DIVERSITY AND INCLUSION REPORT

2016
I am proud to share with you, through our 2016 Diversity and Inclusion Annual Report, what Level 3 employees have been doing to advance diversity and inclusion. These principles — embracing diverse cultures and backgrounds and seeking different perspectives — aren’t new to the Level 3 culture, but our efforts to stress these issues accelerated in 2016.

As you will see in this report, we have taken actions to continue our commitment to respect, a Level 3 Core Value. Respect is more than a catchword. It’s a pledge that guides all of our interactions, from our hiring, leadership and training practices to the way we interact with our fellow employees, customers and communities.

Why are we committed to diversity and inclusion? First, we’re more effective when we work together and tap into the strengths that a diverse workforce offers. Second, we’re a better company when our employees and customers are encouraged to articulate their opinions. Third, our talent strategy is a competitive advantage when we hire and train people with complementary — or even disparate — skills and outlooks. Lastly, and quite simply, we believe that valuing and consciously considering others’ diverse ideas is the right thing to do.

I’m inspired by the combined efforts of the Level 3 team highlighted in this report, and I look forward to taking additional steps to strengthen and evolve our focus on diversity in the future.

Mary Beth McGrath
Senior Vice President
Global Talent Management
LEVEL 3’S DIVERSITY STATEMENT:
‘DIVERSITY — OF THOUGHT, BACKGROUNDS AND EXPERIENCES — AFFECTS ALL THAT WE DO’

Level 3 believes diversity — of thought, backgrounds and experiences — affects all that we do, from our employees to the solutions we deliver. Our goal is to create an environment in which inclusion through diversity helps deepen the lives and work experience of our employees, enhances our innovation and creativity, and enriches our involvement in our communities. We want the people who work at Level 3 to feel good about their contributions, believe that everyone has a voice and know we all have the opportunity to make a difference. Ultimately, this inclusiveness provides a greater experience for our employees and for our customers.

We believe an inclusive environment helps employees celebrate who they are and bring their best to the work they do. We want the people who work at Level 3 to feel good about their contributions.
A GLOBAL GLIMPSE: EMPLOYEES WRITE ABOUT HOME

Level 3’s global workforce of nearly 13,000 employees across six continents is comprised of traditions, languages and work styles that are unique and specific to local and regional office cultures. These cultural differences roll up into Level 3’s global operations and shape how we serve our diverse customer base.

We regularly feature the diversity of our key regions (Latin America, Asia Pacific, North America and Europe, the Middle East and Africa) on our company intranet, Next Level, to help our employees appreciate each other’s customs, holidays, local foods and country-specific facts. This year we published employee-written articles and videos about life in Level 3 offices and regional culture. Here are examples from our Latin American colleagues:

**Latin America**

“We work with great people and value teamwork.” We have 10 Level 3 offices in Brazil, including Porto Alegre, Londrina, Joinville, Curitiba, São Paulo, Campinas, Rio de Janeiro, Belo Horizonte, Brasilia and Fortaleza. Like the distance between our offices, our cultural differences are great. We communicate with people who are not close to us geographically through video conference meeting rooms. I always look forward to meeting other Level 3 employees around the world.

-Isabel Alves Campos
Account Manager

“We are proud of the generosity and innovation of our offices.” Level 3 employees in Colombia are charitable, and many make monthly donations to “Dividendo por Colombia,” a program that supports the education of underprivileged children. When recent weather conditions caused a food shortage in a remote region of the country, Level 3 employees purchased and shipped basic food supplies.

-Marcela Hincapié, Senior Operations Engineer
-Eduardo Leon, Senior Functional Process Architect

“We are like a family at Level 3.” In Ecuador, we are proud of our office. We have friendly, respectful, hard-working people, and it’s easy to feel at home. Food is entrenched in our traditions, such as Fanesca, which is a soup made of sambo fig leaf gourd and squash, accompanied by 12 different kinds of grains; Colada Morada, which is a hot drink made with fruits; and the doll-shaped “guaguas bread.” At our year-end party where we all come together, new employees dress in costume and present a show with their teams. We also value stability and our good working environment, plus opportunities for professional development.

-Paulina Burbano, Katya Pico Villacis, Fernando Sevilla, Germania Lasso
(Left to Right) – All Members of the Technical Service Center, Ecuador
Asia Pacific

During our company’s annual Diversity and Inclusion Week, the Asia-Pacific (APAC) team got behind and in front of the camera with a series of videos that gave us a glimpse into the Level 3 offices in their region, a look at the famous Dragon Boat festival and demonstrations on Kung Fu and dumpling-making.

