

altafiber

# 2022 ESG REPORT



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altafiber

## Who We Are

Cincinnati Bell is now doing business as "altafiber" in Ohio, Kentucky, and Indiana. The Company also provides service in Hawai'i under the brand Hawaiian Telcom. In addition, the Company's enterprise customers across the United States and Canada rely on CBTS and OnX, wholly-owned subsidiaries, for efficient, scalable office communications systems and end-to-end IT solutions.

altafiber delivers integrated communications solutions to residential and business customers over its fiber-optic network including high-speed internet, video, voice and data.





**"We relentlessly innovate and continuously invest in technology to serve our customers. Innovation and investment in our culture, our lived-values, and our governance are equally important."**

**- Leigh Fox,  
President and CEO  
altafiber**

## **Letter from the CEO, Leigh Fox**

altafiber is pleased to present the 2022 Environmental, Social, and Governance report. altafiber's ESG programs represent our values and commitment to key stakeholders, which include investors, employees, customers, and members of the communities we serve. The investments we are making in ESG programs complement our investments to expand broadband access and help business customers achieve their goals, with a "one plus one makes three" effect.

We've been in business for 150 years. Many of our ESG practices are deeply rooted in the company's culture, while others more recently became part of our governance structure. We relentlessly innovate and continuously invest in technology to serve our customers. Innovation and investment in our culture, our lived-values, and our governance are equally important.

In 2022, altafiber chartered an ESG committee, bringing together existing and new Director-level leaders to provide ESG guidance to the corporate executive team. The ESG committee quickly completed a materiality assessment, surveying our many stakeholders to prioritize the sustainability, environmental, social, and governance issues that matter most to the success of our business plan.

The materiality assessment helped focus attention and resources on what is most important to our stakeholders and future success. The results of the materiality assessment – as well as progress on our priorities – are in this report, as we believe it's critical to communicate these goals and metrics to ensure accountability and transparency.

Importantly, meeting our ESG goals is a shared responsibility among altafiber's employees. We are excited for you to learn how our employees are leaning in to help create more equitable, sustainable, and inclusive communities where we live and work.

Leigh Fox  
President and CEO  
altafiber



# ESG Strategy

## Developing a purpose-driven organization

It's a passion of our company and our employees to create a better world for everyone.

We act with humility, lead with integrity, and value inclusion to develop a purpose-driven organization. We are committed to building a more prosperous and sustainable future – for our customers, for our communities, and for the world around us.

From community engagement programs, to corporate sponsorships, to sustainability initiatives, we continue to make an impact in the communities where we work and live.



### Governance

We believe a strong corporate governance is the key to driving our company's success and building sustainable long-term value for our stakeholders.



### Sustainability

We want to connect people, free from waste or pollution, enhancing environmental quality and health in our communities.



### Diversity, Equity, and Inclusion

We provide an environment that supports, recruits, and advances all employees fairly, and allows everybody to bring their best selves to the workplace.



### Social Impact

We commit to investing in the communities where we work and live and promote digital equity, inclusive environments, and employee well-being.

# ESG Priorities

In 2022, altafiber's ESG committee conducted our inaugural "materiality" assessment, an analysis and validation process to guide how we prioritize the sustainability, environmental, social, and governance (ESG) issues that matter most to our stakeholders and our future. We started with peer and industry benchmarking, identifying topics that are common and relevant to the communications and information technology industry. We referenced the Sustainability Accounting Standards Board (SASB)'s Sustainability Accounting Standards for our own and adjacent industries to create a list of ESG topics relevant to our business and stakeholders. Next we engaged stakeholders including employees, community partners, customers, contractors, regulators, suppliers, as well as our own Board of Directors and executive leadership team. We conducted meetings and administered an anonymous survey to gather diverse input from stakeholders. Finally, informed by the results, our ESG committee finalized our materiality assessment and it was reviewed and approved by our executive team.

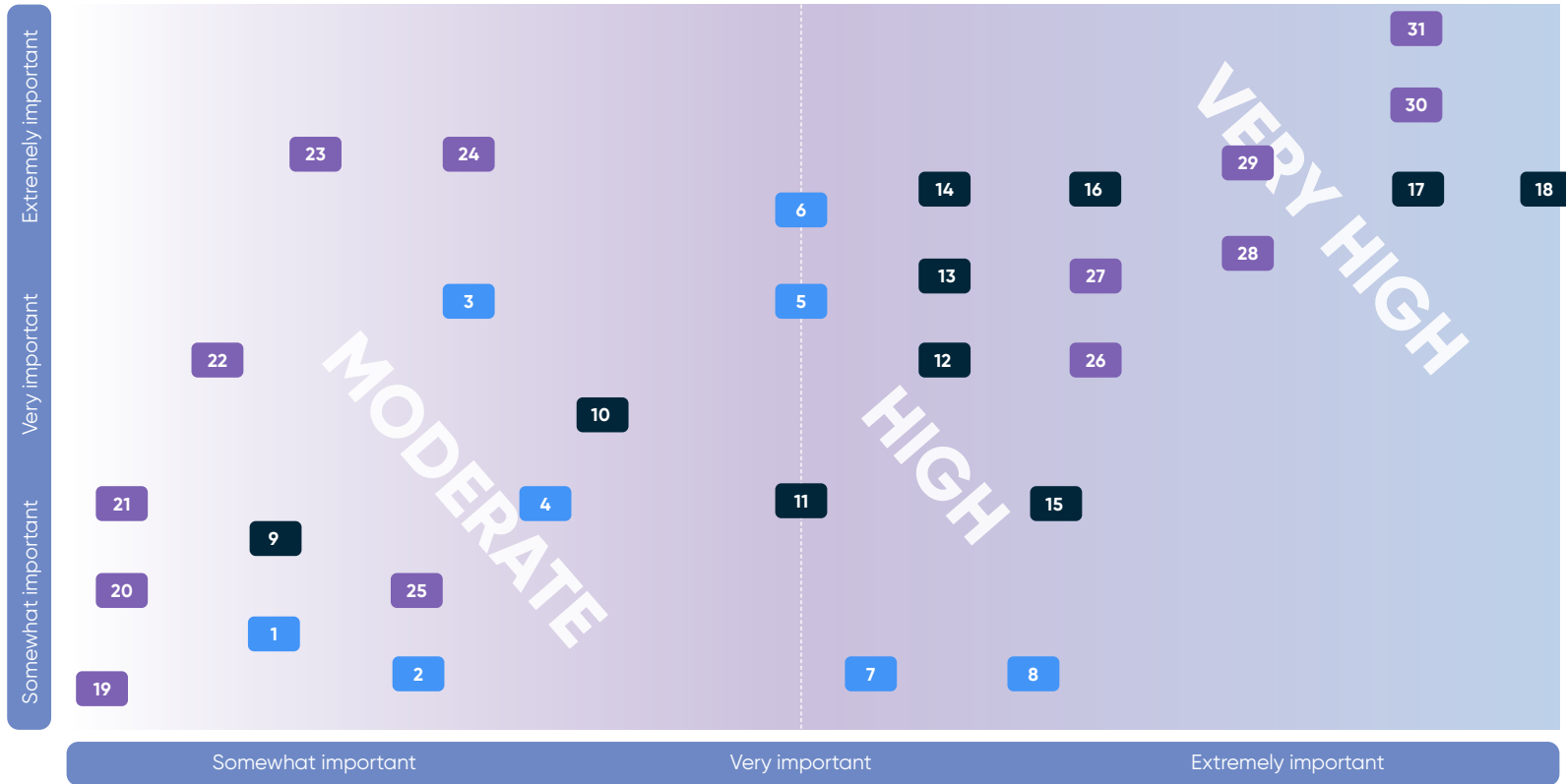
The assessment is presented in the chart on the next page. altafiber's ESG issues are organized by importance to altafiber's stakeholders and the impact on our business success. The material issues identified by this assessment then inform our strategy and focus within our ESG programs. We aim to build business resilience by bringing all concerns and voices into the conversation such that our ESG activities and targets are inclusive, proactive, and materiality led. The materiality assessment helps us focus our attention and resources on what is most important to our stakeholders and where our efforts are of strategic relevance for the business. By conducting this strategic exercise every 2-3 years and maintaining regular touch-points with key stakeholders on an ongoing basis, we focus our efforts on our most pressing ESG-related risks and opportunities.





