope 2 purchased electricity as well as our overall Carbon Intensity score. We also made our foray into renewable energy with our first community solar power deal.

Finally, in March 2021, Windstream became the fourth U.S.-based telecommunications service provider to join the UN Global Compact to promote accountability and stakeholder engagement in the areas of human rights, labor and environment.

Windstream will celebrate its 15th anniversary as a company this summer. Our company is stronger and better positioned than ever to achieve our goals and drive value for our stakeholders. Our strong governance structure will continue to guide our path to a better future for our communities and world.



ESG STRATEGY

At Windstream, two overarching statements guide everything we do:

OUR MISSION

Connect people and empower business in a world of infinite possibilities.

OUR VISION

To provide innovative software and network solutions while consistently delivering an amazing customer experience.

Consistent with these guiding principles, our ESG strategy is to proactively and efficiently manage the environmental and social risks and opportunities that arise from the operation of our business.

Windstream embarked on a new era in 2020 with an enhanced capital structure, and we are well-positioned to continue making substantial network and software investments, fuel innovation and sustainable growth, and drive value for all our stakeholders and society at large.

Our commitment to addressing ESG issues is embedded at every level of the company. It includes Board of Managers oversight through quarterly and ad hoc meetings, officer-level engagement and a broader team of dedicated professionals who focus on specific issues and engage other leaders across the business.

CORE VALUES

ACCOUNTABILITY

TAKE OWNERSHIP. BE RESPONSIVE AND TRANSPARENT. FULFILL YOUR OBLIGATIONS TO YOUR CUSTOMERS, TEAM MEMBERS AND THE COMPANY.

COLLABORATION

COME TOGETHER. WORK WITH OTHERS TO ACHIEVE SHARED GOALS. FOSTER AN ENVIRONMENT OF TEAMWORK.

AGILITY

BE NIMBLE. SEEK OUT OPPORTUNITIES TO IMPROVE. THINK AND ACT IN A WAY THAT EMBRACES CHANGE.

RESPECT

SERVE OTHERS. CULTIVATE A CLIMATE OF DIGNITY, TRUST AND RESPECT FOR ALL. CONSIDER OTHERS' OPINIONS EQUAL TO YOUR OWN.

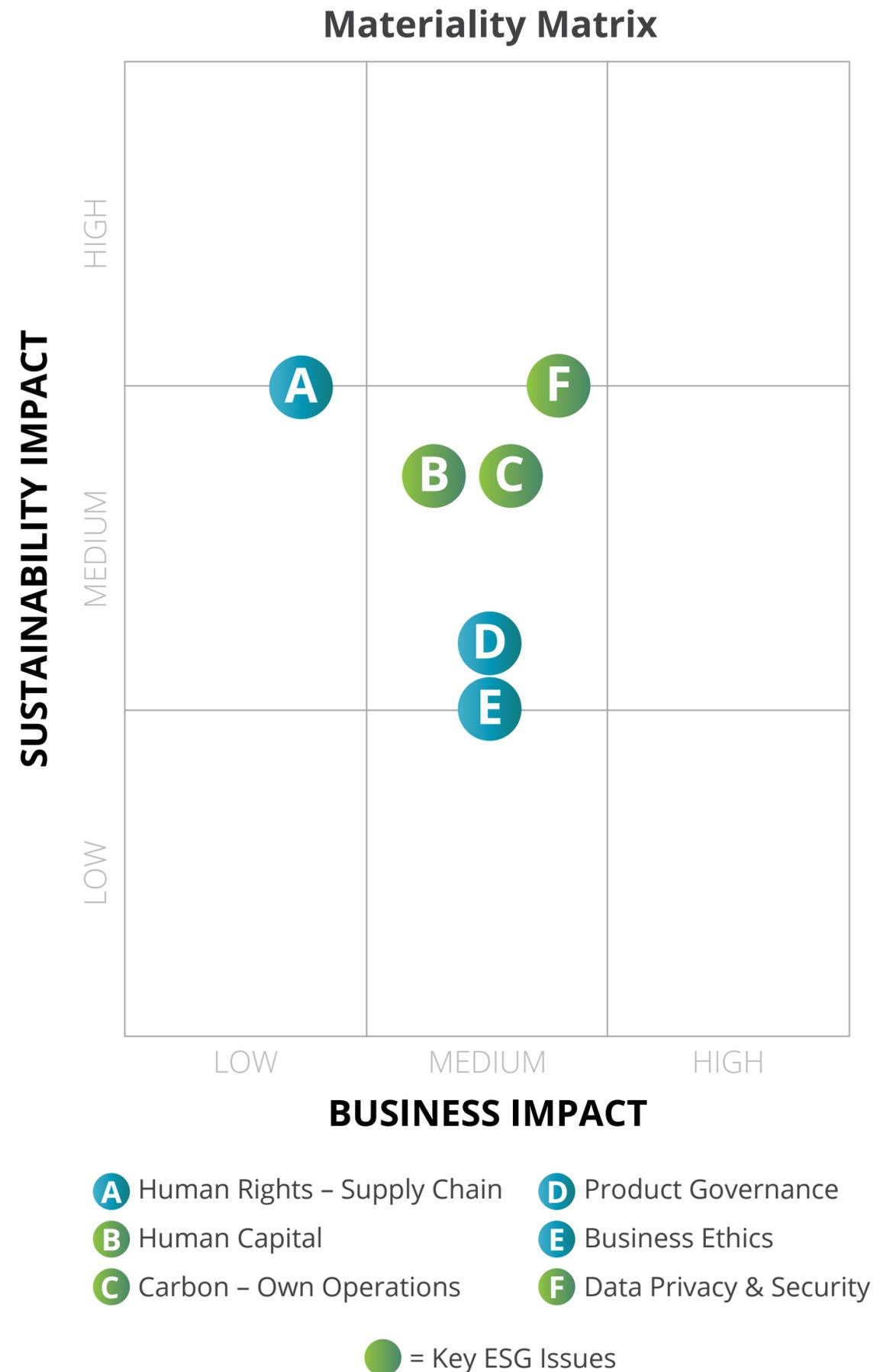
ESG PRIORITIES

This report is informed by the Global Reporting Initiative (GRI) standards, feedback received through engagement with our investors, and industry best-practices. It is also informed by an ESG risk rating, materiality assessment, and benchmarking engagement with Sustainalytics (a Morningstar company), the largest and leading independent global provider of ESG and corporate governance research and ratings.

A Materiality Matrix presents a view of the most material ESG issues from a business, environmental and social impact perspective. This is different from financial materiality, which is a threshold for influencing the investment decisions of investors. ESG issues can be presented as the most important sources of risk if not managed well. The location on the matrix indicates the relative importance of the ESG issue, with those located at the top right corner being the most material for the industry as a whole.

Each issue is prioritized in the Materiality Matrix according to the degree to which it could potentially impact our business and society. Our ESG strategy cares for all of the listed issues.

Please see the [Appendix](#) for issues definition. Key ESG issues are those deemed most relevant to Windstream by Sustainalytics as part of its ESG risk rating process.





ESG TRANSPARENCY

Although Windstream is now a privately held company, we will continue to carry forward our commitment to transparency and reporting on our corporate social responsibility performance through this annual ESG report, our participation in the CDP emissions reporting process (and related third party assurance and verification of our submission), our commitment to actively engage with ESG risk rating agencies to help ensure full, transparent and accurate information on our policies, programs and performance against targets, and by sharing relevant policy and program disclosures on our investor relations website.

We are advancing our reporting strategy this year by providing both an ESG data index and a GRI index showing how our disclosures align with the Global Reporting Initiative's ESG reporting standards.

A photograph of two construction workers in safety gear (hard hats and high-visibility vests) looking at a document in a forest. The background is a lush green forest with sunlight filtering through the trees. The word 'ENVIRONMENTAL' is overlaid in large, white, bold letters across the middle of the image.

ENVIRONMENTAL

IN THIS SECTION

Environmental Impact	7
Emissions and Carbon Intensity	8
Our Emissions by Scope	9
Business Continuity	10
Renewable Energy	12
Corporate and Network Real Estate and Data Centers	13
Fleet	14
Product Stewardship, Waste, Reuse and Recycling	15
Paper: Reducing Consumption and Improving Sustainability	17
Water Conservation	18

ENVIRONMENTAL IMPACT

Windstream is committed to environmental stewardship. We believe that companies have a significant role to play when it comes to reducing our society's environmental impact on our planet. At Windstream, sustainability efforts are an obligation, not a choice. Our corporate sustainability program and environmental policy combine common-sense strategies with more ambitious long-term initiatives to become more resource efficient. This approach allows us to make improvements while balancing the needs of our customers, employees, and shareholders.

To hold ourselves accountable, set goals and measure our performance, we began voluntarily participating in the CDP's global environmental disclosure system in 2008. We believe in making environmental reporting and risk management a business norm and driving disclosure, insight, and action towards a sustainable economy. This past year, for the first time, Windstream:

- Made our annual CDP submission and sustainability targets public on the CDP website
- Captured and reported our Scope 3, value chain emissions, which tend to make up the majority of an organization's total, overall emissions
- Received a "B/Management" level score from CDP, moving up one level from the prior year, comparing favorably to the industry and global averages of "C/Awareness" and the North American average across all industries of "D/Disclosure"
- Received 3rd party assurance for our CDP submission and emissions reporting
- Completed a comprehensive, 3rd party climate risk and opportunity assessment to identify and quantify risks from climate change and potential carbon tax
- Initiated a renewable and carbon-free energy program
- Captured and reported our water consumption and shared our reduction target

WE REMAIN COMMITTED TO:

Environmental protection and creating environmental awareness

Maintaining our Environmental Management System (EMS)

Using natural resources and energy more efficiently

Working diligently to reduce our overall emissions and sources of waste

Monitoring and reporting on our environmental performance and any material issues that arise

Consulting with relevant stakeholders on environmental issues

Managing the regulatory, reputational and market risks related to climate change

EMISSIONS AND CARBON INTENSITY

Emissions and carbon intensity, typically calculated as metric tons of CO₂e per U.S. \$100 million of annual revenue, are heavily influenced by customer growth and geographic expansion, the level of capital investment in our network, and how efficiently and sustainably Windstream supports these activities.

Understanding that our customer footprint is largely rural and requires that we cover greater distances to support them, it is natural that our carbon intensity may be higher than others in our industry whose customers are in more densely populated urban areas. Being mindful of this, Windstream is committed to integrating the concept of eco-design into our product selection, network infrastructure, and operational strategies. This tangibly means migrating from older technologies to newer, more

Windstream is committed to integrating the **concept of eco-design** into our **product selection, network infrastructure, and operational strategies.**

energy-efficient solutions, including from copper-based services to fiber, to edge routers that require 60% less energy per unit of output, installing energy-efficient LED lighting and low-carbon natural gas generators in our facilities, reducing our corporate and

network real estate footprint, and using leaner, more virtual and efficient hardware and cooling solutions in upcoming data center rationalization efforts. It also means innovation and investment in remote diagnostics, more reliable and resilient infrastructure and hardware, equipment that can be self-installed, and improvements to call center help-desk effectiveness and first-time repair quality, which all serve to reduce technician dispatches to customer locations, truck rolls and gallons consumed.

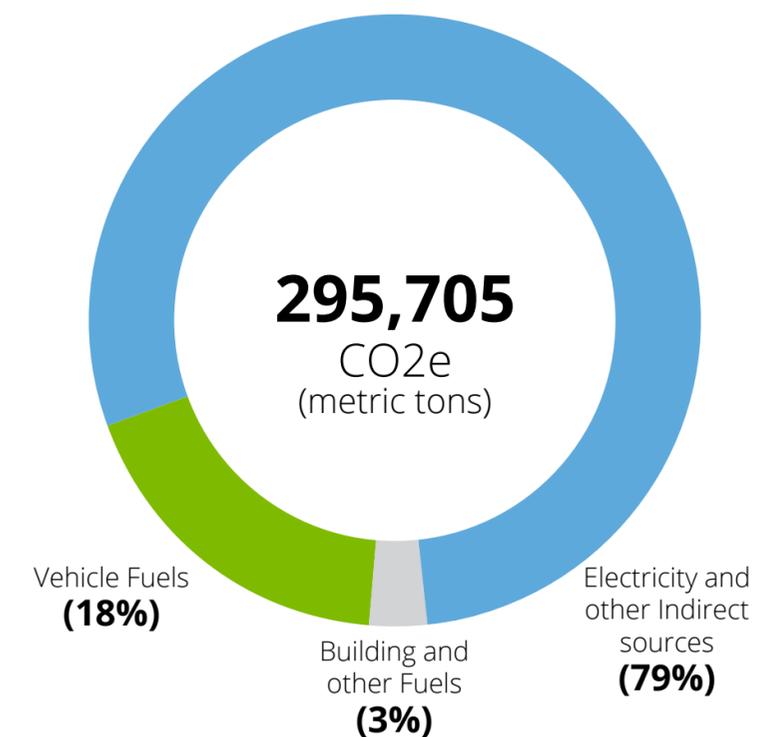
OUR EMISSIONS BY SCOPE

In 2020, our Scope 1 and 2 emissions were down by 14.6% from the prior year, or by 51,000 metric tons of CO₂e as a result of our aggressive real estate rationalization efforts and migration to more energy efficient technologies across our network. These strategies and investments directly contributed to a notable 6.4% decrease in our overall Carbon Intensity score.

GHG Emissions (CO₂e metric tons)

Emissions	2018	2019	2020	2020 vs 2019
Scope 1	63,811	60,350	62,956	+ 4.3%
Scope 2	295,451	286,039	232,749	- 18.6%
Total GHG (Scope 1 & 2)	359,262	346,389	295,705	- 14.6%
Carbon Intensity	62.92	67.71	63.39	- 6.4%
Scope 3 (all)	Not Calculated	479,363	508,403	6.1%
Scope 3 (business travel only)	Not Calculated	5,792	1,908	- 67%
Total Emissions (Scope 1, 2 & 3)	Not Calculated	825,752	804,108	-12.00%

2020 GHG Profile – Scope 1 and 2



Scope 1:

Direct sources of emissions owned or controlled by Windstream (fuel to power our fleet, heat building and power generators)

Scope 2:

Indirect emissions purchased by Windstream but generated offsite (almost exclusively electricity to power our network and data centers)

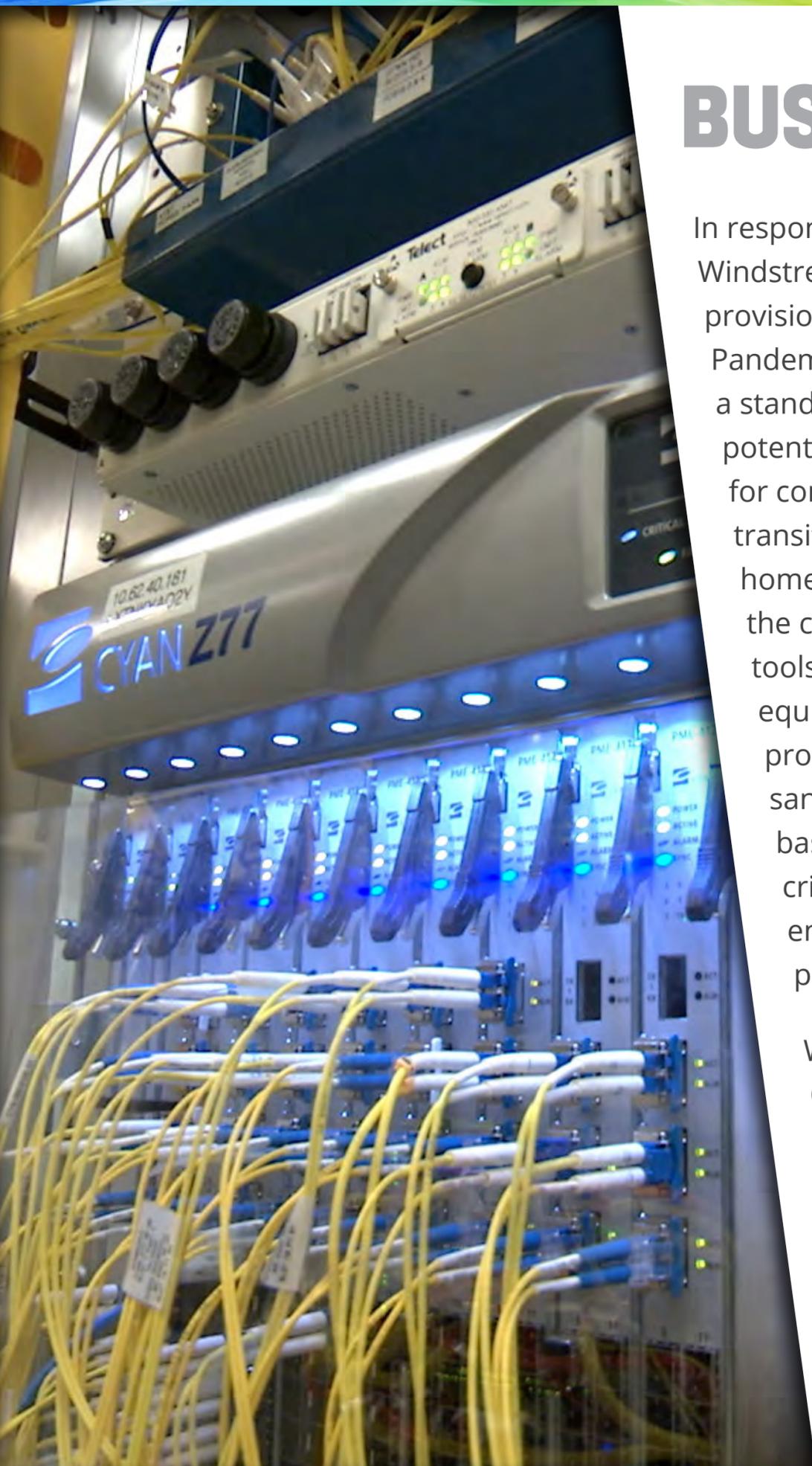
Carbon Intensity:

Metric tons of Scope 1 and 2 CO₂e per US\$100M of revenue

Scope 3:

Value chain emissions, defined as emissions that are the result of activities from assets not owned or controlled by Windstream, but that we indirectly impact in our value chain, which often represent the majority of an organization's GHG emissions. Of the 15 categories of Scope 3 emissions, 9 are relevant to Windstream and included in our Scope 3 reporting: (1) purchased goods and services; (2) capital goods; (3) fuel and energy-related activities not included in Scope 1 and 2; (4) upstream transportation and distribution; (5) waste generated in operations; (6) business travel; (7) employee commuting; (8) upstream leased assets, and; (9) use of sold products.