“APAC is very diverse with wide cultural differences in each country. We have a talented team and we understand cultural differences and business practices to deliver consistent customer experience.”

-Ricky Chau
vice president of sales, Level 3 APAC

Global Holidays: From Carnival to Christmas, Employees Embrace Their Traditions

With a global workforce, our employees celebrate holidays and traditions that reflect a wide range of local histories and cultures — from food festivals and family get-togethers to fireworks and reflection. The global holiday calendar on our intranet allows us to schedule around our colleagues’ corresponding office closures and, more important, recognize their feasts and observances.

During Diversity and Inclusion Week, we highlighted the customs and color of some of the commemorations, and several locations held community-building activities incorporating the dances and dishes of these important dates.

Employees in Hong Kong learning to make zongzi dumplings as part of Diversity and Inclusion Week.
LEVEL 3 EMPLOYEE RESOURCE GROUPS:
LEADING THE WAY FOR EXPANSION OF CULTURE AND WORKPLACE DIVERSITY

Employee Resource Groups (ERGs) lead the way for organic expansion of employee culture and contribute to workplace diversity. Members can connect and share with their colleagues who may have similar interests and challenges, providing a sense of community and equality. More than 20 percent of our employees globally are members of an ERG. Our nine ERGs include:

**Level 3 Women:**
Highlights and develops female talent in the workplace through a multi-national, cross-functional network.

**Level 3 Veterans:**
Supports the professional and personal needs of employee veterans while giving back to the larger military community.

**Level 3 Millennial Minds:**
Offers guidance to new generations in our workforce through events and support programs. Promotes cross-generational collaboration.

**Level 3 Lesbian, Gay, Bisexual and Transgender:**
Helps create a culture and workplace that are inclusive, adaptable and creative.

**Level 3 Latinos:**
Dedicated to providing a community for members to share, learn, develop and advance.

**Level 3 Friends:**
Supports the success of employees living with disabilities and caregivers of individuals experiencing illness and chronic pain.

**Level 3 Global Community:**
Enhances the Level 3 work experience through cross-regional social activities and events.

**Level 3 Predictive Analytics and Decision Science:**
Collaborates on common challenges to foster a global analytical community while creating data utilization awareness for product innovation and leadership.

**Level 3 People Managers:**
Brings together leaders of people and aspiring leaders of people who see the value in tapping into their peers’ skills and knowledge.

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**A Veteran Community Bound Together By Former and Active Military Employees**

“As a veteran of the U.S. Navy, it is extremely rewarding to work for a company that values and honors its veterans. The veteran community at Level 3 binds active and former military employees. Through the Veterans Employee Resource Group, we can send donations to coworkers deployed in active duty or offer much-needed support here at home while these men and women are away from family and friends. We can offer this assistance to veterans because we work for a military/veteran-friendly organization.”

- David Hughes
Provisioning Manager and Chair of Level 3 Veterans ERG

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**Women Stepping Forward to Lead Growth and Success**

“In my 7-plus years at Level 3, my best opportunity has been to serve as the president of Level 3 Women. The ERG is the company’s largest, with more than 900 global members. It is with the unflinching support of Level 3 that the Level 3 Women ERG had such a successful 2016 — from networking events and a global speaker series to the launch of a mentoring program. I have found that if I surround myself with smart and driven women who believe in what I believe in, there is literally nothing we can’t achieve together.”

- Sri Kannan Ramachandran
Marketing Manager and Chair of Level 3 Women
MENTOR-RINGs

Mentor-RINGs: Women Getting Coaching and Counsel

In her 10 years with Level 3, Senior Director of Margin Assurance Jenny Scheer has always looked for opportunities to further her career, and she knew she could learn a lot from a mentor. Jenny was selected as a mentee in Level 3’s Mentor-RINGs program — a mentoring circle that connects higher performing females with more experienced Level 3 colleagues.

“As a woman in the corporate world, I feel it is even more critical to network and create an image for yourself. The Mentor-RINGs program provides the forum to do just that,” Jenny said.

Jenny had two mentors, both of whom helped expand her networking opportunities and taught her to communicate her goals. “Being a mentee enabled me to continue to find areas to grow as a leader and as an individual contributor.”

Now Jenny mentors other Level 3 women through Mentor-RINGs. “Being a mentor is very different than a mentee. You are expected to have the answers and provide guidance. However, I learn as much from my mentees in the role of a mentor as I do being a mentee myself.”