# Materiality Assessment

## Importance to the Stakeholders



## Importance to the Business

### Environmental

1. Product End of Life Mgmt.
2. Sustainability Services
3. Fleet Optimization & Modernization
4. Resource Conservation
5. Env. Footprint of Operations
6. GHG Reduction
7. Physical Climate Change Impacts
8. Env. Footprint of Hardware Infrastructure

### Social

9. Managing Social Risk
10. Tech Disruption
11. Labor Practices
12. Community Relations
13. Diverse & Skilled Workforce
14. Inclusive Hiring & Culture
15. Access & Affordability
16. Employee Wellness
17. Customer Quality & Service
18. Employee Health & Safety

### Governance

19. Freedom of Expression
20. Open Internet
21. Responsible Sourcing
22. Regulatory Competitive Pressures
23. Conflict of Interest Mgmt.
24. Transparent Info. Sharing
25. Supply Chain Mgmt.
26. Legal & Regulatory Env. Mgmt.
27. Mgmt. of Systemic Risk
28. Incident & Risk Mgmt.
29. Privacy
30. Business Ethics
31. Data/Cybersecurity



## Mission and Values

To deliver an exceptional customer experience and a best-of-breed fiber network that is critical to our communities.

# The word “alta” is rooted in a word that means elevated

... and that’s what we’re doing. We’re providing an elevated connection through fiber and raising the standard of service to our customers and the communities we serve.

We are so committed to serving our customers and communities that we introduced our Brand Promise to Elevate the understanding of our customers, Elevate our products and customer experience, and Elevate our commitment to community sustainability.

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## altafiber Values

- **Do The Right Thing:** Focus on what is right long-term for the customer, company and community.
- **Respect Our Differences:** Value diversity in opinion and life experiences. Treat people as you would want to be treated.
- **Invest in the Future:** Invest in our technology, invest in our employees, invest in the communities we serve.
- **Value Team Over Self:** Focus on the mission and team. If the company is successful, you will be successful.
- **Embrace Transparency:** Cultivate a culture of trust and respect. Let’s confront issues directly and solve them together.

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In 2022 we announced Cincinnati Bell will begin doing business as “altafiber” in Ohio, Kentucky, and Indiana. This branding change does not impact CBTS, OnX Canada, and Hawaiian Telcom, which will maintain their current branding.



# Environmental



Hawaiian Telcom employees observe a moment of reflection after removing invasive species to make way for native plants at Pu'u o Kaimukī Park.

# Environmental Vision and Policy

At alfiber, we are committed to environmental stewardship with a bold vision “to connect people, free from waste or pollution, enhancing environmental quality and health in our communities.” This environmental vision builds upon our long-standing corporate commitment to serve our neighbors and connect our communities through our fiber infrastructure and IT services with every decision we make as a business.



**“We are committed to connect people, free from waste or pollution, enhancing environmental quality and health in our communities.”**

Nadja Turek, Director of Sustainability, alfiber

Minimizing our environmental impact both aligns with our deep care for our communities and the planet we inhabit and leads to beneficial efficiencies in our business operations. Our Hawaiian Telcom *'ohana*, or family, of colleagues speak to this in the language of *mālama 'āina*, which roughly translates to fostering a relationship of deep stewardship to the land. Complying with environmental laws and regulations is foundational to our operations, but it's only the beginning of our efforts. Our **corporate environmental policy** commits to continuous improvement beyond compliance, striving to set an example of sustainability in the telecommunications industry.

We will proactively protect the environment throughout our routine business activities while setting ambitious goals to reduce our carbon footprint measurably. To achieve this, we are taking urgent, meaningful, science-based actions to:

- Lower our greenhouse gas emissions,
- Reduce waste,
- Prevent pollution, and
- Favor sustainable procurement.

In 2022 we continued our long-standing practices around electronics salvage, reuse, and recycling across our operations. We also began benchmarking and disclosing alfiber's first sustainability metric: our greenhouse gas emissions. Guided by the insights from our baseline inventory and subsequent study of our emissions, we began the development of our climate action plan to reduce our greenhouse gas emissions towards science-based targets. To progress toward our goals, we will continue to assess our business's climate-related risks and impacts as we forge a path toward a greener planet.



# Greenhouse Gas Emissions

Our primary sustainability growth area in 2022 was setting science-based targets to reduce our greenhouse gas (GHG) emissions and formulating a climate action plan to meet those targets. This journey began in 2021 by tracking our emissions to establish a baseline and matured in 2022 into identifying opportunities to decarbonize our operations.

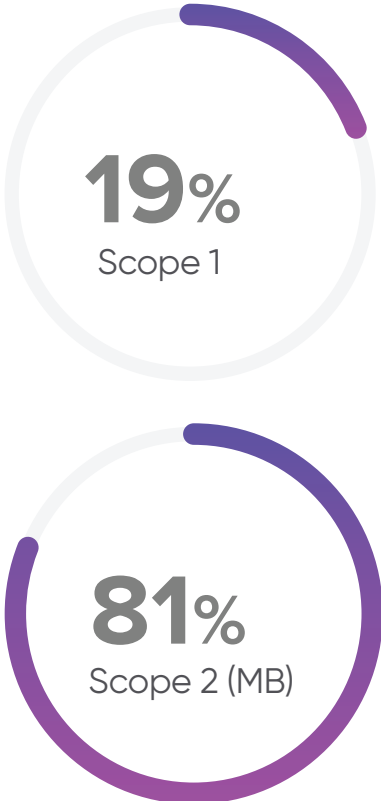
We account for GHG emissions in our operations using three standard scopes<sup>1</sup>:

- **Scope 1:** Direct emissions from assets owned and controlled by altafiber, namely from our fleet, refrigerants, boilers, and generators.
- **Scope 2:** Indirect emissions from electricity purchased and consumed by altafiber.
- **Scope 3:** Other indirect emissions produced upstream and downstream of altafiber’s operations, including business-related travel, employee commutes, and energy used by our customers and supply chain partners. Although we’re not yet measuring Scope 3 emissions, we acknowledge their importance and commit to assessing them in the future.

Following altafiber’s inaugural [GHG Report](#)—which revealed that altafiber’s business operations produced 77,000 metric tons of GHG emissions in 2021—we developed a short- and long-term target for emissions reduction, informed by the Science Based Target Initiative (SBTi) . Our long-term target is to achieve net-zero emissions by 2040, with an ambitious short-term target of 40% absolute emissions reduction from our 2021 baseline by 2030. We announced our science-based targets in the fall of 2022.