Note: 2019 reporting has been verified with third-party assurance, 2020 reporting will be verified following our CDP submission in June, which is the customary timing for this activity.



BUSINESS CONTINUITY

In response to the COVID-19 pandemic, Windstream implemented several provisions of our Business Continuity and Pandemic Response Plans, which provide a standardized strategy for managing potentially disruptive events. Key strategies for continuity of our operations were transitioning our employees to virtual home offices in most locations utilizing the company's robust collaboration tools, including OfficeSuite HD Meeting®, equipping our employees with personal protective equipment (i.e., masks, hand sanitizer, gloves) and safety protocols based on CDC guidance, and engaging critical suppliers and vendors to ensure their capacity to provide product and service continuity.

Windstream's Corporate Business Continuity Management Program's mission is to identify risk to its essential business functions by developing plans to mitigate those risks to protect our employees, business operations, customers, and key stakeholders. As part of our program goals, we

promote business continuity awareness and participation at all levels within the company. We do this through annual training and exercises, and by observing Business Continuity Awareness Week in May, which highlights the importance of business continuity and focuses on building and investing in resiliency.

Windstream's Corporate Business Continuity Management Program's mission is to identify risk to its essential business functions by developing plans to mitigate those risks to **protect our employees, business operations, customers, and key stakeholders.**

Annually, we conduct a Business Impact Analysis to ensure that the essential business functions are included in our plans for recovery and restoration in the event of a disaster or business disruption. In conjunction with the impact analysis, a risk and threat analysis review is conducted for an understanding of any site vulnerabilities to determine remediation and consider mitigation as appropriate in the recovery strategies.

The recovery strategies are intended to minimize the decision-making process during a business continuity event or catastrophic event. A catastrophic event that could cause or has caused significant impact to our People, Premises, Resources, and Suppliers (P.P.R.S.). Catastrophic events are many, ranging from natural disasters (e.g., floods, hurricanes, tornadoes, earthquakes), technological disasters (e.g., cyber incidents/data breaches), pandemics, to man-made disasters (e.g., work-place violence, active-shooter).

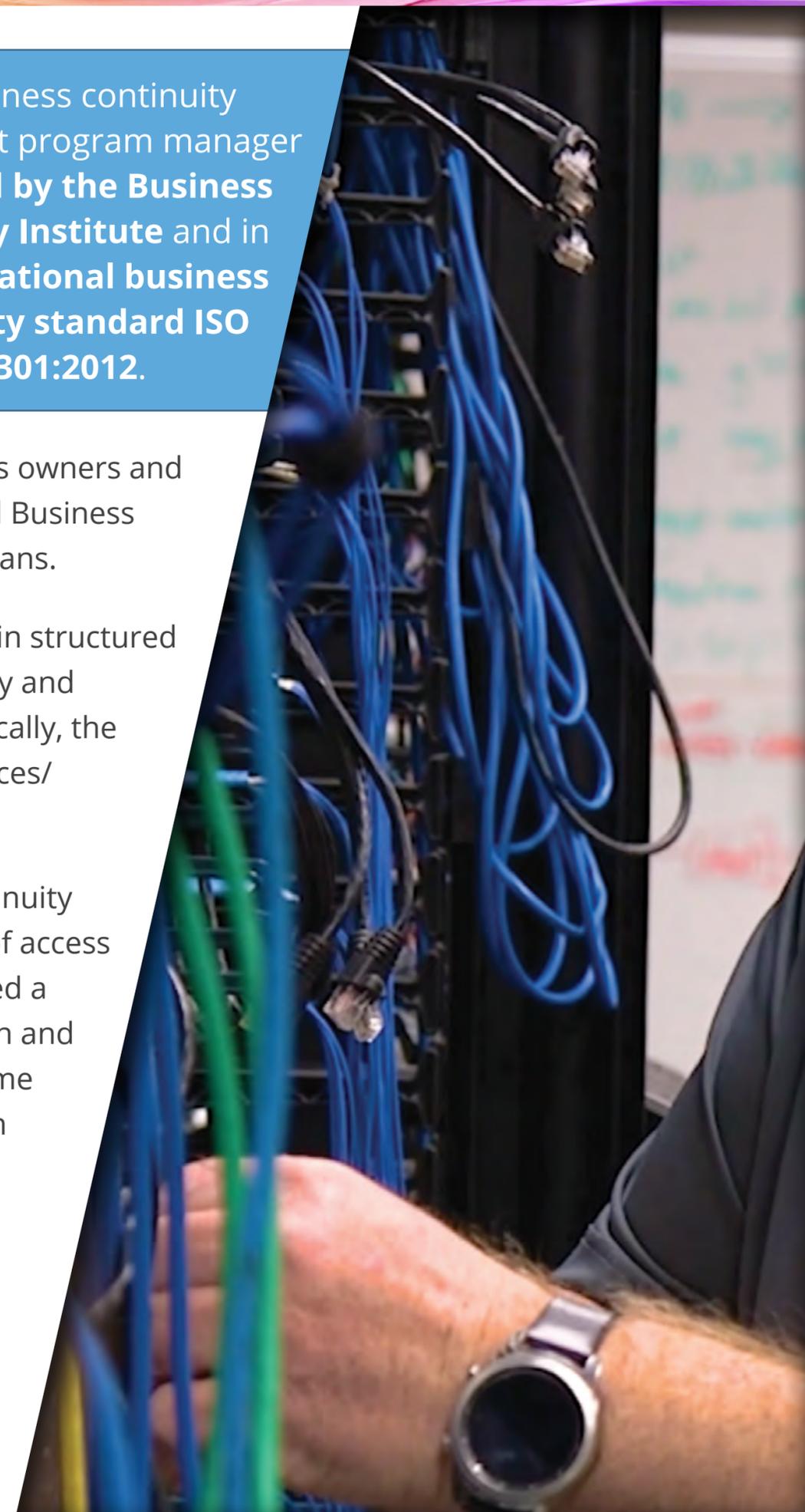
Our business continuity management program manager is **certified by the Business Continuity Institute** and in the **international business continuity standard ISO 22301:2012**.

Our Business Continuity Management Program in collaboration with key business process owners and leads has prepared and maintains plans for responding to these events with documented Business Continuity Plans, Crisis Management and Communication Plans, and Emergency Action Plans.

Our teams are trained on the recovery and restoration procedures through participation in structured walkthroughs and tabletop exercises, and functional integrated system tests. The recovery and restoration procedures are developed to respond to events impacting our P.P.R.S. Specifically, the recovery strategies consider a loss of facility, loss of systems, or loss of facility and resources/suppliers.

Our business continuity management program manager is certified by the Business Continuity Institute and in the international business continuity standard ISO 22301:2012. For ease of access and management of the Business Continuity Management Program, we have implemented a Business Continuity Management (BCM) SaaS solution, which facilitates the administration and utilization of our plans. The BCM system allows for the plans to be maintained in a real-time mode instead of hardcopies for quicker and more effective response during an event with the latest updates to plan components as well as the monitoring of a plan activation and recovery activities following an event.

Before, during, and after an event, crisis communication is facilitated via our WIN Alerts notification system, which is imperative to ensure a coordinated, consistent, monitored and controlled message throughout the event up until returning to normal operations, which ultimately addresses one of the primary goals to provide situational awareness and transparency and maintain customer confidence.



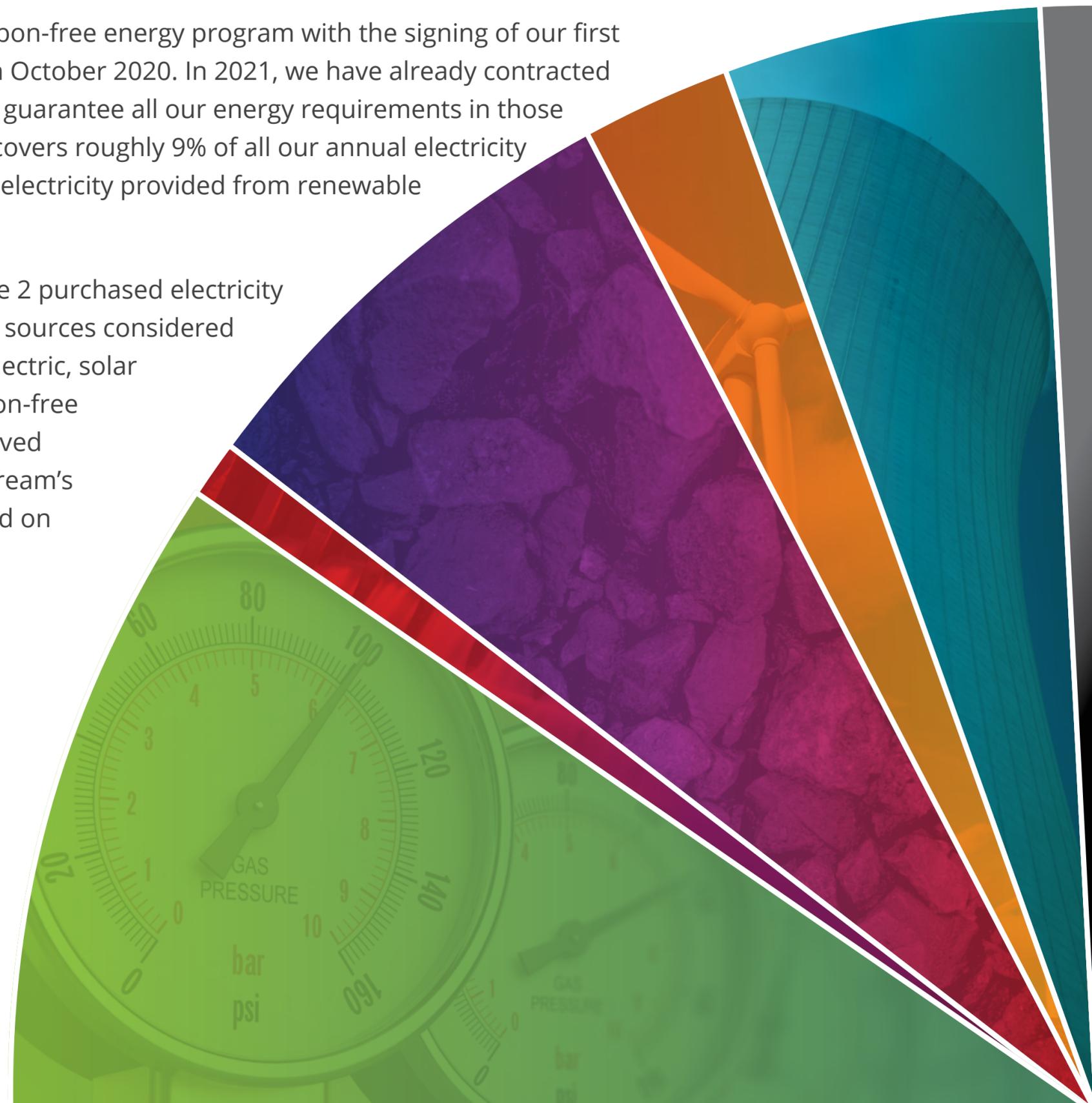
RENEWABLE ENERGY

Windstream formally initiated our renewable and carbon-free energy program with the signing of our first community solar project with the state of New York in October 2020. In 2021, we have already contracted with our utility providers in Texas, Illinois and Ohio to guarantee all our energy requirements in those states will come from renewable sources. This alone covers roughly 9% of all our annual electricity consumption. We have set a target to have 50% of all electricity provided from renewable and carbon-free sources by 2025.

In 2020, approximately 16.3% of all Windstream Scope 2 purchased electricity came from renewable sources, and 34.3% came from sources considered carbon-free. Renewables include geothermal, hydroelectric, solar thermal, wind and wood or wood-derived fuels. Carbon-free includes all categories of renewables plus energy derived from nuclear power. The table below outlines Windstream's source of Scope 2 purchased electricity last year based on the 2020 EIA Source Breakdown by state.

Windstream Source Breakdown

-  Natural Gas (38%)
-  Hydroelectric Conventional (4%)
-  Coal (27%)
-  Wind (9%)
-  Nuclear (18%)
-  Other (4%)





REAL ESTATE

Windstream's real estate portfolio consisted of 3,578 owned and leased facilities as of December 31, 2020. Of those, 11% were designated as corporate office locations based on primary use and the remaining 89% as network locations. Since embarking on a strategic real estate rationalization and consolidation initiative in 2016, we have exited 128 sites resulting in an overall square footage reduction of 9%. With another 41 exits planned in 2021, we intend to reduce our overall footprint by 12% from the 2016 baseline by year-end. This corresponds to a 23% reduction in square footage within the corporate segment.

Our current data center footprint, included in the network real estate segment, is largely the result of past acquisitions, and these centers are heavy users of Scope 2 purchased electricity. Windstream is undertaking a significant modernization and consolidation effort, with a target of going from the 9 centers to a significantly smaller footprint over the next 5 years. By migrating from heavier, energy intensive legacy hardware to leaner, virtual and more energy efficient solutions, we expect to achieve material reductions in Scope 2 emissions tied to our baseline operations today, even adjusted for planned growth.

FLEET

Windstream operates the 50th largest truck fleet and one of the top 100 largest commercial fleets in the United States, and the fuel to power these vehicles is the single largest source of our Scope 1 emissions, accounting for 87% of this segment last year. In order to achieve our target of reducing Scope 1 emissions 20% by 2025 from the 2019 baseline year, Windstream initiated a fleet renewal and modernization effort that will increase the average MPG of the fleet by that same amount over the next five years by moving from heavier, 8-cylinder trucks to more efficient and lighter V-6 models. This effort will also reduce the average age of our vehicles by 37% and subsequently result in lower maintenance costs, allowing us to achieve an annual run-rate reduction of fleet operating expenses by more than \$7 million.

Additional benefits are expected from our continued work to reduce the need to dispatch technicians to homes and businesses by improving remote diagnostics and call center effectiveness, improving initial quality to avoid repeat trouble tickets, continuing to “right size” our fleet and eliminate underutilized assets, and from a fleet GPS / telematics solution being introduced this year that will

help reduce idle time and operating costs while improving driver safety.

We continue to monitor the evolution of electric and hybrid vehicles and intend to begin integrating them into our fleet as they become cost and operationally feasible from an infrastructure perspective.

As outlined in the table below, we saw a 12% increase in the number of gallons consumed by our fleet from the prior year. This is partly explained by the 6% growth in the number of consumer households served in our network, and partly by a pandemic risk mitigation policy to allow technicians to home garage with their assigned vehicles in order to minimize group and in-person contact at our normal reporting centers. While this increased the average miles driven per dispatch, the policy served to help protect Windstream’s most important resource, our people. Since our Kinetic consumer business accounts for approximately 85% of our fleet, consumer households represent the best proxy for growth in demand for dispatches and miles driven.

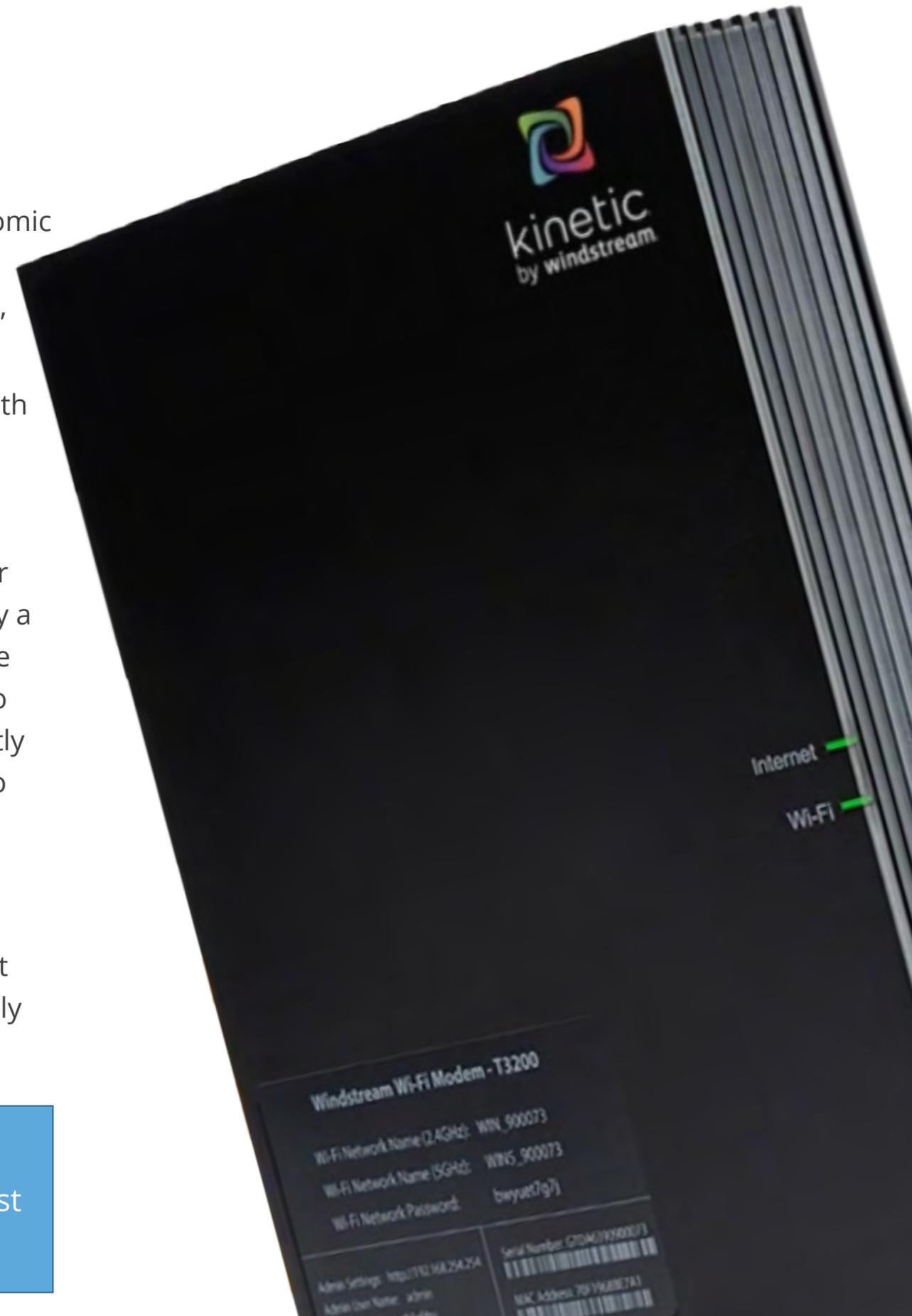
	2018	2019	2020	2020 vs 2019
Gallons Consumed	5,632,283	5,346,948	5,988,229	+ 12%
Vehicle Count	5,229	4,481	4,338	- 3%
Consumer Households	1,034,000	1,049,000	1,109,000	+ 6%
Tasks / Dispatches	1,739,864	1,677,335	1,469,392	- 12%

PRODUCT STEWARDSHIP

Windstream's product stewardship programs are designed to minimize the health, safety, environmental, and social impacts of the products and their packaging that we sell or install in our network, while also maximizing economic benefits. The lifecycle of a product and its packaging are often associated with energy and materials consumption, waste generation, toxic substances, greenhouse gases, and other air and water emissions.