“A big part of the Mentor-RINGs program is enabling mentees to develop their personal leadership brand. This brand is something each mentee can build and develop over time with the company as they move toward their leadership goals,” said Lisa Miller, senior vice president of sales and executive sponsor of Mentor-RINGs. “I’m honored to support this program as a stepping stone for employee development and growth.”

In 2016, co-ed Mentor-RINGs were formed, opening the program to both female and male mentees at the director and senior director levels. By welcoming male participation, our goal is to share the experiences of thought leadership across genders.

Survey results based on 2016 cycle:

- 62% of mentees felt a positive impact on their engagement at Level 3
- 64% of mentees increased their commitment to Level 3
- 97% of mentees would recommend this program to a colleague
- 86% of managers report increased employee commitment to Level 3
- 80% of managers report a positive impact on their employees’ engagement
- 94% of managers would encourage or allow their employee(s) to participate in the program again next year
DIVERSITY AND INCLUSION WEEK 2016: A FOCUS ON WHAT MAKES US UNIQUE HELPS CONNECT OUR GLOBAL COMMUNITY

Exposing employees to what makes each of us unique was a continued focus during Level 3’s Diversity and Inclusion Week. Tied to the United Nations’ World Day for Cultural Diversity & Dialogue on May 21, Level 3 celebrated its second Diversity and Inclusion Week with the following events and resources:

Global webcasts:
“Millennials at Level 3: A Panel Conversation about Identity and Purpose” and “Employees with Disabilities: Driving an Inclusive Workforce.”

Global intranet article and videos:
Offering insight into offices and multi-cultural workforce in the Asia-Pacific region.

Global business training:
Employees were invited to participate in Managing Unconscious (implicit) Bias training.

Global food showcase:
Launch of Level 3’s recipe exchange and Pinterest recipe board, featuring employee-submitted recipes with a global focus, plus local food fairs and events at various offices.

Launch of the Latino Employee Resource Group:
Our ninth ERG unites employees celebrating Latino heritage and culture.

“Are Your Moves International? 4 Exercise Trends With Cultural Origins”:
A global intranet article exploring exercise trends around the world.

Salsa-making demonstration by the Latino ERG
Employee celebrating Norway Day
Employees in Asia Pacific making zongzi dumplings
Asia Pacific offices and culture video
Employee video on the origin and practice of Kung Fu
Employee video with food demonstration
RECRUITING AND DEVELOPING:
TRAINING TECHNICAL TALENT IN A DIVERSE ENVIRONMENT

Employees from many backgrounds and experiences make up Level 3’s talented workforce — from university degrees and professional experience to former military and those making a transition to a technical career. Employees are encouraged and supported to “grow from within,” making a career at Level 3 one that can evolve in skills, challenges and opportunities. To our customers, this means greater confidence in the knowledge and experience our employees bring to the customer lifecycle.

Level 3 and PTECH: Building a STEM Pipeline

Level 3 volunteers are helping create a pathway toward careers in science, technology, engineering and math (STEM) for under-resourced, diverse students in Colorado. Through our Level 3 Cares corporate social responsibility program, volunteers who are subject matter experts work with middle school and high school students to educate them about professional STEM opportunities — potentially by working for Level 3.

The program is part of Pathways in Technology for Early College High Schools (PTECH), which offers free high school STEM courses for college credit, and ideally leads to a two-year college program. Level 3 volunteers help design the curriculum.

PTECH affords Level 3 employees the opportunity to mentor and advise these students* along with hosting onsite job shadowing, giving campus tours, participating in expert panels and presenting as guest lecturers.

*The first PTECH cohort of 32 students represents:
- 53% females
- 94% first-generation college seekers
- 38% free/reduced lunch qualification
- 53% English language learners
Careers in Cybersecurity:
Attracting and Grooming Experts for a Booming Sector

Cybersecurity career growth rates are climbing. Reports indicate 1 million cybersecurity job openings globally, and demand is expected to rise to 6 million globally by 2019. The profession is growing at a rate of 36.5% through 2022.* At Level 3, hiring and developing our cybersecurity experts is critical to our current and future business success. Below are Cybersecurity Career Tips from several of our Level 3 employees. Click on Learn more to watch the full videos.


Jelena Magarasevic, security architecture, explains how her math and engineering background has helped enhance her career. She now uses that foundation in STEM to grow and work on real-world threats and technologies.

Brett Wentworth transitioned from an English major to Level 3 global security operations. He shares how his desire to live in Colorado led to a leadership career in cybersecurity, what courses he took to succeed and his favorite part of his job.

Beth Ard, senior director of product markeing, discusses her career journey from internet to cybersecurity, including the skills needed to break into the industry.