1. altafiber adheres to the GHG Protocol, including their definitions, tracking and reporting standards  
 2. Note, although our scope 1 & 2 targets adhere to the SBTi’s target criteria, until we also track and set targets for our scope 3 emissions we cannot have registered SBTi targets; we are not claiming to have those as of yet.

## altafiber 2022 GHG Emissions by Scope



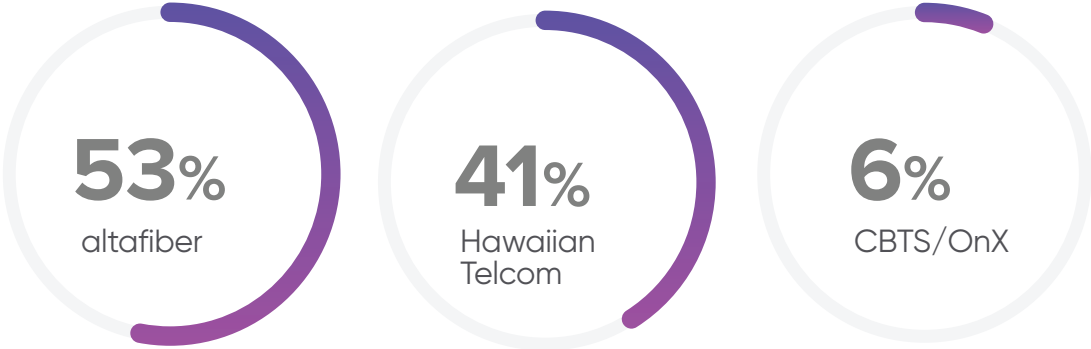
	2021	2022	Percentage Change
Scope 1	11,975	14,030	17.2%
Scope 2	65,009	61,468	-5.5%

Our commitment to decarbonizing our business spans altafiber’s entire footprint from Ohio to Hawai’i and Canada to India. In 2022, we developed a climate action plan for our two incumbent local exchange carrier (ILEC) communications network businesses—altafiber (the former Cincinnati Bell) and Hawaiian Telcom—which are responsible for approximately 90% of our carbon emissions. Our plans lay out our strategy to:

- Migrate our customers from an energy-intensive copper infrastructure to a greener fiber optic network.
- Optimize and modernize our facilities, equipment, and fleet.
- Transition our corporate power usage to clean, renewable energy sources.
- Uncover additional opportunities to minimize our environmental impact.

Reducing our company’s carbon footprint minimizes our impact on the planet and improves the efficiency of our operations around the globe. In our view, environmental sustainability is a win-win-win for our company, customers, and communities.

### 2022 Total GHG Emissions (MT), by Company



### altafiber GHG Emissions Summary

Scope	Activity Type	2021	2022	Percent Change
Scope 1	Stationary combustion	2,151	<b>2,673</b>	<b>24.2%</b>
	Mobile combustion	9,248	<b>10,490</b>	<b>13.4%</b>
	Fugitive emissions from refrigerants	576	<b>868</b>	<b>50.8%</b>
	Scope 1 - Total	11,975	<b>14,031</b>	<b>17.2%</b>
Scope 2	Purchased electricity—location based	64,459	<b>64,086</b>	<b>-0.6%</b>
	Purchased electricity—market based	58,585	<b>50,641</b>	<b>-13.6%</b>
	Purchased Electricity Leased Facilities	11,597	<b>10,827</b>	<b>-6.6%</b>
	Scope 2-Total (location based)	76,057	<b>74,913</b>	<b>-1.5%</b>
	Scope 2 - Total (market based)	65,009	<b>61,468</b>	<b>-5.45%</b>
Total GHG Emissions (MB)		76,983	<b>75,499</b>	<b>-1.93%</b>
Total GHG Emissions (LB)		88,031	<b>88,947</b>	<b>1.04%</b>



# Seeking Renewable Energy Sources

Recognizing that our business requires substantial energy to serve our customers effectively, altafiber is working diligently to generate more energy from renewable, carbon-free sources where possible.

**Leading the way within altafiber in 2022, Hawaiian Telcom generated 9% of its energy through onsite solar arrays.**

This year we completed the purchase of our solar systems from the third-party developer that helped us construct them, allowing us to realize the full financial benefit of utility savings from the solar systems and stabilizing a significant portion of our energy cost. This purchase also will enable us to optimize the energy production from these systems. In altafiber’s southwest Ohio geography—where the economic and legislative landscapes are not as supportive of renewable development—we built a business case and vetted and selected a solar installer for two new solar sites on our facilities. Construction is expected in 2023.

The company is currently evaluating the expansion of renewables, primarily through a variety of additional solar sites. Lastly, we built internal expertise and evaluated partnerships for future power purchase agreements to meet a more significant portion of our energy needs with grid-connected renewables in the near future. Our climate action plans include adding on- and off-site renewable energy resources.

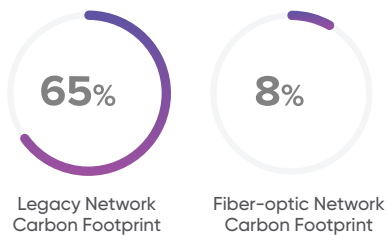
Solar arrays on rooftop at Hawaiian Telcom.



# Transforming our Network

Calculating and understanding our greenhouse gas inventory reinforced an essential truth about our business—it takes tremendous energy to power and cool altafiber’s legacy copper network equipment. In fact, we estimate **our legacy network is directly responsible for the vast majority (65%) of our carbon emissions**. Powering legacy network equipment produces an estimated 48% of our GHG emissions, and cooling it accounts for an additional 17%.

In comparison, **our strategic fiber-optic network equipment (6%) and its cooling requirements (2%) only account for 8% of our carbon emissions**.

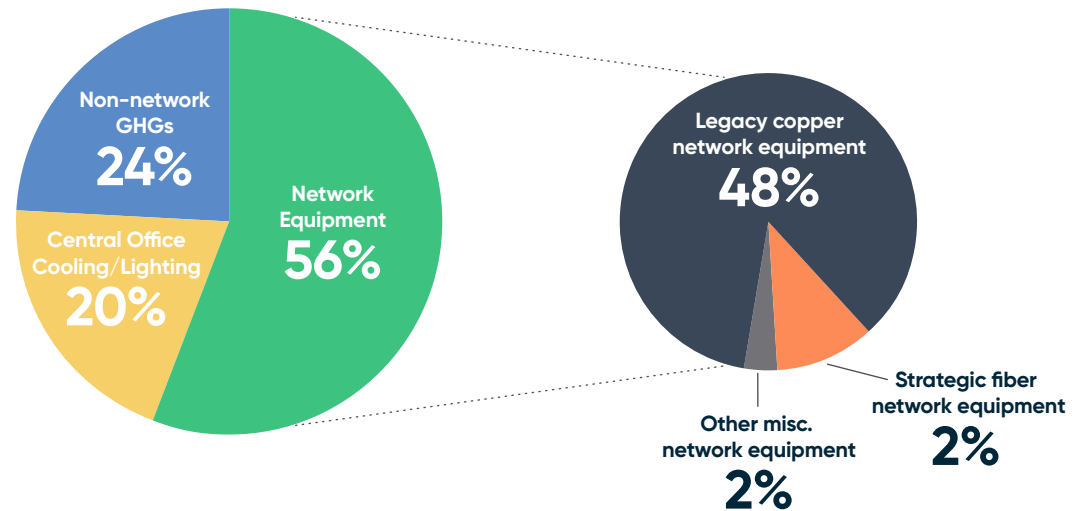


The sharp contrast illustrates the urgent need to serve our customers through a more efficient fiber infrastructure and, in turn, retire our copper network.