At the very beginning of the product lifecycle, Windstream's collaboration with our manufacturing partner on the next generation of our set-top-box (STB) serves as a tangible example of how we integrate the concepts of product stewardship and eco-design as part of our overall environmental policy. The power consumption for these boxes is mainly decided by the semiconductor technology used in the production of the main CPU, which can be defined by a certain number, such as "28 nanotechnologies." The smaller the number, the more power-savings we can achieve. The current model is based on 28 nano and our next-generation product will be based on 12 nano, which significantly saves on active power requirements and provides ongoing improvements to energy efficiency.

Our goal is to divert as many consumer modems, set-top boxes, network devices and other electronics as possible from landfills by refurbishing and redeploying them. When we are unable to reuse equipment, we next market it for resale and reuse through approved gray market vendors, and ultimately scrap and recycle the product as a last resort.



Windstream targets recovery of greater than **70%** of all disconnected consumer and enterprise equipment, and to successfully refurbish at least **65%** for future redeployment. We exceeded both goals in 2020.

BY THE NUMBERS:

63,526

refurbished modems

79,395

refurbished pieces of enterprise and network equipment for redeployment

19,686

pieces of equipment sold

475

recycled tons of e-waste

25

tons of recycled batteries

1,117

tons of recycled ferrous metals

788

metric tons of avoided CO₂e greenhouse gas emissions based on our providers' reporting.

5

tons of hazardous waste was diverted from landfills to recyclers

Windstream has assigned resources to manage the reverse logistics processes for consumer modems, and enterprise and network hardware and equipment, which are designed to achieve 100% landfill avoidance.

In 2020, we refurbished 63,526 modems and 79,395 pieces of enterprise and network equipment for redeployment. We also sold more than 20,850 pieces of equipment we could no longer utilize for reuse by others on the gray market.

Windstream recycled another 475 tons of e-waste generated through other operational waste streams last year, up 207% from 2019 as a result of a centralized, national program we began

implementing in 2018. These recycling efforts included more than 25 tons of batteries and 1,117 tons of ferrous metals, and avoided an estimated 788 metric tons of CO₂e greenhouse gas emissions based on our providers' reporting.

We also avoided more than 5 tons of hazardous waste which was diverted from landfills to recyclers, and as part of our ongoing commitment to reduce hazardous waste, will continue to monitor, measure and report on this initiative and our progress in subsequent annual ESG reports. Our e-waste vendors are certified recyclers that meet electronics waste recycling standards, such as R2 or e-Stewards.

PAPER

Windstream is committed to the sustainable sourcing and use of paper, and we established a target in 2016 to reduce our office paper consumption by 75% by 2025. In 2020, we reduced our consumption by 38% from 2019, and by 84% from our 2016 baseline, exceeding our goal five years earlier than planned. Some of the decrease last year was due to greater numbers of our workforce working remotely as a result of the pandemic, but most was the result of focused efforts to reduce the number of copiers, default settings to double-sided printing, and reduce overall demand by printing less and using more online collaboration tools, electronic presentations and reporting formats. We expect these reductions to be sustained and improved upon in subsequent years.

It is our sourcing policy to give purchasing preference to products that are certified by the Forest Stewardship Council (FSC) wherever possible, include measurable amounts of Post-Consumer Waste (PCW), that are processed chlorine-free or that utilize the best available technologies, and to suppliers that can identify the source of their products and verify they do not contain fibers from ancient or endangered forests. In 2020, 100% of our sourced office paper was FSC certified and 5% included at least 30% PCW content. Office paper is recycled using bins and a third-party shredding provider.

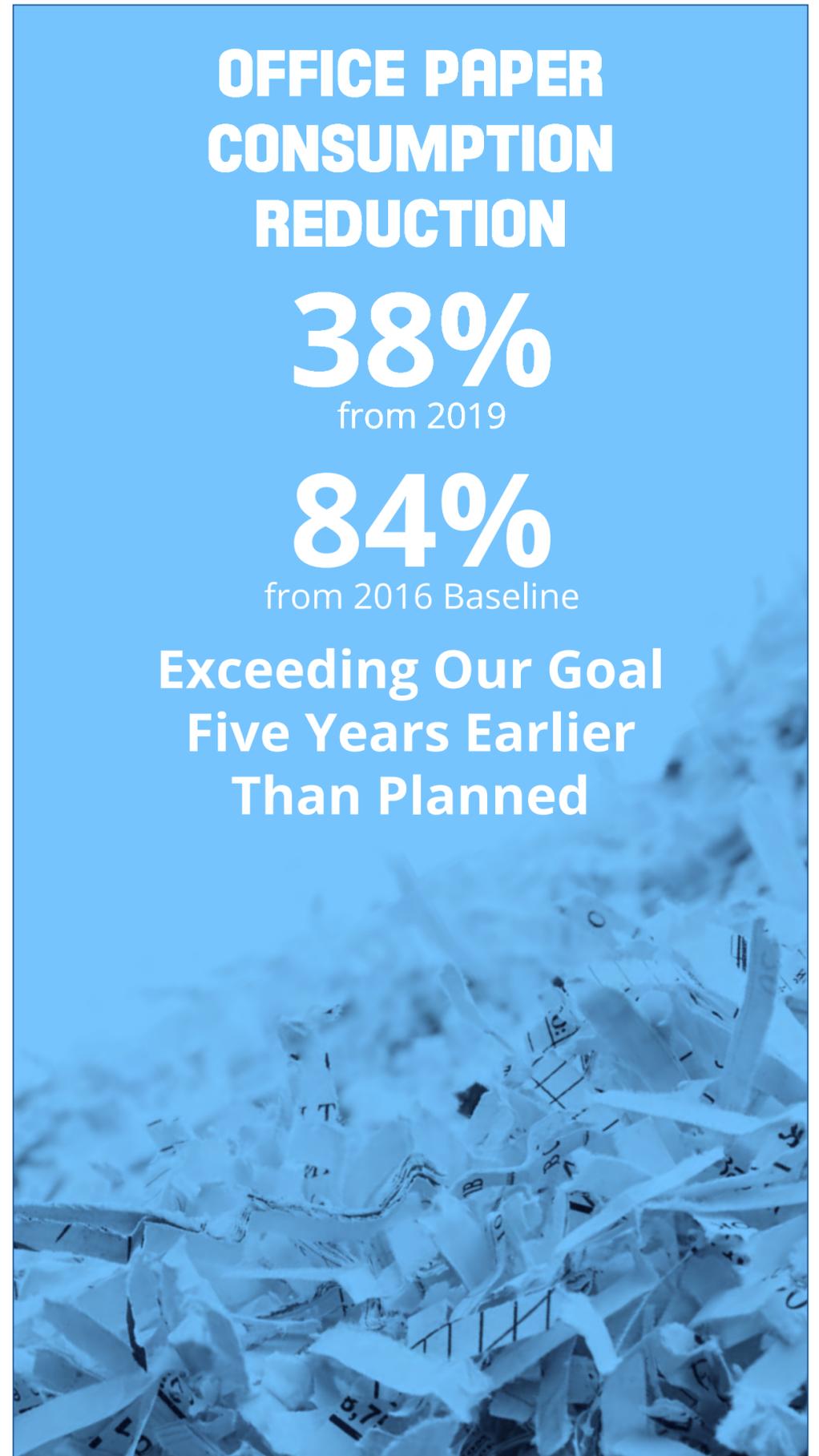
Having exceeded our primary goal of reducing consumption and paper use, Windstream will now focus on increasing the percentage of paper that includes PCW, and we have set a target to have at least 50% of all office-related paper include a minimum of 30% PCW by 2025.

OFFICE PAPER CONSUMPTION REDUCTION

38%
from 2019

84%
from 2016 Baseline

**Exceeding Our Goal
Five Years Earlier
Than Planned**



WATER CONSERVATION

Windstream is working to reduce its freshwater use by 25% or 77M gallons by 2025 from our 2016 baseline year for owned and leased properties where water consumption is reported. With the single biggest source of our water use tied to the facilities we own and lease, managerial responsibility for monitoring, measuring and reporting water use is assigned to the chief procurement officer and the corporate real estate and facilities team that reports into this position.

Through 2018, we are pleased to report that water consumption was down 15% or 45M gallons from our baseline year. We are not reporting 2019 and 2020 consumption in this report due to changes to certain utility bill payment processes and will disclose those figures once the new data has been validated. We fully expect that the downward usage trend will be sustained because of substantial real estate consolidation efforts over this same time period.

Water Consumption	2016	2017	2018
Millions of Gallons	306	274	260

Consumption Down

15% or **45M**
gallons





SOCIAL

IN THIS SECTION

Digital Inclusion	20	Employee Compensation and Benefits	34
Accessibility	22	Diversity and Inclusion	36
Digital Safety	25	Human Prosperity	38
Robocalls	26	Key Partners	40
Open Internet	28	Veterans	41
Privacy and Data Protection	29	Employee Resource Groups	43
Cybersecurity	31	Learning and Development	44
Human Capital Guiding Principles	32	Safety	46
Our Workforce by the Numbers	32	Labor Relations	48
Committed to Respectful Workplace	33	Supply Chain	49
		Supplier Diversity	50



DIGITAL INCLUSION

At the end of 2020, Windstream had 4.9 million locations in its ILEC footprint: 4.6 million are residential with the remaining 0.3 million classified as business. Windstream's footprint is largely rural with 97% of our service territory falling outside of municipal boundaries. More than 52% of Windstream's residential locations and 29% of business locations fall outside of municipal boundaries. Those locations are spread across 151,000 square miles in 18 states for a population density of 16 locations per square mile. Only 3% (or 5,000 square miles) of Windstream's ILEC territory fall within a municipal boundary. Windstream is wholly invested in all our customers and laser-focused on bridging the digital divide. Deploying broadband to rural America can be very costly, so Windstream looks to participate in federal, state, and local grant programs to help drive the overall cost of deployment down. With over half of our residential customers falling outside of municipal boundaries, grant programs are instrumental in improving speeds to our most unserved locations.

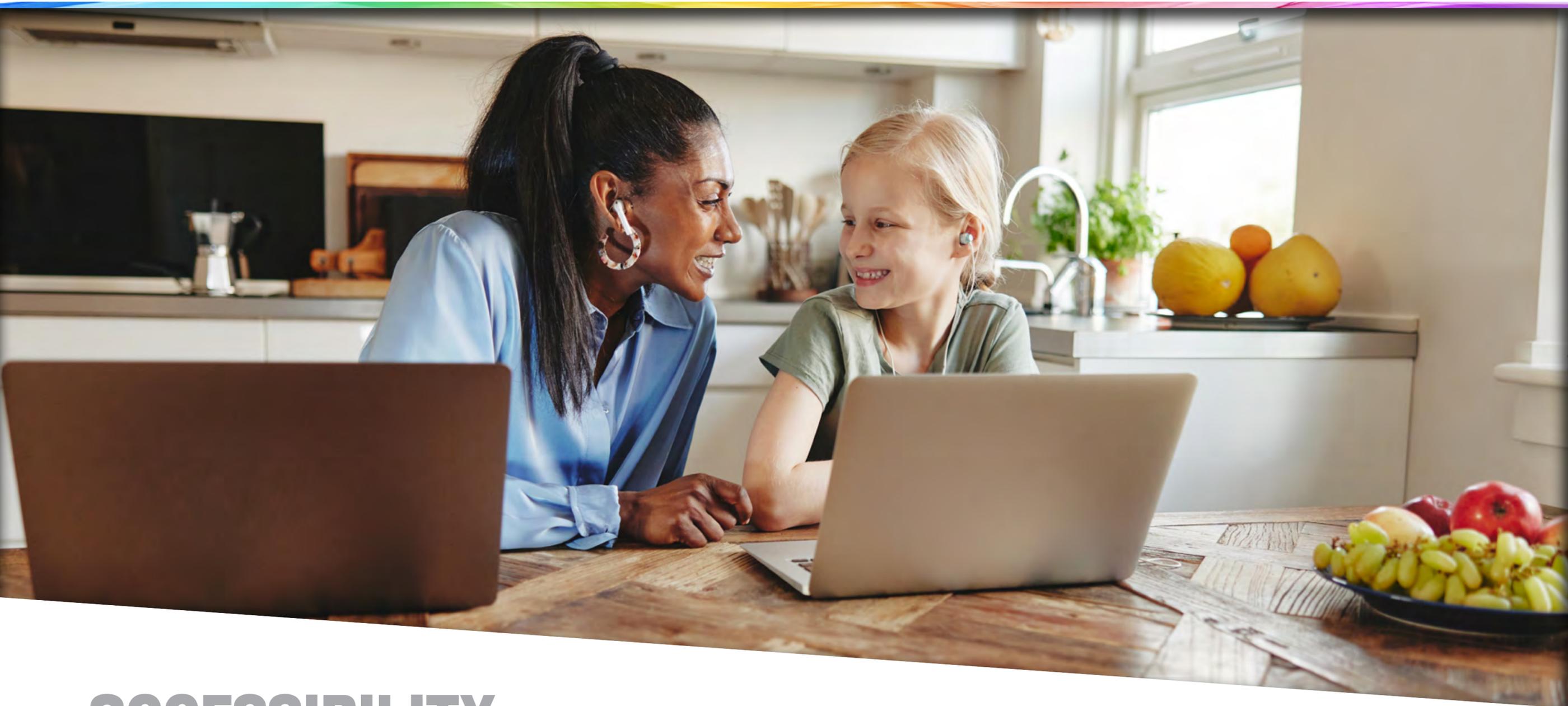
In 2020 alone, Windstream secured approximately \$23 million in state and local grants to deploy fiber to the home (FttP) to approximately 8,000 locations, enabling speeds of 1 gigabit per second while also increasing speeds to another approximately 5,000 locations of at least 25 megabits per second download and 3 megabits per second upload (25/3). Many of those can experience speeds up to 100 megabits per second download. Prior to 2020, our participation in state and local grant programs yielded about \$11 million in funding to deliver broadband to about 9,000 locations. At the federal level, Windstream has participated in many programs over the years with 2020 being the final year to meet our Connect America Fund phase 2 (CAF2) obligations. Windstream met, and in many cases greatly exceeded, our obligations to provide at least 10 megabits per second download and 1 megabit per second upload (10/1) to approximately 405,000 locations across 17 states. We brought at least 10/1 speeds to approximately 516,000 locations in CAF2 areas in those states. In the same way, Windstream overachieved as 64% of those locations can receive speeds of at least 25/3 (30%

In 2020 alone, Windstream secured approximately **\$23 million** in state and **local grants** to **deploy fiber to the home (FttP)** to approximately **8,000 locations**, enabling **speeds of 1 gigabit** per second while also **increasing speeds** to another approximately **5,000 locations** of at least **25 megabits** per second download and 3 megabits per second upload (25/3).

can get at least 100 megabits per second download speeds).

In November 2020, the Federal Communications Commission (FCC) concluded the Rural Digital Opportunity Fund (RDOF) reverse auction. Windstream was successful in securing funding to deliver FttP services to approximately 193,000 locations across 18 states. We were the 5th winningest bidder in the auction and 4th in our ILEC states, securing \$53 million annually in funding. RDOF funds are to be used to serve locations within census blocks that no provider claims they can offer service of at least 25/3.

Moving forward, we plan to have a fiber-focused approach to our broadband builds. Windstream has committed the necessary funds to fuel our robust capital investment program to expand 1 gigabit per second broadband service in rural America. We are committed to bringing the speeds needed to enable working from home, digital learning, and telehealth to our customers. Broadband service is a community growth driver and we are committed to our communities and our customers.



ACCESSIBILITY

Our consumer segment, Kinetic by Windstream, works closely with our agency partners and internal creative teams to ensure that the people we portray in our videos and advertisements visually reflect and celebrate the diversity of our company and the communities we serve.

Additionally, we are committed to ensuring that our digital brand presence ([windstream.com](https://www.windstream.com), myWIN portal) adhere to accessibility guidelines and requirements so that people with disabilities (vision impairments, etc.) can access and understand all of the critical information therein.

Accessibility Features – Kinetic TV

Closed Captioning

Closed captioning provides a method for allowing speech and other sounds to be displayed as text on the screen.

Screen Reader

Screen readers function to assist the visually impaired by transferring information through a non-visual method, such as text to speech. They typically provide an audio description of all elements located on the screen.