Rockin’ Roles in Cybersecurity:
Hiring Musicians, Artists and Other Creative Thinkers

Musicians may be key to the cybersecurity talent shortage, reports Fast Company magazine in an interview with Level 3’s Chief Security Officer Dale Drew. Dale is continually scouting new data and information to find security talent, but he’s not only combing resumes and looking at top tech schools. He’s also looking at musical talent. “Music gives you a lot of creativity and allows you to use that right side of your brain,” Dale said in the interview: “More musicians and creative thinkers have been taking up roles in cybersecurity. We’ve been looking for people who have expertise in critical thinking skills.” That can mean anything from music to art to literature. People comfortable grasping larger concepts have less trouble adapting to a security environment. “We’ve been finding people that we believe are more adaptable to the security industry, even though they have no security background,” he said. Read more here.
Social Media Platforms:
Sharing Diversity and Inclusion News More Broadly and Immediately

With social media channels being a significant source of news among job seekers and our own employees, we’re sharing our diversity and inclusion news and thought leadership on Twitter, Facebook, Periscope, YouTube, Glassdoor and more. Below are a few examples of our social presence:

Follow Level 3 on social:
AWARD-WINNING WORKPLACE: RECOGNITION FOR FOSTERING EQUALITY

Level 3 has won several diversity and inclusion awards, providing an important benchmark among like-minded companies. Our 2016 awards follow:

- Most Valuable Employer, CivilianJobs.com (2016)
- Best for Vets, Military Times EDGE Magazine (2016)
- MOSAIC 5-Star Recipient for Workplace Diversity, Tulsa (Oklahoma) Regional Chamber of Commerce (2016)
- Colorado Biz Magazine, Top Company Award, Finalist (2016)

“Diversity and inclusion are a cornerstone of the Level 3 culture. We believe our business must be informed by diverse perspectives and a culture that values the varied backgrounds of our employees. With our unwavering commitment to a strong strategy of inclusion and respect, we believe we are well-positioned to live up to our vision: to be the trusted connection to the networked world.”

-John Ryan
EVP, Chief Legal Officer and Secretary
Senior Corporate Counsel Jason Prussman has been open about his sexual orientation throughout his legal career. He was recently recognized with the National LGBT Bar Association’s 2017 Denver Out & Proud award, which commends legal professionals who advance lesbian, gay, bisexual, transgender (LGBT) equality. The National LGBT Bar is the country’s largest organization of LGBT and allied legal professionals.

‘A conscious choice from the very beginning’

After graduating with his bachelor’s degree from Colorado State University, Jason told family, friends and people at work that he was gay. “When I started law school [at the University of Colorado], I knew I did not want to go back into the closet. So, I made a conscious choice from the very beginning to be out to my classmates and future employers. I did that through my resume and other visible student activities. I have been fully out at each legal job I have had since,” Jason said.

He joined Level 3 in 2011.

‘A world of support’

Jason, who counsels the human resources department and other units within Level 3 on employee relations, policies and compliance programs, hopes the award shows other lawyers they can be authentic. “I like to think I was honored with this award to show other lawyers who may be hesitant about coming out that there is a world of support out there and that you can be your full self at work and still find happiness and success."

That goes beyond the law department to the rest of Level 3, said Jason, who helped found our LGBT Employee Resource Group. “The ERG is really thriving, and that underscores what a welcoming place this is.”

Training:
Shining a Light on Unconscious Bias

Because our implicit or unconscious beliefs and attitudes can negatively affect our professional relationships and impede development of our inclusive culture, Level 3 provided unconscious bias training in 2016. The training module was given to all new managers and was made part of team discussions for some existing teams. All employees are offered access to the web-based unconscious bias training when they first join Level 3.
CORPORATE SOCIAL RESPONSIBILITY:

Supporting Diverse Communities and Causes

In serving diverse cause areas and the patchwork of communities in which our employees and customers live, work and operate their businesses, our corporate social responsibility program, Level 3 Cares, is an important part of our culture of diversity and inclusion. Level 3 Cares allows our employees — whether individually, with their ERGs or as a part of team events — to connect with and support causes important to them. In coordinating their projects through Level 3 Cares, employees gain visibility and are given some paid time away from work to participate.

ERGs and Level 3 Cares

ERGs often join Level 3 Cares to support organizations that reflect their members’ common interests. Some examples are:

- **Project Angel Heart’s Pie in the Sky.** Our LGBT ERG worked with Level 3 Cares and Project Angel Heart to sell pies just before Thanksgiving. Each pie funded three nutritious, medically tailored meals for people in the community living with cancer, kidney failure, HIV/AIDS, lung disease, Multiple Sclerosis and other serious illnesses.