## Fiber offers an undeniably greener alternative to copper cable:

- Delivers more data with less energy by leveraging passive optical networking technology, which operates partly without electricity.
- Requires fewer maintenance and service calls, which equates to fewer truck rolls and lower vehicle emissions.
- Is made of raw materials that can be produced domestically from widely available resources, compared to copper, which is difficult and costly to mine.

altafiber & Hawaiian Telcom GHG Emissions by Source (Metric Tons)

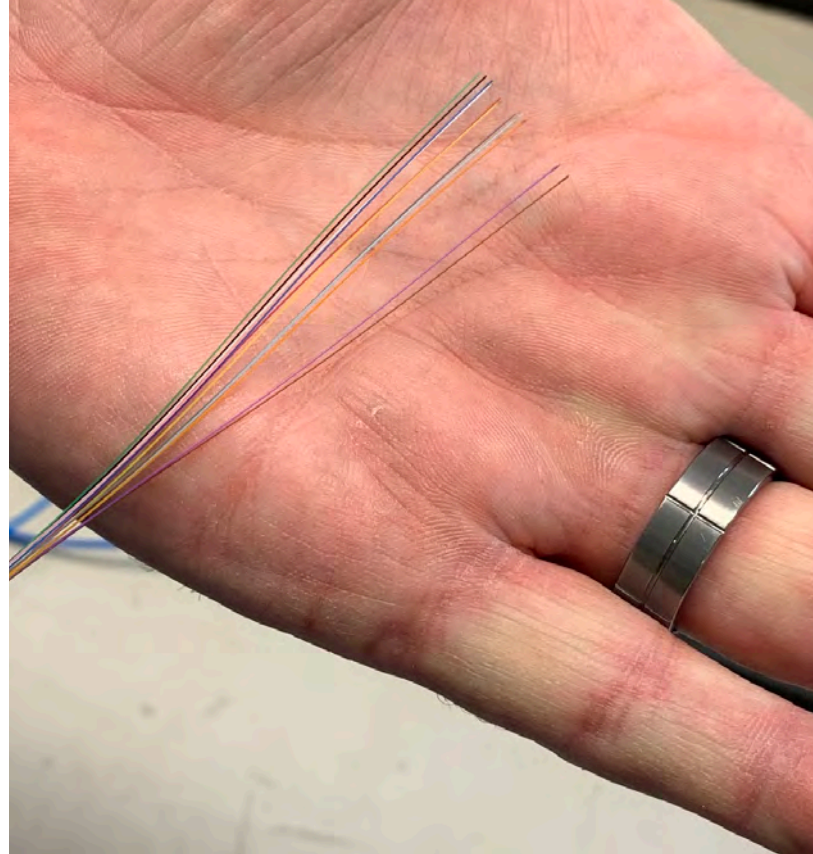


In 2022, we continued to over-build our service areas in the Midwest and Hawai'i, currently served by our legacy copper network, with fiber optic infrastructure, bringing our Fioptics option to approximately 80% of our Midwest and 30% of our Hawai'i addresses.

**To leverage this newer, higher-speed offering to our customers and dramatically reduce our GHG emissions, we must migrate our customers to fiber services and decommission our legacy copper equipment.**

And, like many of our climate-saving actions, this network transformation also offers significant operational savings—making it both a financial and environmental success.

Clockwise: fiber optic for size comparison, legacy copper for size comparison, and a bank of batteries which provide 24/7 uninterrupted power to our network equipment.







**In 2023, we will complete the overbuild of our Midwest footprint and grow the reach of Fioptics beyond our historic copper-served area. In Hawai'i, we plan to serve 60,000 more addresses in the State with Fioptics.**

## Climate action plan

In 2022 we engaged multidisciplinary teams within our altafiber and Hawaiian Telcom businesses to formulate a unique climate action plan for both communication network businesses. Both plans' most significant carbon abatement measure is to transform network operations via the copper-to-fiber transition. Over the next seven years, this will significantly reduce our energy consumption (and operational burden).



altafiber's network operations, facilities, product, and marketing teams collaborate on the climate action plan.



# Electrifying our Fleet

Behind energy-draining network equipment, much of altafiber's carbon footprint comes from our company's 1,300+ strong vehicle fleet. In 2022 the fleet was responsible for 14% of our greenhouse gas footprint, and those emissions increased by 13% over 2021 as we served more customer areas.

**We recognize that our aging vehicles are not the most energy-efficient means of servicing our customers, so our climate action plan incorporates modernizing and electrifying our fleet.**

After studying the carbon emissions, age, and use cases of our fleet to gain a baseline understanding, we are developing a strategy to:

- Modernize our fleet by replacing aging models with newer models,
- Select and procure electric vehicles (EVs) where commercially available and cost competitive, and
- Charge these vehicles after they enter our fleet.

The modernization of our fleet isn't just a priority of our climate action plan but also contributes to our overall efficiency on the road and reduces operating expenses in the medium-to long-term. In 2022 we studied viable alternatives for our fleet going forward and vetted existing and new business relationships to find partners in fleet modernization.

Expanding our use of EVs, hybrid, and more efficient internal combustion engine vehicles will help optimize our fleet's fuel efficiency, reduce maintenance burden and operating costs, promote employee productivity, and help us build connections in our communities.





# Real Estate

At altafiber, we have connected consumers and businesses across our footprint for 150 years. Over time, our real estate portfolio has expanded globally—from the U.S. to the U.K., Canada, and India. As of December 31, 2022, altafiber’s real estate portfolio spanned 215 owned and leased facilities.

As we grow, we continuously evaluate our facilities for new opportunities to make our buildings more sustainable while consolidating and divesting space we no longer need.

**By managing our real estate footprint wisely, we aim to reduce our energy use and ultimately lower GHG emissions across our company.**

In 2022 we:

- Shrunk our total facility footprint, reducing our square footage and associated carbon footprint by 7%.
- Implemented energy-efficiency and modernization projects in heating, ventilation, and air conditioning (HVAC) systems and lighting to minimize power use and environmental impact. For example, chiller replacements in Cincinnati lowered our energy bills (and consumption) by an average of 10–11% at each location.
- Pursued and expected to receive LEED certification for renovating our corporate headquarters in downtown Cincinnati and our new retail store and business office in Dayton, Ohio. LEED (Leadership in Energy and Environmental Design)—the world’s most widely used green building system—is a globally recognized rubric for the greenest buildings.
- Worked towards eliminating R22 refrigerant from our HVAC equipment by replacing aging HVAC systems.
- Continuing LED lighting replacement projects across our portfolio, including in our new Dayton office.

altafiber’s new regional office and store in Dayton, Ohio is under review for LEED Silver certification and will host a 70.8kW solar photovoltaic system making it our first net-zero building.