Description Tracks

Description tracks are supplemental, and separate audio tracks that describe visual content of a program. By enabling description tracks, the visually impaired will receive greater detail about the content on the screen, including information about the scene changes, characters, actions and other visual details. Most platforms are currently limited in their ability to support additional description tracks.

FCC Audio Accessibility

Kinetic TV (MobiTV) has provided CVAA (Audio Accessibility) compliance for all of our client applications on a 10-foot experience (Android TV, Fire TV, Apple TV and Roku). This feature enables end users with visual impairments to interact and manage the client through audio feedback for all the components and features.

Users on client versions 1.13 and above can turn on the audio guide through their device settings. Once turned on, the feature will provide audio feedback for the following components:

- Login Screen
- Home screen
- Shows
- Inline info modules
- Buttons
- Media Player Controls
- Transition Overlays
- Play Options Overlay
- Main Nav
- EPG
- Movies
- Content details/descriptions
- Recordings
- Alerts
- Filters
- Actions items

Voice to text from search screen

If your Bluetooth-enabled STB remote has an inbuilt microphone, use it to do voice search within the app. Go to Search option on the main menu in app, press and hold the microphone button on the remote to dictate the Search. The dictated keywords display search results similar to any typed search text.

On-Screen Keyboard

Depending on which device and operating system (Android or iOS) the Kinetic TV subscriber is using, the native app keyboard will be available.



Accessibility Features – Voice

Our Voice product offers the following Accessibility features:

Caller ID Deluxe – Caller ID displays Name and Number

Kinetic Voice Manager – Web Interface that allows access and management of select calling features, access contacts, missed calls and Visual Voicemail.

Enhanced Call Waiting – Enhanced Call Waiting lets the customer know there is another call coming in while you are already on the phone.

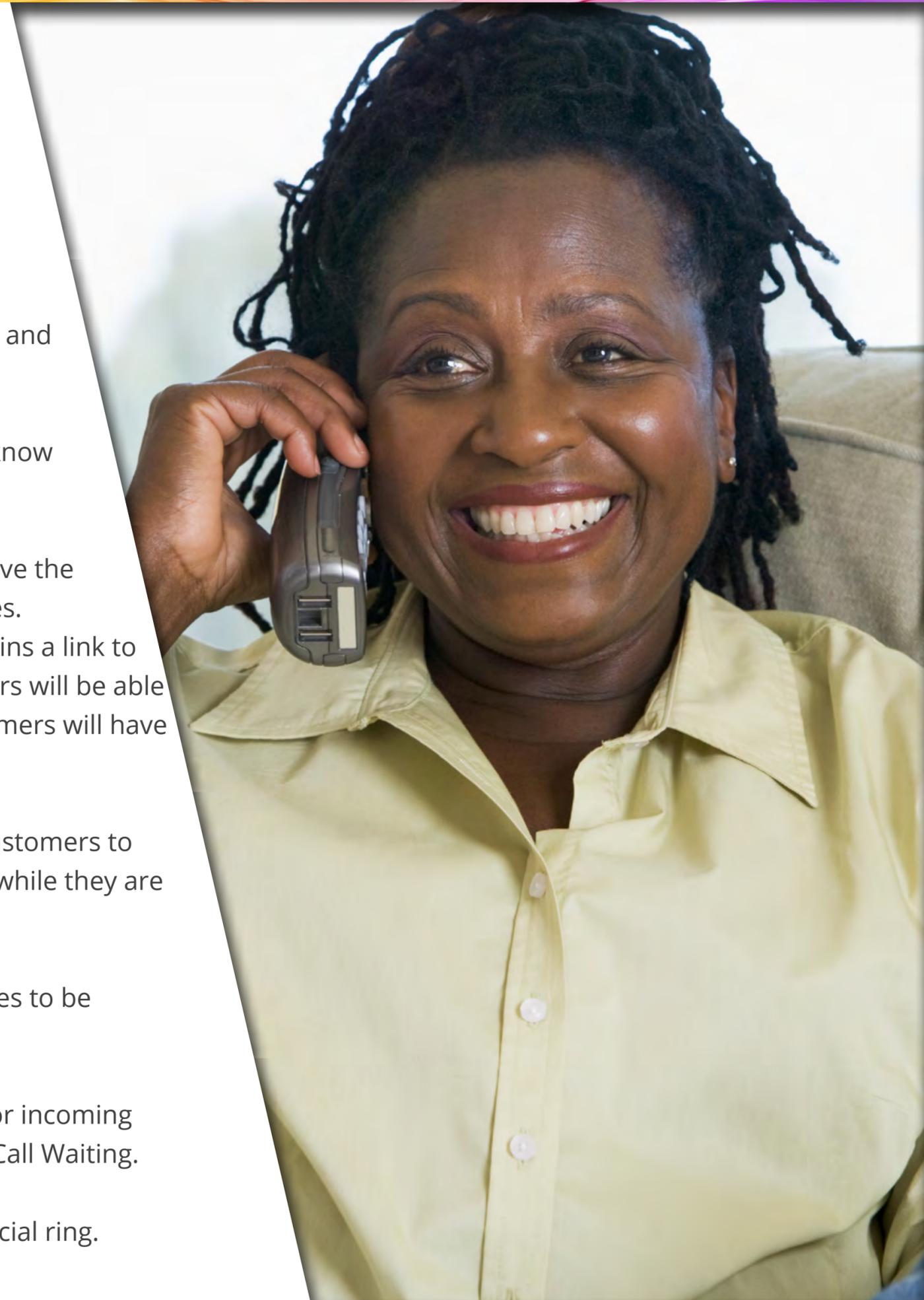
Voicemail / VM to Email – Within the Voice Manager, customers have the ability to set up an email address to receive your Voicemail messages. When a voicemail occurs, customers will receive an email that contains a link to your Voice Manager account. Once logged into the account, customers will be able to hear/retrieve the message. From within the Voice Manager customers will have the ability to forward the voicemail to other email addresses.

Caller ID on Call Waiting / Spam Call Alert – This feature allows customers to view the name and/or number of the calling party on a display unit while they are on a call.

Voicemail Visual (with Speech to Text) – Allows voicemail messages to be transcribed into text and read through the Voice Manager.

Distinctive Ring – Allows customer to have a distinctive ring tone for incoming calls from selected numbers. Also includes distinctive tones during Call Waiting.

Call Selector – Call Selector announces important callers with a special ring.



DIGITAL SAFETY

Kinetic allows our customers to select the features that are right for them and those features cover a wide variety of digital security needs. Whether it is computers or devices, wireless cameras, door locks or any other type of connected device, Kinetic Secure customers are instantly protected on the gateway modems with no action required.

Kinetic customers can take control of their home Wi-Fi network by managing settings with our Go Kinetic app, and when they are away from home, we protect users digitally with our “On the Go” app.

Our packages offer options for device protection and software security with antivirus, malware, and phishing protection, malicious website blocking, and banking protection.

Our Digital Security allows users to create profiles for custom control and set up parental controls.

Backed by renowned F Secure products, our software updates itself with new enhancements and upgrades delivered behind the scenes so our customers are hands off the technical details.

We also provide Premium technical support for those times when a customer needs our help to set up their software safely and securely on connected devices. Windstream strives to best protect our customers by marketing and encouraging proactive consults with our customers at the time of service activation versus retroactive troubleshooting with items such as endpoint application installation, parental control education, sharing best practices on device and password management, and more.

Other options include identity theft protection with Credit Guard and Protection Plus for wire maintenance protection within the customer’s home.

Kinetic is committed to Digital Safety, and we also provide:

- Education to customers around online safety and threat management through blogs, quarterly newsletters and social media
- Engagement with Internet Safety Month annually to promote healthy online habits and the need for child protection to our customer base



How do you protect your family?

Kinetic Secure by Windstream offers award winning Internet security that lets your family safely surf, shop, school, work, and more at home and on the go.



ROBOCALLS

The problem of unwanted and illegal robocalls, robotexts, and spoofing have steadily increased in recent years. Windstream is committed to combating unlawful robocalls and malicious caller ID spoofing as a top consumer protection priority.

According to the FCC, unwanted robocalls are far and away the biggest consumer complaint the agency receives with over 200,000 complaints each year. Some third-party analytics companies also track unwanted robocalls. For example, YouMail, a third-party analytics company, estimates robocalls at 30.5 billion in 2017, 47.8 billion in 2018, 58.5 billion in 2019, and 19.5 billion by June of 2020¹.

Unfortunately, technology makes it cheap and easy to make massive numbers of robocalls and to “spoof” caller ID, which occurs when a caller deliberately falsifies the information transmitted to the caller ID display to disguise their identity.

1. Source: FCC-20-187A1 Advanced Methods to Target and Eliminate Unlawful Robocalls

To help our customers protect themselves from such actions, Windstream has adopted a multifaceted approach to mitigate and provide relief to our Enterprise and Kinetic customer base as demonstrated by the graphic to the right we call SAFE.

SAFE stands for:

Spam Caller Identification - Complete

Active Call Blocking for Invalid Callers - Complete

Framework for Trust (STIR/SHAKEN) - In progress, expected completion by June 30th, 2021

Elective Call Prevention - In progress, expected to rapidly follow STIR/SHAKEN



Spam Caller Identification

In June 2019, Windstream activated a caller-ID based information service for all retail Kinetic and Enterprise customers. Using a calling number's reputation score, developed using analysis of calling patterns across dozens of carriers nationally, Windstream began replacing the Caller Name value for suspected illegal robocallers with a SPAM or Fraudulent prefix

Windstream customers now have the option to accept or reject a call based on the calling name and number. The advantage of this early approach is that it avoids blocking so-called "false positives" and puts control in the hands of the Windstream subscriber.

Active Call Blocking

Windstream acted quickly to implement blocking based on a set of rules the FCC issued starting in 2017.

Windstream automatically blocks calls originating from: 1) numbers that the owner has requested be added to a national Do Not Originate (DNO) Registry – so-called incoming only numbers such as the IRS Toll Free number and 2) numbers that source from an invalid or unassigned number blocks.

Blocking calls from invalid calling numbers prevents an incredible amount of robocalls from ever reaching Windstream subscribers, silently and stealthily killing bad calls without our customers even knowing that Windstream "has their back."

Framework for Trust

On December 30th, 2019, the TRACED Act was signed into law. It establishes the STIR/SHAKEN Framework as a trust mechanism exchanged between VoIP interconnected carriers. Said another way, STIR/SHAKEN permits carriers that exchange traffic via VoIP to assign a confidence level to the caller's identity.

That trust level, or Attestation A to C, has three alphabetical scores that start at A, to indicate absolute confidence in the caller's identity, to C, to indicate that the original caller is unknown.

Windstream began evaluating solutions and network requirements even before the bill was signed into law and participated in the industry working group that developed the STIR/SHAKEN standard. We fully expect to meet the mandate of June 2021, for production implementation.

Elective Call Prevention

Shortly after the STIR/SHAKEN rollout in 2021, Windstream expects to provide our customers with the ability to opt in and opt out of an analytics-based blocking solution.

We realize that blocking is not a one-size-fits-all service and expect some customers will want to participate while others (such as emergency services, public institutions, etc.) either will be reluctant or forbidden to selectively block calls.

As a result, we expect a multi-tiered solution to be available to our retail customers for elective call blocking, ranging from complete blocking of all calling numbers with suspicious call behaviors to a customizable blocking solution tailored to each customer's needs.

Windstream is committed to blocking unwanted and illegal robocalls, robotexts, and spoofing in order to prevent unwanted and illegal robocalls. As we move into 2021, Windstream is fully prepared and equipped to further protect our customers and restore their trust in voice calling.

OPEN INTERNET

Windstream maintains an open Internet for our customers and manages our network with one goal: to deliver the best possible broadband Internet experience to all of our customers. We strive to provide the best customer experience for all types of applications. So long as traffic on our network is not malicious or harmful, we will NOT:

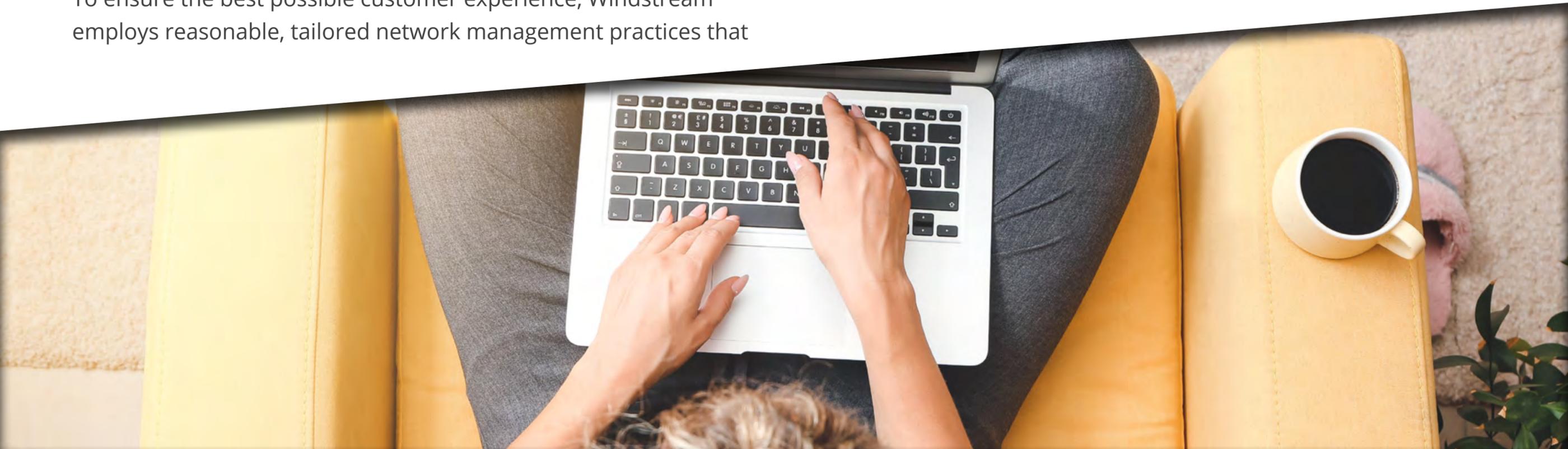
- Block lawful content or traffic on the basis of applications, services, users, or classes of applications sourced from, or destined to, the public Internet; or
- Throttle lawful content or traffic on the basis of applications, services, users, or classes of applications sourced from, or destined to, the public Internet.

Managing the network is essential to promoting the use and enjoyment of the Internet by all of Windstream's customers. To ensure the best possible customer experience, Windstream employs reasonable, tailored network management practices that

are consistent with industry standards. Such practices ensure that all customers and application providers have access to a fair share of Windstream's network while not unreasonably discriminating in transmitting lawful broadband traffic, but do not include affiliated prioritization or paid prioritization.

Just as the Internet continues to change and evolve, so too will Windstream's network management practices adapt to address the challenges and threats on the Internet. By engaging in reasonable and responsible network management, Windstream can deliver the best possible broadband Internet experience to all of its customers.

Further information regarding our network practices and performance, device attachment rules, and commercial terms is available at: <https://www.windstream.com/about/legal/broadband-network-statement>.



PRIVACY AND DATA PROTECTION

Windstream recognizes that protecting data privacy is fundamental to maintaining the trust of our customers and growing our business. According to a Pew Research Center study, 79% of U.S. adults report being concerned about the way their data is being used by companies². Respecting consumers' privacy is not only a smart strategy for inspiring trust in us, it represents aspects of our core values. As such, Windstream constantly monitors emerging federal, state, and even international laws that relate to the way we handle data privacy and protect our customer's identities, and we update our processes and procedures as needed. We have established and continue to develop strong privacy protection measures to secure our customers' and employees' private information.

For instance, Windstream has adopted policies and procedures governing how we collect, use, retain and protect data. Such information is contained in Windstream's Privacy Policy located on Windstream's main customer-facing website. Our compliance with privacy protection is conducted under the oversight of our chief information security officer, who reviews and discusses data privacy risks and mitigating actions with the Audit Committee of our Board of Managers on a regular basis. Windstream also has established a Privacy Committee with representatives from across the entire company to ensure we maintain the highest levels of data protection. Our policies and procedures are subject to controls such as internal audits, observations, testing, employee and vendor training, and internal attestations that all serve to promote ongoing compliance throughout the business.

2. Source: Pew Research – Key takeaways on Americans' views about privacy, surveillance and data-sharing

Windstream Protects Personal Data

Windstream endeavors to protect and maintain control over customer's data at every contact point.

Collection/Use: We collect and use information according to our publicly available Privacy Policy and, in the case of business customers, according to our contracts. Our policies and practices are designed to protect and respect consumers' privacy and the choices consumers make concerning the use of their data.

Disclosure: In general, we share information within Windstream and with vendors and partners as described in our privacy policies and according to our customers' consent. We take measures in our contracts with third-party vendors to protect information we disclose. We permit vendors to use this data only for the purpose for which we provide it.

Data retention: We maintain corporate policies governing data retention and review our practices at least annually as part of our continual assessment of privacy requirements. Under our practices and policies, we retain personally identifiable and other sensitive records only as long as reasonably necessary for business, accounting, tax or legal purposes.

To meet our ethical and legal commitments to protect personal data, Windstream has developed and continues to develop

information security requirements for its employees and suppliers who handle customer data, according to federal, state, and international standards.

To ensure we secure customers' data securely, Windstream has technical, administrative, and physical safeguards in place to limit information security risks and cyber threats. Windstream's chief information security officer (CISO) is responsible for leading, and as appropriate, coordinating, enterprise-wide information security strategy, policy, standards, architecture, and processes. Windstream's CISO regularly coordinates with other stakeholders throughout the company to ensure Windstream's safeguards are active and working.

In 2019 and 2020, we updated our Privacy Policy to be fully compliant with recent changes in the law including the California Consumer Privacy Act and recent amendments thereto under the California Privacy Rights Act. While these laws only protect California state residents, we have adopted the goals and purposes of these laws as our standard across the company.

Windstream is committed to ensuring and maintaining the privacy of its customers. Through these measures, it has established the requisite tools, policies, and procedures to meet this standard.