- **Angel Bakers.** Through Level 3 Cares and Angel Bakers, nearly 250 Veterans ERG members and other employees nationwide sent care packages of snacks and goodies, books, handwritten notes of encouragement, cards, games, toiletries and more to active-duty military stationed overseas. Servicemen and servicewomen both inside and outside Level 3 received these treats.

Level 3 Gives

When employees give their time to a nonprofit, that organization becomes eligible to apply for support through the Level 3 Gives grant program, which in 2016 donated more than $138,000 in North America and the U.K. to support of these cause areas:

- **Disaster Relief** 5%
- **Underserved/Diverse Populations** 55%
- **Natural Environment** 15%
- **Education** 25%
Some 2016 grant winners were organizations that directly support diversity and inclusion. Two examples are:

- **The Girls Network**
  Our London-based women and The Girls Network charity have partnered to develop one-on-one mentoring relationships between young girls and Level 3 women business professionals. The program has proven to be a catalyst for young girls to challenge stereotypes and expectations, providing greater access to opportunities. The program builds confidence and provides skills to thrive.

- **Oklahomans for Equality**
  Oklahomans for Equality seeks equal rights for lesbian, gay, bisexual and transgender (LGBT) individuals and families through advocacy, education, programs, alliances and the operation of the Dennis R. Neill Equality Center in Tulsa, Oklahoma. The group is home to a diverse, vibrant and engaged community of LGBT persons, knowledgeable staff and dedicated volunteers.

**The Level 3 Foundation: Extending Support Opportunities Beyond Our Doors**

The Level 3 Foundation, a public charity that gives our employees and community members the opportunity to support the communities and causes important to them, provided $100,000 in grants for education-related nonprofits in 2016. One recipient was the Denver Museum of Nature and Science’s [Girls in Science 2017](#). Through the program, girls and their families met women scientists and experienced the many diverse opportunities a future in science, technology, engineering, art and math can bring.

The [Level 3 Foundation](#) accepts money, in-kind donations and non-cash gifts and donates funds to U.S.-based charities that support local and global initiatives.

**Our Customers: Recognizing—and Appreciating—a Culture of Diversity and Inclusion**

Seattle Sales General Manager SK Panda makes a conscious effort to instill principles of diversity and inclusion in his teams by valuing the new thoughts and ideas that diverse people bring to the table. “We become so focused on products and solutions that we forget the human side. We must build relationships with people.”

**A Competitive Advantage**

Having a diverse and inclusive workplace gives Level 3 a competitive advantage, SK believes, and “it should be celebrated, because that is one of the things that many customers are adopting. If we don’t make a conscious effort to bring in the best people, and if all the customer sees are similar people on our team, it can send a message that we don’t agree with the culture of that customer. The difference between Level 3 and another company might boil down to interactions with a particular customer. We have a good culture. Customers feel good about it,” he said.

And although diversity and inclusion are “already part of Level 3’s DNA,” he wants to continue to shape the culture. He tells his employees to follow these three tenets: enable customer business, practice customer empathy and be accountable. SK advises, “give people a small but meaningful message, and everyone moves toward that message. It becomes the culture of the group.”
LEVEL 3’s EVER-EVOLVING CULTURE OF RESPECT

With a worldwide workforce of nearly 13,000 employees providing services in more than 60 countries across six continents, diversity of thought, culture and background shapes our day-to-day business operations — and our philosophy. We embrace being a diverse, inclusive and truly global company that values the exchange of customs, languages and personal histories. We consciously pursue the perspectives and expertise of those who are different from us. While this report includes many examples illustrating how we foster diversity and inclusion, we also strive to illustrate why.

From a business perspective, espousing diversity and inclusion makes us a more effective company as we draw upon many different strengths. It makes us a better employer and services provider as we offer employees and customers a voice that they’re not afraid to use. It gives us a competitive advantage and talent strategy as people search for a company that shares the philosophies they value. And finally, it’s the right thing to do.

We embrace being a diverse, inclusive and truly global company that values the exchange of customs, languages and personal histories. We consciously pursue the perspectives and expertise of those who are different from us.

Level 3 has a culture of respect that is constantly evolving. We are proud of where we stand on diversity and inclusion today, and we look forward to even more opportunities to further our philosophy and bolster our efforts in the future.

ABOUT LEVEL 3

We operate and take end-to-end responsibility for network solutions that connect you to the world. We put customers first and take ownership of reliability and security across our broad portfolio.

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