Our newest central office in Middletown, Ohio, is the first new central office the company has built since the mid-1980s.

## Net Zero Growth Strategy

While working to shrink the carbon footprint of our existing business, we're also growing into new service areas. Our aim is to grow our business without a commensurate increase in our greenhouse gas emissions. This means that our new facilities will have to produce or procure at least as much renewable energy as they consume, where possible, via onsite photovoltaic (PV) arrays that convert solar energy into onsite electric power.

Our newest central office in Middletown, Ohio was built to house the equipment that powers our high-speed fiber-optic services in expansion areas. In 2022 we designed, constructed, and worked on characterizing this new facility's energy load and demand. We then completed a conceptual design and pursued a permit for a PV array to power the site.

We also renovated an existing building for our new Dayton, Ohio office and storefront to stringent energy, water, and indoor environmental standards. In 2023 we are striving not only for LEED certification in Dayton but to add PV on the building in pursuit of net zero energy use.

**The sustainable building practices we trialed this year with our new Dayton, Ohio office and storefront and the Middletown central office were a proving ground for green expansion for our company.**





## Building More Sustainable Communities

At altafiber, we recognize the value of community partnerships to reduce our carbon footprint and support our employees, customers, and neighbors' health, productivity, and environmental stewardship.

That's why we joined the Cincinnati 2030 District in 2019. By enrolling our corporate headquarters in this community partnership, we made a collective commitment alongside our neighbors to cut energy use and water consumption in half by 2030.

Hawaiian Telcom is an active member of Hawai'i Green Growth's Sustainability Business Forum. Through this partnership, we've committed to improving energy efficiency through facility upgrades and employee engagement. We're aligning efforts with our Hawai'i business partners to create a pipeline of projects and policies that will reduce our carbon footprint in the State.

# Material Flows

Our company is built on a rich history of connecting our communities through technological innovation and transformation. We are conscious of material value and the environmental lifecycle as we update the modems, routers, servers, set-top boxes, phones, and other equipment in our customers' homes and businesses.

We're constantly looking for ways to repurpose and redeploy equipment with remaining functional life and value – within our company or to vibrant salvage and resale markets. If equipment age or functionality prevents reuse, we recycle 100% of our eWaste via partnerships with Responsible Recycling (R2) certified recycling companies.

## Refurbishing Equipment

The lifecycle of electronic devices can be short. When a customer returns or replaces a piece of on-premises equipment, we aim to keep these products out of the landfill and extend their practical use by refurbishing them. We collect used devices from our customers to give these electronics a second chance to serve. An in-house refurbishment team at altafiber resets certain used equipment to the original factory settings before returning devices to the field. We also partner with a third party to refurbish remote controls, cables, and other devices—cleaning, sanitizing, testing, and repackaging them for reuse. These robust salvaging efforts keep precious materials out of the waste stream while saving our company's and customers' money by reusing products whenever possible.

## Resale & Recycling of Electronic Waste (eWaste)

Technology advances rapidly, and not all recovered devices can be reused within our network. Our next-best option is to find salvage and reuse opportunities in the resale market, aided by several third-party resellers. Our last option is responsible recycling of eWaste. End-of-life electronics go to a Responsible Recycling (R2) certified partner, following strict data protection protocols to ensure that any information stored on the device is destroyed before recycling. Through our partnerships with R2 eWaste recyclers, we return these precious materials back into the technical economy to be repurposed.



**We recycled at least 841,000 pounds of materials from our operations, including extracted cables, mixed electronics waste, servers and modems.**





## eWaste Collection Days

As part of our commitment to recycling, we host eWaste collection events twice a year for the communities we serve. We invite our customers and neighbors to drop off old electronics—computer monitors, TVs, toasters, or radios. We'll accept anything with a power cord if it keeps materials out of the landfill. During our 2022 eWaste collection events, we collected 6,400 pounds of e-waste from our neighbors in the Midwest, and 630 items in Hawai'i.





## Reclaiming Copper Cable

Beyond our electronics-related efforts, we also have a robust copper cable recovery program. As we upgrade to higher-performing fiber networks, we partner with Green Planet 21 to reclaim copper cabling and return their raw materials back to the tech industry. Since 2012, this partnership has reclaimed over 13 million pounds of copper cabling in our Midwest geography. In 2022 alone, we reclaimed and recycled 650,000 additional pounds through this program.

In 2022, we expanded our Green Planet 21 partnership to Hawai'i to continue its work through our Hawaiian Telcom operations as they over-build the state with fiber optic infrastructure. Hawaiian Telcom partnered with the owners of two retired undersea cable systems to recycle the cable through a third-party cable recovery group. Today, the group has recovered over 1,066 km of cable from the sea floor, which will be recycled for new uses. The project hopes to salvage up to 11,000 km of the out-of-use cable.

**As we retire copper infrastructure in favor of a greener fiber network, we're committed to responsibly returning these precious materials back into the technical economy, avoiding fresh extraction of metals to make new products.**

This ongoing network transformation benefits our customers by delivering more data with fewer resources via more environmentally friendly materials, supporting a more sustainable business as we look toward a greener future.

# 13M

**POUNDS OF  
CABLE RECOVERED  
IN MIDWEST**

# 1.1KM

**CABLE RECOVERED  
FROM THE SEA  
FLOOR**





## Sustainable Business Practices

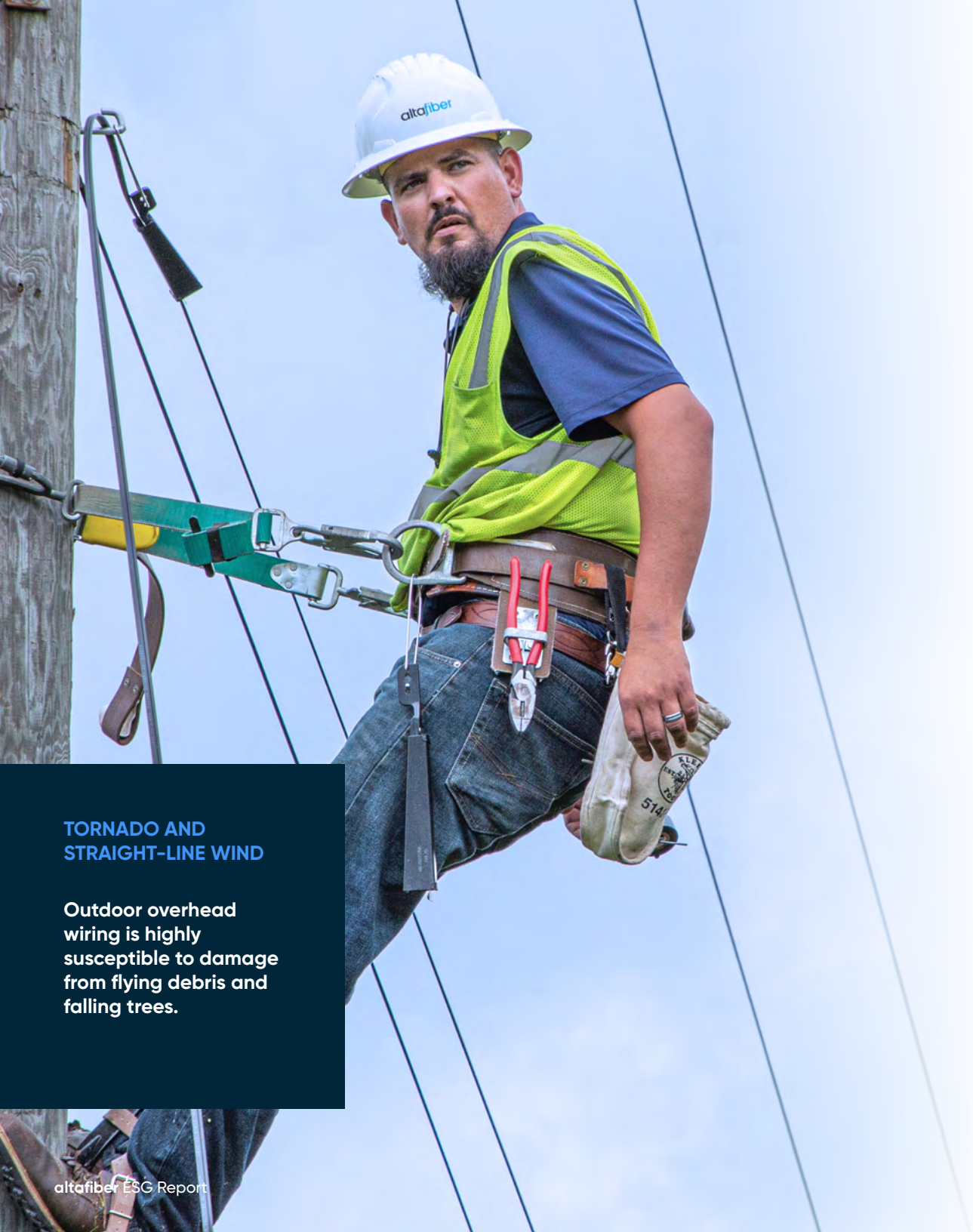
In acknowledgment of its commitment to greener business practices, CBTS earned a Sustainability Specialization with its partner Cisco in 2022. This specialization equips CBTS to provide environmentally conscious consulting services to IT customers, leveraging additional training from Cisco to support a circular economy.