CYBERSECURITY

Windstream takes protecting the security of our systems and networks very seriously. To more effectively address the cybersecurity threats posed today, Windstream has a dedicated chief information security officer (CISO) whose team is responsible for leading enterprise information security strategy, policy, standards, architecture, and processes. The primary goal of the information security program is to adequately protect the data collected, generated, created, stored, managed and transmitted or otherwise handled by Windstream so as to best serve the interests of shareholders, customers, employees and other constituents. Windstream's comprehensive information security program includes, among other aspects, risk management, vulnerability management, antivirus and malware protection, file integrity monitoring, encryption, access control, data loss prevention and threat detection and response. The CISO leads the review and discussion of Windstream's cyber risks, threats, and protections with the Audit Committee of the Board of Managers quarterly and throughout the year, as warranted.

Identifying data security risks and managing vulnerabilities

Windstream operates in a highly competitive, increasingly complex and ever-changing business environment. To safeguard our systems and information, we continually upgrade security governance and protocols to reflect changes in technology, potential risks and business needs. To that end, Windstream has a comprehensive Security Vulnerability Patch Management program. The program is designed to reduce attack surfaces by proactive application of vendor security updates as well as the detection and management of vulnerabilities within Windstream through the following methods:

Framework. Our Security Vulnerability Patch Management policy which outlines the patching approach, remediation schedule and SLA and personnel responsibilities necessary to sustain a healthy and well-balanced program.

Risk identification. We continually assess the threat and vulnerability landscape using various commercial, vendor, government, and publicly available information sources.

Risk detection. We use Static Application Security Testing (SAST), Dynamic Application Security Testing (DAST), on a scheduled and real-time basis to identify vulnerabilities within our network infrastructure. Additionally, Approved Scanning Vendor are used to conduct external vulnerability scanning services to validate adherence with the external scanning requirements of PCI DSS Requirement 11.2.2.

Risk evaluation. Identified vulnerabilities are assigned a severity classification based on their evaluated risk using an industry standard scoring model. Vulnerabilities are then reported to the appropriate asset owners and custodians for remediation. If remediation is not feasible within the policy timeframe, a plan of action and milestone is developed and tracked. In rare circumstances, an exception may be approved, which is tracked in a central system of record as mitigating or compensating controls are considered and deployed.

Metrics and reporting. We collect and retain data for reporting purposes and to enhance management accountability for remediation of vulnerable assets. We also use the data to assess threat trends and for strategic planning of ongoing program improvements.

HUMAN CAPITAL GUIDING PRINCIPLES

Windstream aims to create and foster a workforce that reflects and contributes to the diverse communities in which we do business. Their passion, purpose and diversity are essential in our ability to deliver world class technology solutions. Each of our employees offer a unique set of ideas, beliefs and skills shaped by their heritage, background and culture. We consider this diversity to be an important resource and we strive to foster an environment where employees feel included, respected and comfortable bringing their whole and authentic self to work.

OUR WORKFORCE BY THE NUMBERS

Race/Ethnicity (% of U.S. workforce)	2020	2019	2018	2020 # of Employees
White	83%	83%	83%	8,746
Black/African American	9%	9%	9%	941
Hispanic/Latino	4%	4%	4%	427
Asian	2%	2%	2%	189
Two or More Races	1%	1%	1%	126
American Indian/Alaska Native	1%	1%	1%	71
Not Specified/Applicable	0.3%	0.2%	0.2%	32
Native Hawaiian/Other Pac Island	0.3%	0.3%	0.4%	30

Gender (% of U.S. workforce)	2020	2019	2018
Male	70%	69%	69%
Female	30%	31%	31%

Gender (% of Int'l workforce)	2020	2019	2018
Male	85%	83%	84%
Female	15%	17%	16%

Gender (% of worldwide workforce)	2020	2019	2018
Male	70%	69%	69%
Female	30%	31%	31%

Diversity (% of U.S. workforce)	2020	2019	2018
Caucasian	83%	83%	83%
Non-Caucasian	17%	17%	17%

Workforce	2020	2019	2018
U.S. Employees	99.7%	99.7%	99.7%
International employees	0.3%	0.3%	0.3%

Veterans	2020	2019	2018
Number of veterans	1,255	1,432	1,262
Number of veteran spouses	126	130	121
Total Veteran and Military Spouses Employed (% of U.S. workforce)	13%	14%	12%

Senior Leadership Diversity	2020	2019	2018
Percentage of non-Caucasian in total US management (VP and above)	10%	7%	6%
Percentage of women in US management (VP and above)	19%	17%	21%
Percentage of non-Caucasian in total US senior management (SVP and above)	7%	3%	3%
Percentage of women in US senior management (SVP and above)	14%	10%	7%



COMMITTED TO RESPECTFUL WORKPLACE

Windstream is committed to a workplace free from unlawful discrimination and harassment and does not tolerate discriminatory or harassing behavior of any kind. Our robust harassment and discrimination prevention policy applies to any conduct that has the purpose or effect of creating an intimidating, hostile or offensive work environment. Employees who believe they have been the subject of, or is aware of, discrimination, harassment or retaliation can report this in a number of ways—to their supervisor, to their assigned human resources business partner or other member of the HR department or to the Windstream ethics helpline via telephone or online. All complaints are handled in a prompt, confidential manner, and information is only shared on a need-to-know basis. All complaints are investigated, and any acts of discrimination, harassment or retaliation are addressed and remedied with appropriate corrective action, up to and including termination of employment. In addition, Windstream prohibits any form of retaliation against employees who make complaints and committing an act of retaliation alone is prohibited and can be

cause for appropriate corrective action, including termination of employment.

All Windstream employees are expected to participate in harassment prevention training intended to reinforce the company's commitment to a diverse, inclusive, and respectful work environment free from discrimination and harassment. Furthermore, all employees at Windstream are encouraged to participate in unconscious bias and diversity training to further foster a work environment of fairness, awareness, and sensitivity.

Windstream respects our employees' rights to freedom of association and collective bargaining in compliance with applicable law, including the right to join or not join worker organizations (labor unions).

Windstream also conducts employee engagement surveys to all employees to gauge satisfaction and engagement across the company. Anonymized, aggregated results are shared by department and for Windstream, as a whole.

EMPLOYEE COMPENSATION AND BENEFITS

Gender Pay Equality

Windstream believes strongly in gender pay equality. We regularly monitor and report on potential compensation inequities to senior leadership and people managers as part of a formal initiative to assist in closing gaps. This initiative is overseen by our Chief Human Resource Officer.

Health & Wellness

In addition to providing a comprehensive benefits package to employees that includes medical, dental, vision, health savings and flexible spending accounts, life insurance, disability benefits, parental leave benefits, and a 401(k) retirement plan with company matching contributions, Windstream supports the overall health and well-being of our employees with a full menu of activities and resources to assist them with maintaining and improving their overall health.

Windstream employees receive up to seven paid company holidays, five optional holidays that may be taken to celebrate ethnic, cultural, religious or other significant observances; an additional one-time optional holiday is awarded with the employee's first year service anniversary and with each five year service milestone thereafter; depending on years of service from two to five weeks of paid vacation time; up to five days of paid bereavement time; and a comprehensive sick pay program of up to 7 paid days that covers absences for one's own needs or the needs of a family member, and includes one employee wellness day and even a day for pet bereavement. Benefits vary for our unionized employees as set forth in their collective bargaining agreements.



Employees can take advantage of the following ongoing Wellness Programs:

Tobacco Cessation

The Magellan tobacco cessation program offers app and coaching based tobacco cessation support. Tobacco cessation supplements are also included in the medical plan.

Windstream's Employee Assistance Program (EAP)

Windstream offers an Employee Assistance Program through Magellan. From online information to confidential consultations with licensed behavioral health professionals, employees and their families have access to a wealth of practical, solution-focused resources to help them reduce stress, strengthen relationships, increase productivity and improve quality of life.

Progyny

Progyny specializes in offering families a variety of options for infertility treatment – with proven success. With over 450 clinics, Progyny offers a wide network of specialists.

WW International

Windstream partners with WW International, formerly known as Weight Watchers, to change employees' relationship with food, for good. Try their proven weight-loss approach and powerful group support at a 50% discount. Windstream will pay half the membership cost of online access or online plus in-person meetings (meetings available to those living in non-franchise locations). Weight Watchers is a validated program and approach that supports millions of people in their weight management goals.

Livongo

Livongo offers assistance for members seeking support for diabetes, hypertension and weight management. These programs are available at no cost to medically enrolled employees and spouses who meet clinical requirements. Participants receive the Latest Technology to Simplify Living with Diabetes including the Livongo connected glucometer blood pressure cuff, and scale which automatically upload readings, making logbooks and sync cables a thing of the past. Livongo enrollees also receive real-time support from coaches that includes personalized support provided from the Livongo mobile app, secure website, and certified diabetes educators. Participants also benefit from unlimited test strips at no cost that are shipped directly to the employee's home with the click of a button.

Grand Rounds

Included in Windstream's medical plan, Grand Rounds offers participants assistance with identifying high-quality providers and facilities, claims support, pre-admission and post-discharge support, expert second opinions, online ID cards, and clinical expertise for planned and unplanned healthcare journeys.

WINDSTREAM DIVERSITY & INCLUSION

EMPOWERING INFINITE POSSIBILITIES

Windstream's Statement on Diversity & Inclusion (D&I)

Connecting people in a world of infinite possibilities. At Windstream, we celebrate the authenticity and uniqueness of our people and ideas. The diverse voices of our employees fuel our innovation and the inclusive culture we are building empowers each one of us to create amazing customer experiences.

Windstream is committed to promoting and encouraging diversity and inclusion for our employees by valuing the range of perspectives, ideas and experiences that diversity provides, regardless of peoples' gender, age, language, disability, ethnicity, cultural background, sexual orientation, religious belief, education, work experience, occupation, socio-economic background, and marital status.

Our Vision

Windstream aims to create and foster a workforce that reflects and contributes to the diverse communities in which we do business.

Our employees and culture make the difference for our customers, our communities, and for our workplaces. Each of our employees offer a unique set of ideas, beliefs and skills shaped by their heritage, background and culture. We consider this diversity to be an important resource and we strive to foster an environment where

employees feel included, respected and comfortable bringing their whole and authentic self to work.

Windstream has a Diversity and Inclusion Strategic Council led by CEO Tony Thomas and our Senior Leadership Team. The goal of the Strategic Council is to prioritize the company's diversity and inclusion efforts, raise awareness throughout the organization and educate leaders and employees on its importance. Windstream's Diversity & Inclusion Operational Committee fulfills the goals and practices set forth by the Strategic Council. The committee consists of a diverse group of 33 employees who possess a wide range of industry and leadership experience.

In October, Windstream partnered with other Rochester, N.Y., businesses and community organizations in the Greater Rochester 21-Day Racial Equity Challenge. Through broad community engagement, the 21-Day Racial Equity Challenge was created to increase awareness of critical issues and strengthen the community's capacity to dismantle all forms of racism. Self-directed learning opportunities encouraged a deeper understanding of race, power, privilege and leadership.

The Operational Committee diligently works to reach the goals set forth by the Strategic Council. The Committee's priorities for 2020 included the creation of Windstream's D&I Logo, a quarterly newsletter highlighting our diversity & inclusion achievements, a focused effort on increasing diversity training for our workforce, the



creation of three new Employee Resource Groups – **Windstream Black Professionals Network (WBPN)**, **WINPride (LGBTQ+)**, and the **Windstream Ability Resource Group (WARG)** for individual with disabilities, diverse talent acquisition recruiting events and revised job descriptions to remove biases and be more inclusive. These activities are reported quarterly to the ESG Committee. Current activities include:

- Providing employees with a D&I Toolkit to help support the company's initiatives
- Linking Culture Crew Events with D&I awareness
- Launching three new courses on inclusivity and create a D&I Stream page for leaders
- Publishing a "Day in the Life" series for career and social sites
- Leader development program and community service for all ERGs

We're proud to receive multiple recognitions for our D&I program and initiatives such as a Top Employer of Women and Top LGBTQ+ Employer. [See the full list of awards.](#)

Learn more about our culture and diversity here: [Culture & Diversity](#)



HUMAN PROSPERITY (PHILANTHROPY)

At Windstream, we understand the important role we play in society. We support charities and nonprofit organizations throughout our service territory and partner with them to enhance lives and build stronger and more vibrant communities. We support numerous charitable causes, including hunger relief, domestic violence awareness, breast cancer research and STEAM (science, technology, engineering, arts and mathematics) initiatives.

Nonprofit charitable organizations were significantly impacted during the COVID-19 pandemic. We provided financial support to organizations in our local communities and collected needed items, including food, coats and toys.

Additionally, employees from varying organizations across the company volunteered in our Culture Crews to lead activities and events that demonstrate and celebrate our cultural values. These crews coordinated employee events and hosted charitable fundraisers across our employee base.

Windstream also provided technology grants to help Lexington, Ky., businesses in the downtown area reopen while adhering to new operating guidelines during the pandemic. The grants were part of the Downtown Lexington Management District and Downtown Lexington Partnership's Reopening and Recovery Grant Program.





Kinetic by Windstream partners with St. Jude Children's Research Hospital

Kinetic by Windstream raised more than \$100,000 during the St. Jude Thanks and Giving® campaign in 2020. For every new Internet customer during the campaign, Kinetic donated \$5 to support the kids and families at St. Jude Children's Research Hospital®.

"The kindness and compassion that our partners share year after year during the St. Jude Thanks and Giving campaign is truly invaluable," said Marlo Thomas, national outreach director for St. Jude Children's Research Hospital. "This holiday season was like no other, but one thing remained certain, the outpouring of generosity from our St. Jude family. Our partners, their employees and customers continue to have big hearts for the children of St. Jude and their support helps ensure our doctors and researchers will continue their tireless work to end childhood cancer and other life-threatening diseases."

Jeff Small, president of Kinetic, agreed. "While 2020 presented unique challenges for both our customers and our employees, we are proud to have met each opportunity to provide critical connections to our customers and also the wider communities we serve through campaigns like this one," Small said.



KINETIC 4 KIDS

KEY PARTNERS

Diversity Conferences & Partnerships

Windstream sponsors multiple diversity-focused organizations to build our employer brand and recruit diverse talent. These conferences and partnerships include:



Amplify the power of your ERGs.



Black Business Support Fund

November 2020, Kinetic by Windstream announced the creation of the Black Business Support Fund in two cities served by the company. The goal is to increase the number and stability of blacked-owned business in its service footprint. Businesses selected for grants will receive free Kinetic Business Internet for a year and a cash award up to \$5,000. The business will also get a free business consultation from Kinetic Business on the processes and products that could improve efficiencies and make their business more profitable.





Women's Foundation of Arkansas

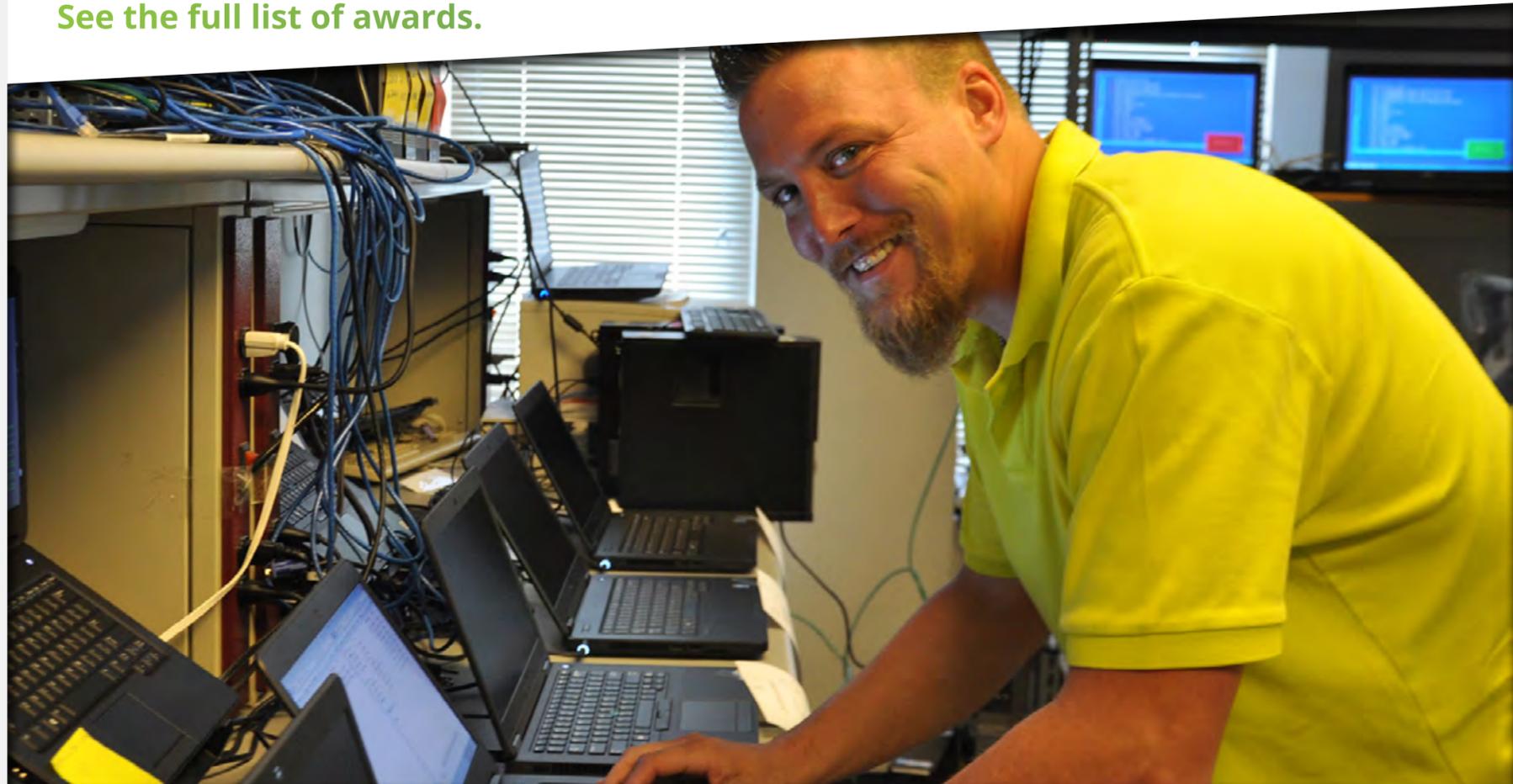
Windstream is supporting the Tjuana Byrd Summer Internship Program in 2021. This is a 10-week summer internship program for women of color attending college in Arkansas and pursuing degrees in Science, Technology, Engineering, & Mathematics (finance and related majors included). The internship will pay an hourly wage, provide free housing for the duration of the program, access to mentorship and networking events, and professional development workshops. Company executives have also agreed to participate in diversity, equity and inclusion training provided by the WFA prior to the program. This internship program is intentionally designed to increase access to and representation in these fields for women of color in Arkansas by eliminating barriers of cost, social capital, and location.