As part of this specialization, CBTS signed Cisco's Sustainability Pledge with a commitment to:

- Achieve net zero carbon emissions by 2040.
- Ensure that products incorporate Circular Design Principles by 2025.
- Accomplish 100% return on end-of-use hardware.

Cisco's Sustainability Specialization will create new opportunities for CBTS to expand its service offerings, stand out from the competition, and support its partners' efforts to reduce carbon emissions throughout the business. Through this specialization, CBTS will also participate in Cisco's Takeback Incentive to return customers' used hardware so materials can be responsibly reused and recycled.





## TORNADO AND STRAIGHT-LINE WIND

Outdoor overhead wiring is highly susceptible to damage from flying debris and falling trees.

# Climate Risk Management

As part of our commitment to responsible environmental stewardship, we are looking ahead to assess how climate-related risks might impact our operations and our communities. This forward-looking approach is critical as we plan for climate resiliency and business continuity.

To that end, we completed our inaugural climate risk assessment in the summer of 2022 to identify potential issues that could affect altafiber's Midwest geography across Ohio, Indiana, and Kentucky over the coming decades. For this analysis, we consulted government-sanctioned scientific sources at the federal, regional, state, and even local levels, including future climate modeling projections from:

- **The U.S. Global Change Research Program (USGCRP)**
- **The Great Lakes Integrated Sciences + Assessments (GLISA)**, a collaboration between the University of Michigan and Michigan State University, supported by the National Oceanic and Atmospheric Administration (NOAA)
- **The State Climate Office of Ohio (SCOO)**, based at The Ohio State University

These public models and mitigation plans informed our approach to preparing for and responding to climate-related risks and natural disasters.





**As an energy-dependent telecom provider, we must consider how temperature increases and extreme storm events might impact our field crews, equipment cooling requirements, and customer service reliability as we strive to deliver an elevated product and experience.**

Now that the initial assessment is complete, altafiber's risk management team is incorporating these findings into our internal processes and procedures to ensure we make smart business decisions to protect our most valuable business assets. Meanwhile, we are still working on a similar climate risk analysis for Hawaiian Telcom, where potential climate-related issues pose unique threats to the delicate island ecosystem and our infrastructure.

Above all, we remain committed to strengthening our network resilience, reducing service outages, reducing carbon emissions, and enhancing the connections we've built in our communities as we pursue a more resilient and sustainable future.



# Social Impact







## Respect in the Workplace

We are committed to fostering a respectful, inclusive work environment free from harassment and discrimination. Our Anti-Harassment Policy and corporate Code of Conduct reinforce this commitment.

**We believe it is everyone's shared responsibility to create a workplace free from harassment and discrimination.**

As such, we provide multiple avenues for employees to report incidents or violations, always respecting their privacy in the process. Employees do not need to follow a typical chain of command – they can submit their report to a supervisor, any HR manager or director, any officer of the company, or call the anonymous EthicsPoint hotline. The company handles these complaints promptly and confidentially by taking necessary corrective action, up to and including termination. We take harassment seriously.





altafiber president and CEO Leigh Fox posts weekly blogs and includes a space for employees to ask questions about anything related to altafiber's business.

## A Culture of Open Communication

In addition to offering official avenues for employees to report violations, we also provide informal lines of communication throughout the company – giving employees plenty of opportunities to voice concerns, ask questions, and share ideas.

During COVID, for example, our employees faced an influx of new questions and concerns. To address these issues, altafiber president and CEO Leigh Fox started posting daily blogs to share information with employees. His internal blog, which has since shifted to weekly updates,

includes a space for employees to ask questions about anything related to altafiber's business. He offers open and honest responses to the team, helping to alleviate their concerns while reinforcing the company's mission, vision, and values.

In addition to his weekly emails, our CEO also meets with teams throughout the company to openly discuss specific areas of the business in smaller group settings. Similarly, altafiber's other executives foster the same culture of open communication by sharing information with our

employees. For example, CFO Josh Duckworth sends monthly financial updates to illustrate the company's performance in more detail to help employees understand the numbers behind the business.

These direct communication avenues with our executives at every level of the company help employees feel connected to our leadership while bolstering the team mentality that connects us.





**We conduct surveys to understand what benefits our employees actually care about so we can make better investments in their overall satisfaction and well-being.**

## Employee Compensation and Benefits

We invest in our employees' financial success with benefits including:

- Competitive compensation plans
- Company matching for both Roth and traditional retirement savings plans
- Tuition reimbursement
- Leadership training
- Career mapping

We invest in our employees' health and wellness with benefits including:

- Medical, dental, and vision insurance
- Health savings accounts
- Basic, supplemental, and dependent life insurance
- Short- and long-term disability benefits
- Voluntary benefits like identity theft protection, pet insurance, critical illness, and more
- Membership in Active&Fit Direct program, which includes gym memberships, free online fitness classes, and other discounts
- Enhanced employee assistance program
- Wellness incentive program

We invest in our employees' work/life balance with other great perks, including:

- Paid vacations and holidays
- Parental leave and adoption assistance
- Employee Volunteer Program
- Cooperative Discount Program
- Credits for altafiber services



Our partnerships are critical to helping us retain and harness the strong talent that sets altafiber apart.

## Labor Relations

At altafiber, we have a long history of working with both the Communications Workers of America (CWA) and the International Brotherhood of Electrical Workers (IBEW). We partner with union leaders to discuss critical issues, including safety, working conditions, customer service, and employee well-being. Through these relationships, we work together to improve our operational processes and business performance while innovating new solutions.

As part of our commitment to provide high-quality service and solid career opportunities, our collective bargaining agreements provide competitive wages, safe working conditions, and valuable benefits. We respect the ability of our employees to choose whether or not to engage in concerted activity, join labor unions and engage in collective bargaining in compliance with federal and local laws.



# Employee Resource Groups

altafiber believes that connections are made stronger when we embrace the diversity in our employees, customers, and shareholders. To help facilitate these connections, the company launched its Employee Resource Groups in 2017, and dedicated Culture Office employees to oversee this initiative. While we anticipated there would be considerable employee interest, the return on this investment is almost impossible to quantify.

Today, altafiber and its family of companies support 13 Employee Resource Groups. ERGs are given an annual budget to execute on their internal and external goals. Each ERG has an executive sponsor to provide guidance when needed and consists of a leadership team that changes annually. ERGs establish goals and programming, and are inclusive and open to anyone who supports the mission of the group.














Additionally, ERGs are an important part of our volunteering efforts and donate time to organizations they care about.



Examples include (shown clockwise):

- **The VALOR** (Veterans and Allies Linking Our Resources) Employee Resource Group hosts an annual flag-placing event on the graves of Veterans at Gate of Heaven Cemetery in Cincinnati. More than 100 employees and family members participate.
- **ARROW** (Advancing Resources and Representation of Women) members volunteer at Sweet Cheeks Diaper Bank to provide baby supplies to families in need and support survivors of domestic violence through Women Helping Women.
- **BEAD** (Building Employee Awareness of Disability) members volunteer with organizations like 1N5 and Madi's House to support young adults who struggle with mental illness.
- **CBYP** (Connecting & Building Young Professionals) members in Hawai'i coordinate a food drive to help with Hawai'i Foodbank's Annual Food Drive Day. Volunteers encourage food and electronic donations to nourish Hawai'i families in need.



ERG Name	ERG Mission	Members
	<b>Asian Champion Employees:</b> To develop bold, visible & authentic Asian Pacific business and community leaders by leveraging our cultural strengths and unique experiences.	49
	<b>Advancing Resources and Representation of Women:</b> To empower women to be more confident leaders through community and capacity building at all levels in the organization.	166
	<b>Building Employee Awareness of Disability:</b> To recognize the talents & potential of those with or providing care for disabilities through connection, community, & a powerful voice.	58
	<b>Black Organizational Leadership Development:</b> To provide employees, specifically those of African ancestry with support, resources and opportunities for professional growth, and community engagement	101
	<b>Connecting and Building Young Professionals:</b> To empower the interests of young professionals by fostering a sense of community, providing opportunities for personal and professional development.	176
	<b>Conexión:</b> To highlight the richness of the Hispanic Culture that represents another facet of diversity within the company.	221
	<b>Families &amp; Caregivers:</b> To support employees with resources, activities, and opportunities that embrace all families and promotes healthy work life balance.	53
	<b>FitFluence:</b> To improve and maintain personal health and fitness by connecting employees with similar fitness goals.	170
	<b>Go Green Initiative:</b> To engage employees and community members who are interested in going green and in sustainability.	83
	<b>Polynesian Connection:</b> To be a resource to the company in regards to the culture, language, and people. To celebrate the uniqueness of all cultures and to be a hui where all employees can network together for a sense of belonging.	34
	<b>PRIDE:</b> To foster an accepting, inclusive, and safe environment for all employees, regardless of an individuals' personal identity.	89
	<b>STUDIO:</b> To bring together employees who love the arts and creative expression.	56
	<b>VALOR:</b> Veterans and Allies Linking Our Resources: To support active members of the military and Veterans.	133



# Employee Engagement

At altafiber we strive to create an environment that fosters employee engagement. Engaged employees are more aligned with the company's mission and goals, they are more connected with our customers and they are our best brand ambassadors.

altafiber conducts quarterly pulse surveys to identify areas of strength as well as areas for improvement. We ask about company pride, diversity and inclusion, customer experience, employee well-being and overall satisfaction.

**Our employee satisfaction score continues to be above benchmark for our industry.**

In addition to our pulse surveys, we work to implement regular outreach and activities to connect our leaders with their teams through routine coffee chats and other interactions.

## Employee Experience

Just like we want to deliver the best experience for our customers, we also want to deliver the best experience for our employees. In 2022 altafiber created an Employee Experience Committee led by two dedicated Employee Experience managers.

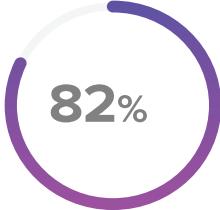
Creating an employee experience that starts from the onboarding process and follows our employees through their life at our company is one of our top priorities. We seek to holistically support employees and improve all facets of their work life including their digital, cultural, and physical experience.

## 2022 Employee Pulse Survey Results

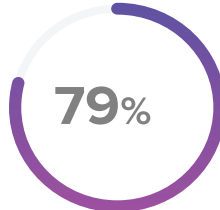
based on an average response rate of 39% for 2022.



eSat Score Avg vs Industry benchmark of 73%



% of employees who are proud of our company's products and/or services



% of employees who would not hesitate to recommend our company to a friend seeking employment

# Volunteerism

Our employees play a vital role in our commitment to supporting the community by volunteering their time with local charities. We encourage our employees to “give where you live” through collective team-oriented events and individual commitments.

## Employee Volunteer Program

We promote volunteerism throughout our company through our Employee Volunteer Program (EVP), which gives employees up to 40 work hours of paid volunteer time each year. This program empowers employees by giving them time to give back to causes important to them. As a company, we are able to validate and support the interests and values of individual employees while fostering and facilitating a spirit of philanthropy in our team.

Collectively, altafiber employees have volunteered in excess of 20,000 hours since we launched EVP in March 2017. We continue to improve our community volunteer efforts to understand which causes our employees care about, which will help drive decisions about philanthropic donations, partnerships, and future employee engagement programs.

In 2022, altafiber employees logged **5,060** volunteer hours at local schools, churches, nonprofits, charities, and other community organizations. Nearly **80%** of our employees volunteer, but according to internal surveys, **27%** volunteer outside of work hours.



**21k**  
**HOURS**



**\$600+k Cash Equivalent**



In Cincinnati, employees traditionally partner with organizations like Keep Cincinnati Beautiful to beautify parts of the city. In 2022, we donated more than 1,600 hours at various projects in North Fairmont for our annual Day in the Community—leaving one local neighborhood with a custom-built bench at the bus stop, a beautiful mural, cleared sidewalks for easier access, to name just a few of the things we contributed while there.







In Hawai'i, over 500 Hawaiian Telcom employees took time out of their day to volunteer at local non-profits across the state in 2022 for our annual Day in the Community. Projects ranged from food inspection, packing, and distribution at Hawaii Foodbank and Lanakila Meals on Wheels to beach cleans up and other community beautification projects in O'ahu, Maui, and Hawai'i Island.





Our annual Day in the Community spans worldwide through our entities, CBTS India and OnX Canada.

CBTS India employees volunteered at a Chennai-based orphanage called "New Hope New Life." The team spent time with the kids (ages 3-15) and read books, colored, and organized other fun-filled activities.