VETERANS

We believe the values and beliefs instilled in military personnel shape them into the types of people we want to hire, and we take our commitment to their futures seriously. That's why we're committed to hiring veterans and their spouses. We want proven leaders like them, who have a diverse skill set and ready to make a difference in our workforce. In 2020, we hired 173 veterans and 10 military spouses.

We're proud to have more than 1,255 veterans and 126 military spouses serving our customers. Our military leave policy allows our service members to continue serving their country when needed. When service members are called up to active duty, we bridge the gap between military pay and their current pay to care for their family members and their financial and healthcare needs, subject to the terms of collective bargaining agreements. We're proud to receive multiple recognitions for our work with veterans and spouses from various organizations such as Military Friendly™ Top Ten Employer #5 and Military Friendly™ Top Ten Spouse Employer #4.

[See the full list of awards.](#)



EMPLOYEE RESOURCE GROUPS

Diversity is vital for Windstream's ability to grow and innovate in a fast-changing environment. Employee Resource Groups (ERGs) are an integral component of Windstream's commitment to help us drive change in diversity and inclusion allowing us to capitalize on the extraordinary resources of our employees. ERGs support Windstream's commitment to promoting diversity and inclusion, as well as employees' professional development. We celebrate the authenticity and uniqueness of our people and their ideas. We want to have the best team possible and to remove barriers and establish an inclusive culture so every employee can realize their full potential and bring their whole and authentic selves to work.

We have five ERGs, each with its own mission. All work together toward four common objectives:

- Support and Encourage Development Within Each Other
- Engagement and Inclusion
- Advance the Company's Business Goals
- Ambassadors for the Company's Diversity & Inclusion Initiatives

Learn more about our ERGs here:

[Windstream ERGs](#)





Windstream Veteran Employee Resource Group (WINVets)

Mission: Windstream’s Veteran Employee Resource Group program is designed to support Windstream’s initiative regarding outreach, recruitment, and retention efforts in the military and veteran communities. Our mission is to be the pillar for our veterans, military spouses and active Guard & Reserve members; by providing networking opportunities, empowering information, and career development that equips each individual to excel in their new career paths.



Women of Windstream (WOW)

Mission: To connect and empower women by creating an inclusive environment for forming supportive relationships and realizing career enhancing experiences. Windstream’s Women of Windstream (WOW) program is designed to recruit, retain, promote, develop and to support Windstream’s women both professionally and personally.



WIN Pride

Mission: The Windstream Pride employee resource group seeks to increase LGBTQ+ cultural awareness to foster an environment of inclusion for all Windstream Employees. The ERG provides a venue for networking, socialization, professional development, and discussion of LGBTQ+ issues and concerns. WIN Pride encourages and assists Windstream in its efforts to achieve greater market share among the LGBTQ+ community.



Windstream Black Professionals Network (WBPN)

Mission: We are committed to providing a supportive environment for all African American/Black employees that promotes opportunities for personal and professional development while also enhancing cultural awareness and inclusion across our organization. WBPN inspires and supports Windstream’s efforts regarding outreach, recruiting and retention in the African American Community.



Windstream Ability Resource Group (WARG)

Mission: To foster an environment of inclusion and a culture that welcomes people of all abilities while continually seeking opportunities to better serve our employees with disabilities. The WARG promotes equity for employees with disabilities in all aspects of recruiting, onboarding, and retention in accordance with Windstream’s diversity and inclusion efforts. We strive to be an Employer of Choice for people with disabilities.

LEARNING AND DEVELOPMENT

Learning and Development

The workforce is changing in multiple ways that impact the way we hire, onboard, reskill, and upskill our employees. As our workforce consists of all five generational groupings and our hiring is shifting towards Generation Z, it's imperative that we support a variety of learning styles and delivery methods.

Windstream has an annual average target of at least 30 training hours per employee. With an average of **67.99 hours** in 2020, Windstream exceeded this goal for the year.

Our Learning & Development philosophy is aligned into 3 pillars.

Unified Search – Using connected technology to help our employees find what they need across multiple platforms.

Microlearning – Ensuring that the learning content is narrowly focused and easy to consume.

Multichannel Delivery – Making the content available wherever our employees are and on whatever device they're using.

Learning culture

Our learning culture is focused on providing meaningful learning content that addresses the skills our employees need to best fulfill their current role and any future roles that they seek. One of our top initiatives is to continually increase the percentage of employees who voluntarily find learning content. This keeps us centered on making sure that all content is easy to find and relevant.

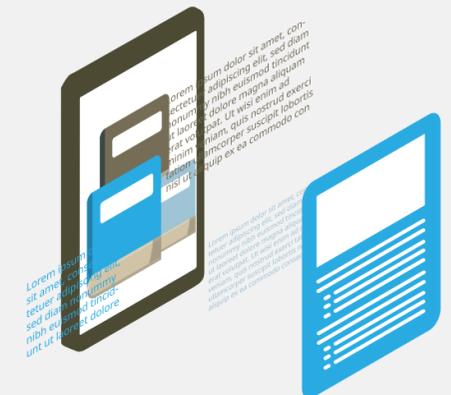
- In 2020, we invested approximately \$4 million in learning and development initiatives for our employees.
- Our employees completed more than 720,000 hours of training and had access to more than 4,000 learning opportunities including over 400 microlearning videos.
- The average number of hours completed per employee is greater than 65.

Everything we do is aligned with these pillars.



Unified Search

Using connected technology to help you find what you need



Microlearning

Bite-sized nuggets, narrowly focused, part of larger curriculums



Multichannel

Making this content available wherever you are and whatever device you're using

Engaging our employees

In 2020, we launched Skill Connect. Powered by Brainier, Skill Connect is our employee's portal to a world of Learning and Development. Our goal in releasing this update was to provide one simplified destination for all things related to learning. With advanced search and browse functions, and curated bundles, we made learning content easier to find, easier to launch, and easier to view on any device.

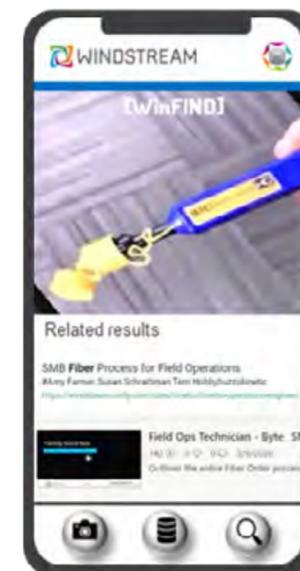
Through the new portal, we now offer direct access to a variety of learning content including classes, online training, videos, links, and articles. The addition of Validations enabled us to utilize this system to validate skill transfer for complex learning situations such as Working Aloft and OSHA compliance providing our employees and trainers a more consistent way to measure and acknowledge successful knowledge transfer and task completion.

To bring the content closer to the user and remain aligned with our L and D pillars, in 2020, we made over 400 microlearning videos available to our employees. These videos are typically 3-6 minutes long, and specifically aligned with a single task or skill. We embedded links to these "how-to" videos directly into the systems they are designed for. This ensures our employees do not have to leave the system they are currently working in to find helpful training.

Future Learner Experience

As we continue to prepare for the Future Learner Experience, we are currently researching and investing in augmented reality and additional future technology such as:

- The ability for Field Operations technicians to quickly grab training for complex equipment by snapping a picture of the equipment while in the field.
- An advanced podcasting platform to bring a broader range of content to our employees delivered on their device of choice
- Continued advancement in Machine Learning in order to recommend relevant content to employees based on interests, past experience, and correlation to others in similar roles.



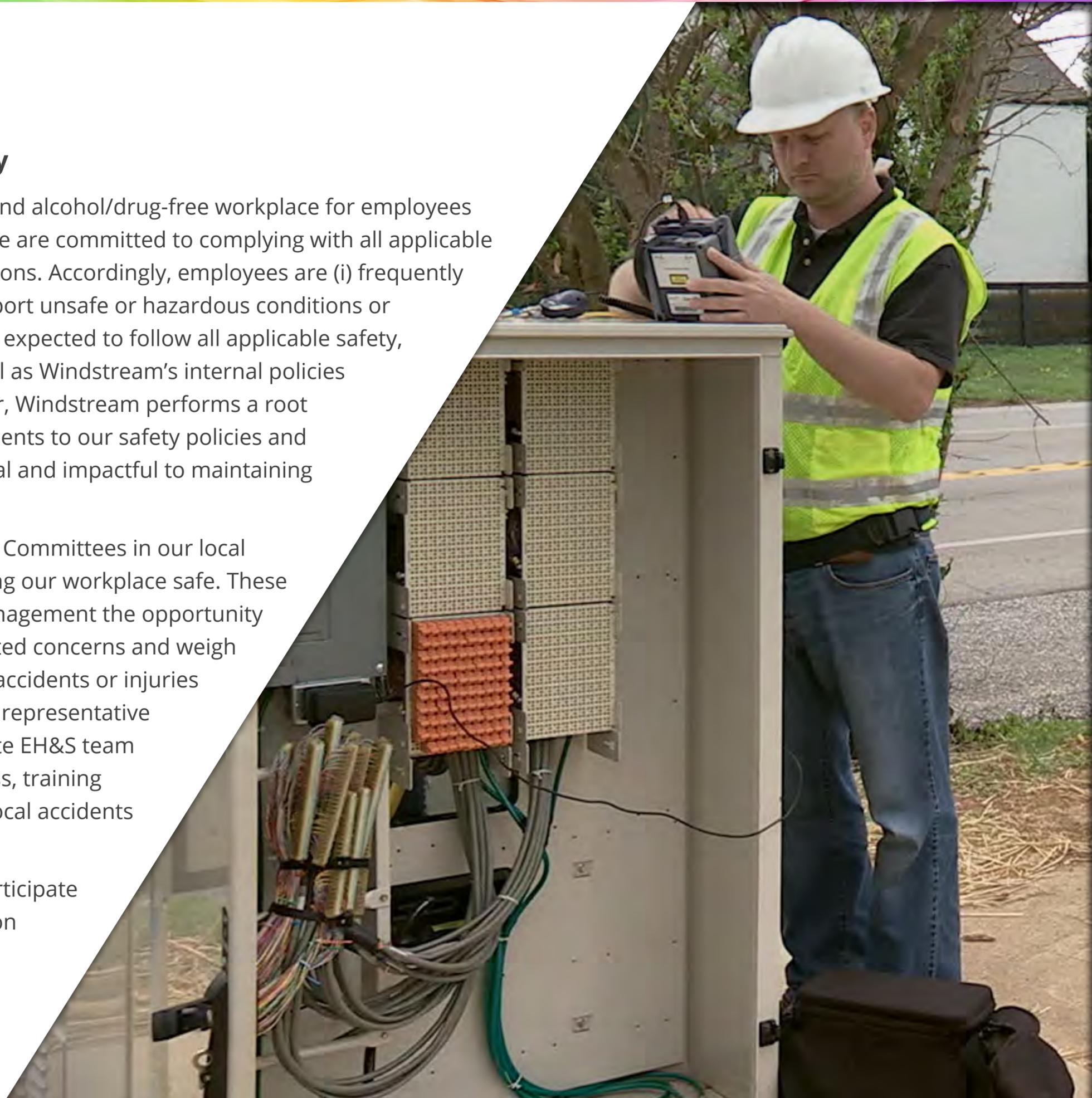
SAFETY

Occupational Health and Safety

Windstream provides a safe, healthy, and alcohol/drug-free workplace for employees and visitors across all of its facilities. We are committed to complying with all applicable environmental laws and safety regulations. Accordingly, employees are (i) frequently trained to identify and immediately report unsafe or hazardous conditions or suspected violations of the law, and (ii) expected to follow all applicable safety, health, and environmental laws, as well as Windstream's internal policies and practices. When incidents do occur, Windstream performs a root cause analysis to evaluate if enhancements to our safety policies and practices or training would be beneficial and impactful to maintaining a safe workplace.

Environmental, Health & Safety (EH&S) Committees in our local offices play an important role in keeping our workplace safe. These committees afford employees and management the opportunity to provide feedback on any safety related concerns and weigh in on potential resolutions before any accidents or injuries occur. Each committee selects a safety representative who meets quarterly with the Corporate EH&S team to provide updates on safety awareness, training initiatives, equipment needs and any local accidents or injuries.

Additionally, local facility personnel participate in the development and implementation of their own sites' specific emergency procedures based on guidelines from the corporate Emergency Action



Plan (EAP). Facility managers and employees adopt steps to ensure safe evacuation of employees and visitors in the event of actual emergencies. Responsible parties are identified, based on facility needs, and periodic evacuation drills are held to ensure understanding of individual roles and compliance with conforming standards.

Our commitment and reputation to safety standards is appreciated by our vendors. Windstream is often trusted by vendors to test new or modified equipment in the field and provide feedback. The vendors use that feedback to further develop or modify their products and safety standards.

For 2020, our occupational injuries and illnesses rate was 1.9 per 100 employees, which is significantly lower than the latest published Bureau of Labor Statistics telecommunications industry average of 2.8, further evidencing Windstream's unyielding commitment to maintaining a safe workplace for our employees.

Safety Training and Awareness

Windstream's EH&S and Risk Management teams continually provide guidance on the company's safety policies and procedures. Our overarching goal is to continuously improve and implement change that will result in an enhanced safety environment for our employees and minimize incidents. To achieve our goal, we provide effective safety training courses to ensure employees understand how to perform their functions in a safe manner and to proactively prevent accidents. In support of our goal, Windstream employees receive over 42,000 hours of safety and environmental related training annually. Windstream is fully committed to our employee's safety and we expect our employees to share in this commitment.

Recently, we implemented a program to identify and reduce ladder weight. The EH&S team worked diligently to identify industry ladders that would perform the desired function at a reduced weight. By providing lighter ladders, we expect to improve our employees' day-to-day work environment and reduce both the frequency and severity of ladder-related injuries.



LABOR RELATIONS

We have a long history of working with the Communications Workers of America and the International Brotherhood of Electrical Workers. We meet with union leaders to talk about key issues, including safety, customer service, plans to improve operational processes, our business performance and the impacts that changing technology and competition are having on our customers, our employees and the company.

In keeping with Windstream's history of providing high-quality service and good jobs, our collective bargaining agreements continue to provide our team members with competitive wages and valuable benefits.



SUPPLY CHAIN

Windstream engages a global supply base of over 4,000 vendors to purchase more than \$3.2 billion in goods and services annually, which include items such as consumer modems, network equipment, construction services, and utilities. We remain committed to responsible sourcing and it is the policy of Windstream to conduct business in a manner that is ethical and promotes the best interests of its customers, employees, and investors. Windstream expects suppliers to be ethical and honest, obey all applicable health, safety and environmental laws, and protect confidential and proprietary information.

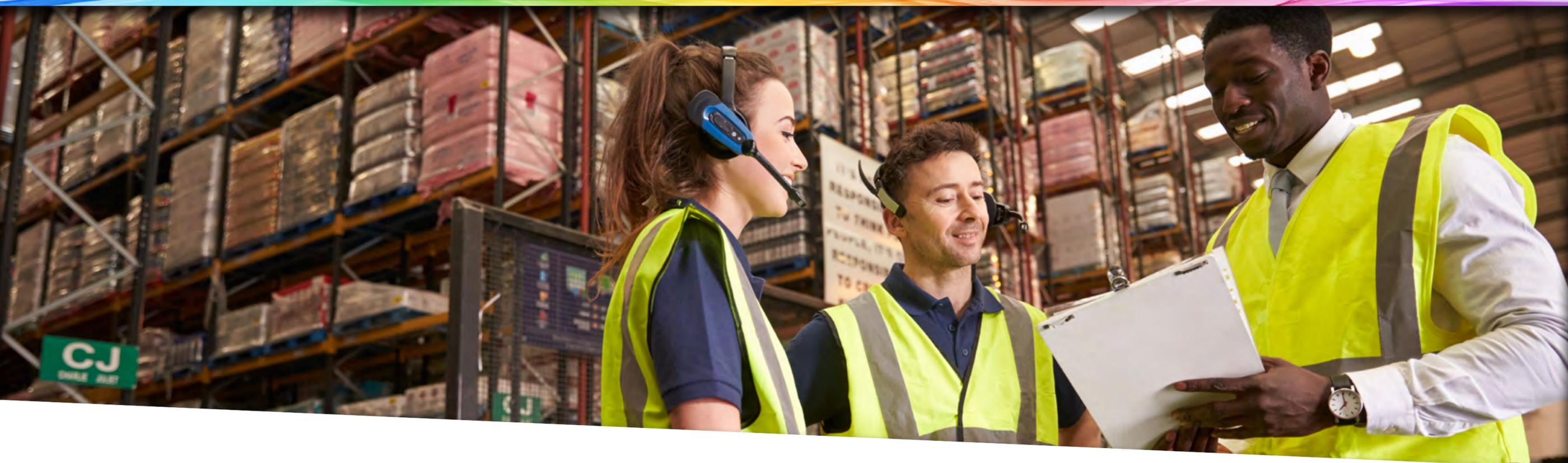
We rely on our strategic sourcing process, and the Supplier Code of Ethics (“Code”) to enforce our commitment to responsible sourcing. The Code is intended to assist suppliers in meeting Windstream’s expectations.

Among other guidelines and requirements, our code:

- Forbids the use of child labor, forced labor and discrimination
- Addresses our expectations around health and safety, minimum living wages, maximum working hours, and acceptable living conditions
- Protects employees’ rights to freedom of association and collective bargaining, as permitted by local laws
- Describes how suppliers should work with us on compliance and enforcement issues

Windstream reserves the right to review or audit our suppliers’ compliance with the code. Our Supply Chain and Procurement teams engage with suppliers identified as non-compliant with our Code to assist them in reaching compliance. Our Code also outlines the formal channels for vendors and supply chain workers to raise concerns and report potential violations. Our Code is incorporated into our legally binding agreements with suppliers and outlines our expectations, including compliance with social standards. Incumbent and prospective vendor performance regarding social performance is evaluated during Windstream’s formal vendor selection process. The full Code is available online.

Our chief procurement officer is responsible for overseeing and managing Windstream’s supply chain and vendor performance. Supply chain and vendor performance metrics and KPIs, along with any vendor compliance issues or incidents, are monitored and reported monthly to senior management. Windstream’s supply chain profile, and our core operating and risk mitigation strategies, are also reviewed by our Board periodically as needed.



SUPPLIER DIVERSITY

Windstream strongly believes that our supply base should reflect the amazing diversity present in the communities we serve.

We value diversity and inclusion in our supply chain, just as we value and celebrate it in our workforce. Diversity brings new perspectives and drives innovation. Actively engaging with a broad array of diverse suppliers also fosters economic inclusion and promotes positive change.

In 2020, we spent more than \$64 million on goods and services with diverse suppliers, including businesses owned by people of color, women, veterans, disabled veterans, service-disabled veterans, LGBTQ, certified small businesses, and people with disabilities. This amount represents 6.4% of annual spending.

Responsible Minerals Sourcing

Any connection between the materials used in Windstream's products and armed violence or human rights abuses is unacceptable, and we have an internal team that oversees the design, development and implementation of our conflict minerals compliance program. We also expect our suppliers to take steps to ensure that their products do not include materials that either directly or indirectly benefit armed groups in the Democratic Republic of the Congo (or in any neighboring country). As part of their master purchasing agreements with Windstream, suppliers agree to provide us with information regarding the country of origin and source of conflict minerals used, if any, in the supplier goods sold to us. If a supplier is found to be out of compliance with these objectives, the supplier is expected to develop, implement and document plans to remedy the non-compliance, and Windstream has the right to terminate its relationship with the supplier in the event of continued non-compliance.

A photograph of a business meeting in progress. Several people in professional attire are seated around a wooden conference table. One person in the foreground has their hands clasped, while others are looking at documents or using pens. The scene is lit with a soft, greenish tint.

GOVERNANCE

IN THIS SECTION

How We Govern	52
Ethics and Compliance	54
Code of Conduct	55
Human Rights	57

HOW WE GOVERN

Company Governance

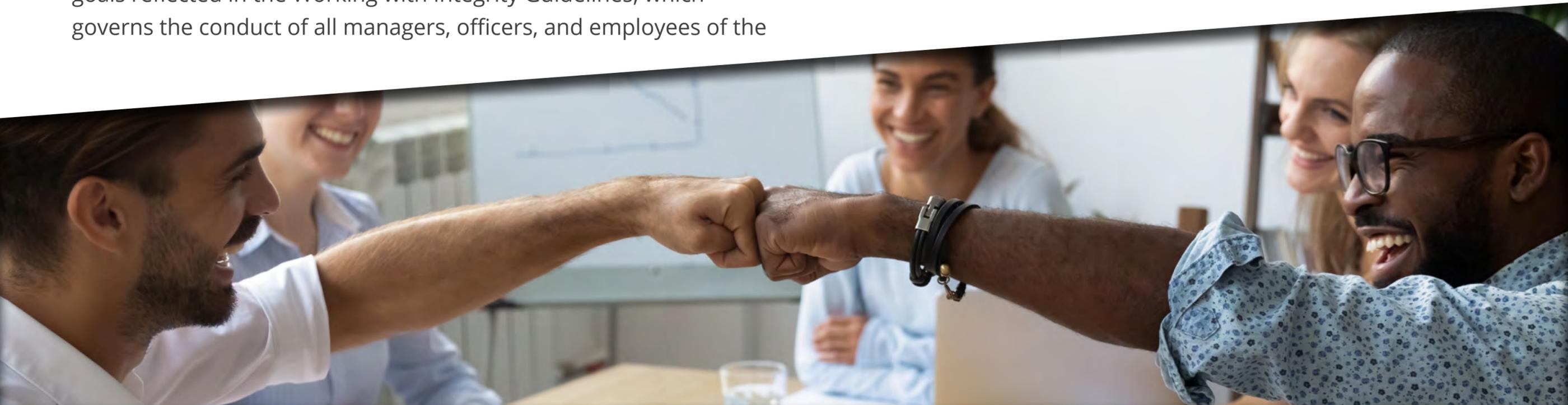
Windstream's 11-member Board of Managers ("Board") oversees the company's strategic planning, operations and business performance, as well as the company's governance practices, with the assistance of Board committees. Our Managers have extensive experience in the telecommunications industry, as well as strong operational and financial expertise to ensure Windstream's strategy to provide innovative network and software solutions to customers is successful. The Board chairman works closely with management to ensure the company adheres to the highest standards of corporate governance for private companies.

Commitment to Company Culture & Non-Discrimination

The Board is committed to working in conjunction with management to cultivate a corporate culture that promotes the goals reflected in the Working with Integrity Guidelines, which governs the conduct of all managers, officers, and employees of the

company. Windstream's corporate culture permeates all aspects of the company's operations, ensuring that its vision, mission and objectives are ethically sound and demonstrative of its values. To foster a culture that ensures employees understand their responsibilities for appropriate behavior, the Board periodically reviews the company's culture initiatives, employee engagement matters, and ethics policy to reinforce a corporate culture of integrity.

Further, the Board is committed to a respectful, courteous workplace in which employees are able to perform their jobs free from harassment, discrimination or retaliation. The company does not tolerate sexual or other unlawful harassment or discrimination by any employee, volunteer, vendor, contractor, consultant, guest, customer or visitor, and the Board will expect management to implement and update, as appropriate, policies that are consistent with this commitment as well as applicable law.



ESG Governance

We believe a strong ESG governance program is an essential part of good corporate governance, and for Windstream, ESG governance starts at the top. The Board periodically reviews reports from management concerning ESG factors, risks, and initiatives applicable to, and undertaken by, the company to ensure that ESG matters are integrated into the company's operations and appropriately addressed by the company and Board. This includes but is not limited to review of this ESG Report.

Additionally, an ESG Committee of the Board was established to oversee and monitor Windstream's significant environmental, social and governance and sustainability activities and practices, and to provide guidance to management regarding the company's ESG and sustainability strategy. The ESG Committee is comprised of five Managers and conducts regular quarterly meetings, as well as additional meetings as needed, and advises Windstream's internal ESG Operational Committee regarding the company's ESG-related initiatives. Further, in addition to reviewing and overseeing compilation of the company's annual ESG report, the ESG Committee provides oversight for all reporting to third party ESG rating agencies evaluating the company's ESG performance.





ETHICS AND COMPLIANCE

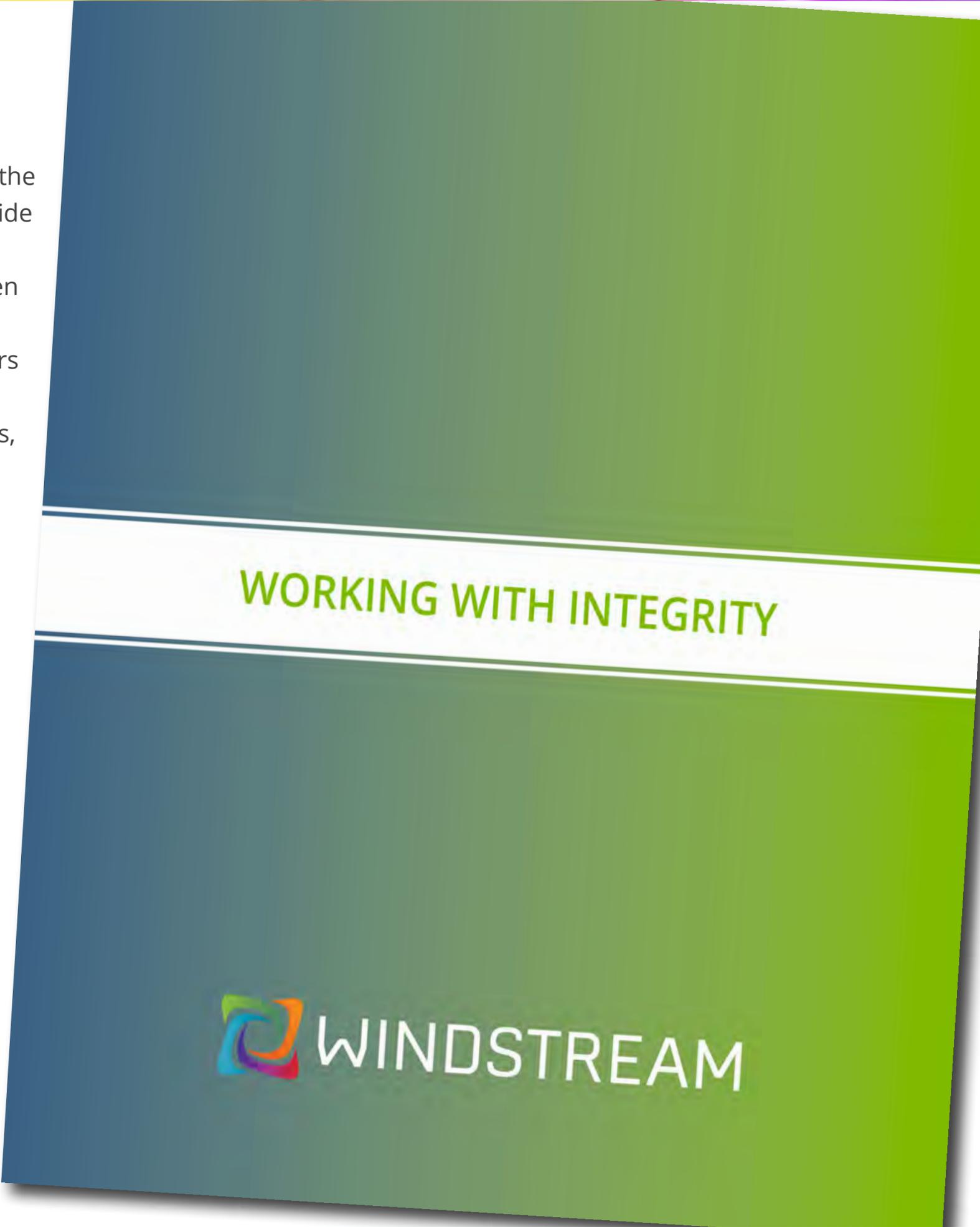
Integrity is one of our most valuable assets. Windstream is committed to conducting business in a manner that is ethical, promotes the best interests of its stakeholders, employees, and customers and fully complies with all applicable laws and regulations. Windstream expects every employee and member of our Board of Managers to be ethical and honest, comply with the law, and avoid any appearance of impropriety or conflict of interest. Understanding, embracing and performing our individual jobs in compliance with laws, regulations and our internal policies is not only the right thing to do, but it also has a real impact on our financial performance and the character of our organization.

Windstream's chief compliance officer leads our Ethics and Compliance function and reports directly to the Audit Committee of the Board of Managers, with administrative reporting to the company's chief financial officer. The Audit Committee has risk oversight responsibility for ethics and compliance across the company.

CODE OF CONDUCT

Our Working with Integrity Guidelines (the “Guidelines”) are the foundation of our Ethics and Compliance Program and provide a road map to assist employees and Board members in identifying activities and behaviors that are appropriate when conducting business related activities. The Guidelines build on our cultural beliefs by outlining expected ethical behaviors for our employees, Board members, and other company representatives. At all times, Windstream expects employees, and employees have an obligation, to uphold and carry out our commitment to lawful and ethical business conduct. Annual training required of all employees reinforces the principals outlined in these Guidelines. Conflict of Interest training and reporting is also required for all employees annually. This provides employees a forum to report any potential conflicts. All conflicts of interest reported or identified are evaluated by the Compliance Office for appropriateness and corrective active is taken, where applicable.

All Windstream employees (as well as third-party consultants, agents, independent contractors, subcontractors, and partners) who serve government clients are responsible for understanding the legal requirements and restrictions that apply to their work, and must strictly adhere to the principles contained within our Code of Business Ethics and Conduct in Governmental Contracting. Additionally, Windstream’s Supplier Code of Ethics provides basic guidelines and outlines our expectations for our suppliers to operate in an ethical



WORKING WITH INTEGRITY

 WINDSTREAM

and honest manner, comply with all laws and regulations, and avoid the appearance of impropriety and conflicts of interest.

One of the most important responsibilities Windstream employees have is the obligation to report possible workplace violations of law, the Guidelines and our policies. Windstream encourages employees to fulfill this responsibility and to seek advice when in doubt about the best course of action. We offer several alternatives for obtaining compliance advice and reporting possible violations of applicable law or these guidelines, including the Working with Integrity Helpline and Website, which are staffed by an independent third party twenty-four hours per day, seven days a week. Employees may report violations anonymously and Windstream prohibits any employee from taking retaliatory action against anyone for making a good faith report or assisting in an investigation of a possible violation.

Information reported is promptly transmitted to Windstream and investigated. Windstream maintains a case management system, and when a matter is reported to the helpline or website, it is assigned a unique tracking number that enables the individual to receive updates on the complaint or subsequently provide additional information. Windstream triages all cases to ensure they are assigned to the appropriate teams in Security, Legal or Human Resources. Investigation results are reported quarterly to the Compliance Committee, which is comprised of the chief compliance officer, chief financial officer, general counsel and chief human resources officer, as well as the company's Audit Committee.

Windstream's Working with Integrity Helpline and Website can be reached at 1-888-898-3990 and www.windstream.ethicspoint.com, respectfully.

Anti-corruption

Windstream expressly prohibits any offer, payment, promise, or gift that is intended or appears to influence any person or entity to award business opportunities to Windstream or to make a business decision in Windstream's favor. In accordance with the Guidelines and Supplier Code of Ethics, employees and suppliers are required to comply with all applicable anti-bribery and anticorruption laws of the United States, including the Foreign Corrupt Practices Act, and countries in which operations are being conducted. Additionally, as a government contractor, it is important that we conduct business with government entities in compliance with applicable laws and regulations. Accordingly, Windstream prohibits employees from giving anything of value to government employees and officials for any reason.





HUMAN RIGHTS

Windstream's Human Rights Policy outlines our commitment to respect human rights, which is reflected in every aspect of our operations. Guided by the human rights due diligence framework set forth in the UN Guiding Principles on Business and Human Rights, we are committed to assessing the impacts of our business activities on human rights and to addressing adverse impacts. Windstream became the fourth U.S.-based telecommunications service provider to join the UN Global Compact to promote accountability and stakeholder engagement in the areas of human rights, labor and environment.

Our Human Rights Policy is consistent with the Working with Integrity Guidelines and Supplier Code of Conduct. These policies address topics such as customer and employee data privacy, diversity and inclusion, health and safety, hiring practices, labor rights and harassment in the workplace, among other matters. Employees and suppliers are expected to respect the rights of others and maintain high ethical standards. Windstream does not tolerate any abuse of human rights within our business or supply chains.



APPENDIX

IN THIS SECTION

Definition of Material Issues	59
ESG Data Index	61
GRI Index	64

DEFINITION OF MATERIAL ISSUES

Human Rights - Supply Chain

The telecom sector relies on communications, equipment and technology hardware companies to manufacture and assemble products, including modems, phones, routers, switches, cables and other communication devices and accessories. Manufacturing is still largely concentrated in South East Asia. The risk of potential exposure to material human rights issues in the supply chain, including child and forced labor, excessive work hours, inadequate remuneration (living wages), sexual harassment, freedom of association and collective bargaining, all represent material ESG issues in our industry. Also included in this issue definition are conflict minerals reporting and mitigation requirements. Supplier violations pose reputational and operational risks for telecoms and increased regulatory scrutiny.

Windstream's exposure to Human Rights Supply-Chain issues was assessed as low by Sustainalytics, similar to the industry average.

Human Capital

Because Windstream provides a specialized technical service, an important pillar of our strategy and success is our 11,000-strong workforce, with their skills, knowledge and capabilities. Failure to develop and leverage their skills, and generate high employee engagement, could mean losing them to competitors, especially since the labor market competition for technical knowledge is intense. This, alongside the any inability to recruit and train qualified team members in a timely manner, could cause operational delays, resulting in subpar service, and, potentially, to lost revenues and profits.

Windstream's exposure to Human Capital issues was assessed as medium by Sustainalytics, similar to the industry average.

Carbon - Own Operations

Windstream's rural footprint of networks and offices rely on electricity as a source of energy, which contributes to higher carbon intensity compared to our industry peers who tend to operate in more densely populated areas of the country. Failure to adhere to energy regulation (both current and proposed) could result in additional operating costs in the form of fines and corrective measures. Moreover, physical risks such as extreme weather events are also a concern as they could cause damage to network infrastructure.

Windstream's exposure to Carbon - Own Operations issues was assessed as medium by Sustainalytics, moderately above the industry average.

Product Governance

Product Governance issues in the telecommunication service industry includes service quality, maintaining reliable, high-speed networks, and responding to customer billing concerns. The industry is highly regulated and government agencies routinely enforce penalties for poor quality service and publicly report on customer complaints. Although fines are not often substantial, telecom regulators have the ability to regulate national network upgrades, and can enforce market access for other competitors, impacting business plans for telecom services. Investigations for poor service can negatively impact brand value and customer retention. Moreover, telecom companies are increasingly aware of climate risks to infrastructure. Natural disasters can cause significant damage to telecom networks and disrupt customer service. Unreliable service has the potential to financially impact a company, particularly if a customer is unable to reach emergency personnel (fire, medical, police) due to network outages. Widespread outages may result in government investigations and fines. Additionally, companies have spent millions of dollars improving their networks after outages, with additional negative impacts including higher customer churn rates. Some telecom companies have also been criticized for lacking transparency in their billing practices. Class action lawsuits against telecoms for overbilling have led to large settlements.

Windstream's exposure to Product Governance issues was assessed as medium by Sustainalytics, similar to the industry average.

Business Ethics

The telecom industry is exposed to Business Ethics risks associated with corruption, IP litigation and anti-competitive practices. The industry faces one of the highest rates of intellectual property (IP) litigation, and the second-highest median damages awarded for patent litigation, surpassed only by biotech/pharmaceuticals. Telecom companies can face anti-competitive lawsuits for alleged abuse of dominant market positions, such as artificially lowering prices temporarily or restricting services to drive competitors out of the market. Investigations and litigation following allegations of abuse of market dominance are common in this sector, resulting in legal and regulatory fines. Anti-trust concerns may also prevent mergers and acquisitions. There are also regulatory concerns around "net neutrality" laws passed in 2015, which make it illegal for internet providers to prioritize some content over others. Companies in developed markets may be more exposed to investigations and lawsuits related to anti-competitive practices. Being implicated in ethics related incidents may affect a company's ability to secure financing and/or increase its network coverage area.

Windstream's exposure to Business Ethics issues was assessed as medium by Sustainalytics, similar to the industry average.

Data Privacy and Security

Windstream provides services to more than 1.3 million residential and small business customers through our Kinetic segment and to around 3,200 customers through its Windstream Enterprise segment. Our clients can use our services to communicate highly sensitive personal or business information. Any inability to secure the privacy of customer data or being the subject of a cybersecurity breach could result in lost trust and business, and lead to regulatory scrutiny and action.

Windstream's exposure to Data Privacy and Security issues was assessed as medium by Sustainalytics, similar to the industry average.

ESG DATA INDEX

Environmental			
Emissions and carbon intensity	2018	2019	2020
Scope 1 emissions (CO2e metric tons)	63,811	60,350	62,956
Scope 2 emissions (CO2e metric tons)	295,451	286,039	232,749
Total Scope 1 & 2 emissions (CO2e metric tons)	359,262	346,389	295,705
Carbon intensity (CO2e metric tons of Scope 1 & 2 / \$100M of revenue)	62.92	67.71	63.39
Scope 3 emissions (CO2e metric tons)	Not Calculated	479,363	508,403
Scope 3 emissions, business travel only (CO2e metric tons)	Not Calculated	5,792	1,908
Total emissions (Scope 1, 2 & 3, CO2e metric tons)	Not Calculated	825,752	804,108
Vehicle fuels (CO2e metric tons)	53,145	49,825	54,472
Building and other fuels (CO2e metric tons)	11,084	10,527	8,484
Renewable energy			
Number of community solar energy contracts	-	-	1
% of Scope 2 purchased electricity from renewable sources	Not Calculated	Not Calculated	16.3%
% of Scope 2 purchased electricity from renewable and carbon-free sources	Not Calculated	Not Calculated	34.3%
Fleet			
Fleet size (# vehicles at year-end)	5,229	4,481	4,338
Fleet fuel consumption (gallons)	5,632,283	5,346,948	5,988,229
E-waste			
Pounds of e-waste recycled	286,311	341,273	1,047,699
Pounds of lead acid batteries recycled	Not Calculated	33,150	54,011
Pounds of total waste recycled	286,311	374,423	1,102,362
Reuse			
# of modems refurbished for redeployment	16,163	42,178	63,526
# of pieces of network and enterprise equipment refurbished for redeployment	23,612	57,563	79,395
# of pieces of equipment sold on the gray market for reuse by others	205	2,849	19,686
Water			
Water from owned and leased facilities, where reported (1,000,000 gallons)	260	Pending validation	Pending validation
Water usage reduction from 2016 baseline	15%	Pending validation	Pending validation

Paper and copiers	2018	2019	2020
Reduction in office paper consumption from 2016 baseline	46%	57%	84%
% of office paper with at least 10% PCW content	Not Calculated	Not Calculated	5%
% of office paper from FSC certified sources	Not Calculated	Not Calculated	100%
Office printer device reduction from 2018 baseline	N/A	21%	43%
Social			
Global workforce	2018	2019	2020
US employees (% of total workforce)	100%	100%	100%
International employees (% of total workforce)	0.3%	0.3%	0.3%
Race / ethnicity			
American Indian / Alaskan Native (% of total U.S. workforce)	1%	1%	1%
Asian (% of total U.S. workforce)	2%	2%	2%
Native Hawaiian / Pacific Islander (% of total U.S. workforce)	0.4%	0.3%	0.3%
Hispanic / Latino (% of total U.S. workforce)	4%	4%	4%
Two or more races (% of total U.S. workforce)	1%	1%	1%
Unknown / undeclared (% of total U.S. workforce)	0.2%	0.2%	0.3%
White (% of total U.S. workforce)	83%	83%	83%
Gender			
Gender worldwide	2018	2019	2020
Percentage of total workforce (male)	69%	69%	70%
Percentage of total workforce (female)	31%	31%	30%
U.S. employee profile by gender			
Percentage of total workforce (male)	69%	69%	70%
Percentage of total workforce (female)	31%	31%	30%
International employee profiled by gender			
Percentage of total workforce (male)	84%	83%	85%
Percentage of total workforce (female)	16%	17%	15%
Senior management ethnicity and gender			
% of people of color in U.S. senior management (VP and above)	6%	7%	10%
% of women in U.S. senior management (VP and above)	21%	17%	19%

Health & wellness	2018	2019	2020
Healthcare benefits and services paid	\$85 million	\$80 million	\$76 million
Healthcare benefits and services paid (per employee)	\$6,500	\$6,700	\$7,000
Veterans			
Number of veteran employees	1,262	1,432	1,255
Number of active-duty military and veteran spouses employed	121	130	126
Total number of veterans and veteran or active-duty military spouses employed (% of US workforce)	12%	14%	13%
Learning & development			
Amount invested in learning and development for our employees	\$4.5 million	\$4.6 million	\$3.5 million
Training hours completed (all employees)	492,337	455,725	720,153
Number of learning experiences that employees have access to	Not Calculated	Not Calculated	4,115
Average annual hours of training per team member	44.08	37.88	67.99
Tuition Assistance Metrics			
Number of team members who took advantage of tuition assistance	160	138	117
Amount of tuition assistance provided	\$0.4 million	\$0.4 million	\$0.4 million
Safety			
Occupational injuries and illness rate (per 100 employees)	2.0	2.1	1.9
Supply chain			
Diverse supplier spend	\$196 million	\$176 million	\$182 million
Diverse supplier spend (% of total spend)	5.8%	6.0%	6.4%

GRI INDEX

Disclosure	Disclosure title	2020 Response
GRI 102: General disclosures 2016		
Organizational profile		
102-1	Name of the organization	Windstream Services LLC
102-2	Activities, brands, products, and services	https://www.windstream.com/siteselector
102-3	Location of headquarters	Our Corporate Headquarters is in Little Rock, Arkansas
102-4	Location of operations	United States and Canada
102-5	Ownership and legal form	Privately held
102-6	Markets served	United States and Canada
102-7	Scale of organization	As of December 31, 2020, Windstream employed 10,562 teammates
102-8	Information on employees and other workers	Social – Our workforce by the numbers
102-9	Supply chain	Social – Supply chain
102-10	Significant changes to the organization and its supply chain	Approach – Message from the President and CEO, emergence from restructuring process as privately-held company in September 2020
102-11	Precautionary Principle or approach	Environmental – Business continuity, Environmental – Product stewardship, Governance – How we govern
102-12	External initiatives	UN Global Compact signatory, CDP Climate Change
102-13	Membership of associations	The United States Telecom Association (USTelecom), INCOMPAS
Strategy		
102-14	Statement from the senior decision-maker	Approach – Message from the President and CEO
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Governance – Ethics and compliance, Social – Human capital: guiding principles Supplier Code of Ethics Ethics Policy
102-17	Mechanisms for advice and concerns about ethics	Governance – Code of Conduct Code of Business Ethics and Conduct in Governmental Contracting
Governance		
102-18	Governance structure	Approach – Message from the CEO, Approach – ESG strategy, Governance – How we govern
102-19	Delegating authority	Approach – Message from the CEO, Approach – ESG strategy, Governance – How we govern
102-20	Executive-level responsibility for economic, environmental and social topics	Approach – Message from the CEO, Approach – ESG strategy, Governance – ESG governance
102-25	Conflicts of interest	Governance – Ethics and compliance, Governance – Code of Conduct Code of Business Ethics and Conduct in Governmental Contracting

Stakeholder engagement		
102-40	List of stakeholder groups	Approach – Message from the CEO, Environmental – Environmental impact
102-41	Collective bargaining agreements	Social – Labor relations, as of December 31, 2021, 15.6% of employees were covered by collective bargaining agreements
102-42	Identifying and selecting stakeholders	Approach – ESG priorities, Appendix – Definition of material issues
102-43	Approach to stakeholder engagement	Approach – ESG transparency
102-44	Key topics and concerns raised	Approach – ESG priorities, Appendix – Definition of material issues
Reporting practice		
102-45	Entities included in the consolidated financial statements	Not applicable (Windstream is privately held)
102-46	Defining report content and topic boundaries	Table of contents, Approach – Message from the CEO, Approach – ESG priorities
102-47	List of material topics	Approach – ESG priorities, Appendix – Definition of material issues
102-48	Restatements of information	None
102-49	Changes in reporting	None
102-50	Reporting period	January 1, 2020 – December 31, 2020
102-51	Date of most recent report	April 22, 2021
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding this report	Investorelations@windstream.com
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI standards: Core option
102-55	GRI content index	GRI Index
102-56	External assurance	2019 CDP emissions and carbon intensity reporting (Apex) [2020 certification in-process] Supplier Diversity spend (CVM Solutions)
GRI 200: Economic		
GRI 203: Indirect economic impacts 2016		
103-1	Explanation of the material topic and its boundary	Environmental – Business continuity, Social – Digital Inclusion, Social – Accessibility, Social – Human prosperity
103-2	The management approach and its components	Environmental – Business continuity, Social – Digital Inclusion, Social – Accessibility, Social – Human prosperity
103-3	Evaluation of the management approach	Environmental – Business continuity, Social – Digital Inclusion, Social – Accessibility, Social – Human prosperity
203-1	Infrastructure investments and services supported	Environmental – Business continuity, Social – Digital Inclusion, Social – Accessibility, Social – Human prosperity
GRI 300: Environmental		
GRI 301: Materials 2016		
103-1	Explanation of the material topic and its boundary	Environmental – Product stewardship, Environmental - Paper
103-2	The management approach and its components	Environmental – Product stewardship, Environmental - Paper
103-3	Evaluation of the management approach	Environmental – Product stewardship, Environmental - Paper
300-2	Recycled input materials used	Environmental – Product stewardship, Environmental – Paper, Appendix – ESG data index
300-3	Reclaimed products and their packaging materials	Environmental – Product stewardship, Environmental – Paper, Appendix – ESG data index

GRI 302: Energy 2016		
103-1	Explanation of the material topic and its boundary	Environmental – Environmental impact, Environmental – Emissions and carbon intensity
103-2	The management approach and its components	Environmental – Environmental impact, Environmental – Emissions and carbon intensity
103-3	Evaluation of the management approach	Environmental – Environmental impact, Environmental – Emissions and carbon intensity
302-1	Energy consumption within the organization	Environmental – Our emissions by scope, Appendix – ESG data index
302-2	Energy consumption outside the organization	Environmental – Our emissions by scope, Appendix – ESG data index
302-3	Energy intensity	Environmental – Our emissions by scope, Appendix – ESG data index
302-4	Reduction of energy consumption	Environmental – Our emissions by scope, Appendix – ESG data index
302-5	Reduction in energy requirements of products and services	Environmental – Real Estate, Environmental – Fleet, Environmental - Product stewardship
GRI 303: Water and effluents 2018		
103-1	Explanation of the material topic and its boundary	Environmental – Water consumption, Appendix – ESG data center
103-2	The management approach and its components	Environmental – Water consumption, Appendix – ESG data center
103-3	Evaluation of the management approach	Environmental – Water consumption, Appendix – ESG data center
303-5	Water consumption	Environmental – Water consumption, Appendix – ESG data center
GRI 305: Emissions 2016		
103-1	Explanation of the material topic and its boundary	Environmental – Environmental impact, Environmental – Emissions and carbon intensity
103-2	The management approach and its components	Environmental – Environmental impact, Environmental – Emissions and carbon intensity
103-3	Evaluation of the management approach	Environmental – Environmental impact, Environmental – Emissions and carbon intensity
305-1	Direct (Scope 1) GHG emissions	Environmental – Our emissions by scope, Appendix – ESG data center
305-2	Energy indirect (Scope 2) GHG emissions	Environmental – Our emissions by scope, Appendix – ESG data center
305-3	Other indirect (Scope 3) GHG emissions	Environmental – Our emissions by scope, Appendix – ESG data center
305-4	GHG emissions intensity	Environmental – Our emissions by scope, Appendix – ESG data center
305-5	Reduction of GHG emissions	Environmental – Renewable Energy, Environmental – Real Estate, Environmental – Fleet, Environmental – Our emissions by scope, Appendix – ESG data center
GRI 306: Waste 2016		
103-1	Explanation of the material topic and its boundary	Environmental – Environmental impact, Environmental – Product stewardship
103-2	The management approach and its components	Environmental – Environmental impact, Environmental – Product stewardship
103-3	Evaluation of the management approach	Environmental – Environmental impact, Environmental – Product stewardship
306-1	Waste generated and significant waste-related impacts	Environmental – Environmental impact, Environmental – Product stewardship
306-2	Management of significant waste-related impacts	Environmental – Environmental impact, Environmental – Product stewardship
306-4	Waste diverted for disposal	Environmental – Product stewardship, Appendix – ESG data center
GRI 307: Environmental compliance 2016		
103-1	Explanation of the material topic and its boundary	Environmental – Environmental impact
103-2	The management approach and its components	Environmental – Environmental impact

103-3	Evaluation of the management approach	Environmental – Environmental impact
307-1	Non-compliance with environmental laws and regulations	Windstream has not identified any non-compliance with environmental laws and/or regulations during this reporting period
GRI 400: Social		
GRI 401: Employment 2016		
103-1	Explanation of the material topic and its boundary	Social – Human capital guiding principles, Social – Compensation and benefits
103-2	The management approach and its components	Social – Human capital guiding principles, Social – Compensation and benefits
103-3	Evaluation of the management approach	Social – Human capital guiding principles, Social – Compensation and benefits
401-1	New employee hires and employee turnover	In 2020, Windstream hired 2,154 new employees and total employee turnover was 11%
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Social – Compensation and benefits, Appendix – ESG data center
401-3	Parental leave	Windstream offers 10 days of paid parental leave to full-time, eligible birth and adoptive parents (mothers and fathers) who have continuous employment for the previous 12 months and meet FMLA requirements. The benefit may be used in the 12 weeks following the birth or adoption of a child.
GRI 403: Occupational health and safety 2018		
103-1	Explanation of the material topic and its boundary	Social - Safety
103-2	The management approach and its components	Social - Safety
103-3	Evaluation of the management approach	Social - Safety
403-1	Occupational health and safety management system	Social - Safety
403-2	Hazard identification, risk assessment, and incident investigation	Social - Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Social - Safety
403-5	Worker training on occupational health and safety	Social - Safety
403-6	Promotion of worker health	Social – Employee compensation and benefits, Social - Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Social - Safety
403-8	Workers covered by occupational health and safety management system	Social - Safety
403-9	Work-related injuries	Social - Safety
403-10	Work-related ill health	Social - Safety
GRI 404: Training and education 2016		
103-1	Explanation of the material topic and its boundary	Social – Learning and development
103-2	The management approach and its components	Social – Learning and development
103-3	Evaluation of the management approach	Social – Learning and development
404-1	Average hours of training per employee	Social – Learning and development, Appendix – ESG data center

404-2	Programs for upgrading employee skills and transition assistance programs	Social – Learning and development
404-3	Percentage of employees receiving regular performance and career development reviews	100% of full-time employees
GRI 405: Diversity and equal opportunity 2016		
103-1	Explanation of the material topic and its boundary	Social – Human capital guiding principles, Social – Diversity and inclusion
103-2	The management approach and its components	Social – Human capital guiding principles, Social – Diversity and inclusion
103-3	Evaluation of the management approach	Social – Human capital guiding principles, Social – Diversity and inclusion
405-1	Diversity of governing bodies and employees	Social – Our workforce by the numbers, Appendix – ESG data center
GRI 413: Local communities 2016		
103-1	Explanation of the material topic and its boundary	Environmental – Business continuity, Social – Digital inclusion, Social – Accessibility, Social – Digital safety, Social – Robocalls, Social – Open Internet
103-2	The management approach and its components	Environmental – Business continuity, Social – Digital inclusion, Social – Accessibility, Social – Digital safety, Social – Robocalls, Social – Open Internet
103-3	Evaluation of the management approach	Environmental – Business continuity, Social – Digital inclusion, Social – Accessibility, Social – Digital safety, Social – Robocalls, Social – Open Internet
413-1	Operations with local community engagement, impact assessments, and development programs	Environmental – Business continuity, Social – Digital inclusion, Social – Accessibility, Social – Digital safety, Social – Robocalls, Social – Open Internet
GRI 415: Public policy 2016		
103-1	Explanation of the material topic and its boundary	Political spending policy
103-2	The management approach and its components	Political spending policy
103-3	Evaluation of the management approach	Political spending policy
415-1	Political contributions	In 2020, Windstream made \$176,750 in political contributions through our PAC
GRI 419: Socioeconomic compliance 2016		
103-1	Explanation of the material topic and its boundary	Governance – How we govern
103-2	The management approach and its components	Governance – How we govern
103-3	Evaluation of the management approach	Governance – How we govern
419-1	Non-compliance with laws and regulations in the social and economic area	Windstream has not identified any non-compliance with laws and/or regulations during this reporting period



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