OnX Canada employees participated in a fundraising run/walk event for the Victim Services Toronto which raised over \$22,000 to support women and families who are impacted by domestic violence.





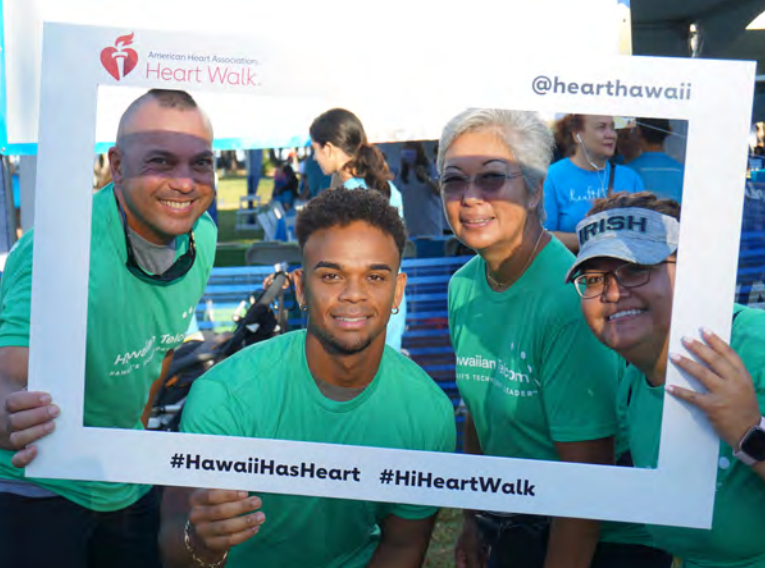


## Diversity, Equity, and Inclusion (DEI)

Our most important asset at altafiber is our team of roughly 5,000 valued employees who provide our customers with innovative technologies and outstanding experiences. We strongly believe that our employees deserve at least the same level of investment that we devote to our technology platforms – if not more.

To that end, we strive to provide a diverse, equitable, inclusive environment that supports all employees fairly. In 2021, we developed a Diversity, Equity, and Inclusion (DEI) strategy to create and sustain a welcoming environment that empowers every employee to continue altafiber's relentless focus on innovation and continuous improvement.





**Our commitment to DEI is centered on several firmly held beliefs, including:**

- All employees deserve equal compensation for performing equal work, regardless of race, gender, religion, or other characteristics and abilities. Equitable pay enables us to attract and retain the best employees in the telecom industry—ultimately increasing productivity and enhancing innovation while reducing turnover.
- All employees should feel comfortable bringing their whole selves to work without bias or discrimination. We know that both visible and invisible barriers can inhibit engagement and prevent talented individuals from participating in our mission, so we are working to knock down these barriers and build up our teams.
- All employees have unique perspectives and abilities that make our collective team stronger. Diversity is not limited to race, gender, or other visible attributes. We want to foster a well-rounded diversity of thoughts, life experiences, opinions, and viewpoints, as we steer toward a common goal of innovation.
- All employees must understand and embrace the diversity of the communities we serve. For example, we know that consumers in Hawai'i gravitate toward marketing materials that represent local people, voices, lifestyles, places, and values. Our Hawaiian Telecom colleagues possess a robust knowledge of their customers that is critical to our success there. These local connections set us apart from our national competitors.

Fostering a diverse, equitable, and inclusive workplace requires strategic intention at every level of our organization—from the top of the C-suite to the frontlines.

**In the words of our CEO, Leigh Fox, "Culture doesn't change overnight, and it isn't something one person alone impacts. Culture is something that we all must be a part of."**

While we are proud of our progress so far by establishing and implementing a formal strategy, we recognize that we have opportunities to improve as we progress on our Diversity, Equity, and Inclusion journey.

# Workforce Development

Recruit, develop, advance, and retain good people.

Our workforce development pillar focuses on:

- Building diverse talent recruitment pools through meaningful partnerships and pipelines.
- Educating our managers about gaps and biases that exist in the hiring process.
- Providing equitable developmental opportunities that allow all employees to gain valuable skills and experience.
- Exploring equitable advancement opportunities for all employees through a comprehensive career mapping program.

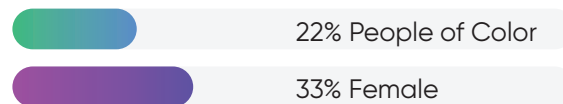
**The goal of these workforce development initiatives is to increase the representation of historically underrepresented groups throughout our organization. We actively engage in partnerships that allow us to increase underrepresentation.**

Recruiting and retaining diverse candidates equips us to meet our business' and customers' complex needs, creating a robust workplace where we can innovate and lead our rapidly changing industry.

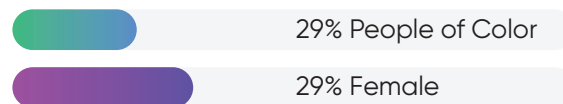
## Recognizing the Value of Diversity at altafiber



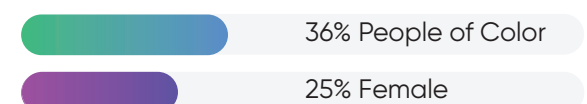
### Board of Directors



### U.S. Management



### U.S. Workforce



### Global Workforce





# Learning & Development

For 150 years, altafiber has been connecting consumers and businesses through our relentless focus on innovation and continuous investments in technology. Staying on the cutting edge of technological innovation requires a dedication to lifelong learning and development. As such, one of our top priorities at altafiber is giving our employees the support, skills, and capabilities they need to grow with us while delivering excellent customer experiences along the way.

We strongly believe that our employees deserve the same levels of investment that we direct into our technology platforms. To that end, we invest in training and development programs throughout every level of our organization to help employees enhance their abilities and advance their careers. In 2022, altafiber invested \$2.55 million in employee development programs, totaling more than 290,000 hours - an average of 67 hours per employee. Prioritizing continued individual growth and learning directly impact our service delivery and overall growth potential as a company.

**Our Learning and Development efforts at altafiber aim to empower and equip every employee to achieve their goals and objectives.**

We want each team member to feel valued, engaged, and supported as soon as they join the altafiber family. As a company with an ambitious purpose built on innovation, keeping our people sharp is vital to meeting the future demands of digital transformation.

Over the last five years, altafiber has built robust Learning and Development programs that equip employees with the skills they need to succeed and grow. We aim to make our employees experts in what they do through:

- Training Programs
- Tuition Assistance
- Internship & Mentorship Programs
- Management & Leadership Development



## Training Programs

From entry-level onboarding to long-term career mapping, we offer learning opportunities that equip our employees to grow with our company.

**With live, instructor-led, and self-paced personal and professional development courses, altafiber employees have the tools they need to advance.**

This includes a company-wide subscription to LinkedIn Learning, an online training platform with more than 18,000 courses related to business, sustainability, diversity, and inclusion. We supplement that with a growing curriculum of in-house training programs developed by our own subject matter experts, tailored to altafiber's unique business approach and operating principles.

## Onboarding

Our commitment to our employees starts on day one, with an onboarding program that acclimates new hires to altafiber's culture, key pillars, and priorities.

**Our goal, over the first few weeks of employment, is to make each teammate feel welcome and understand how they contribute to the company.**

In 2022, 752 new employees joined the altafiber team. Each new hire receives specialized, role-specific, skill-based training that equips them for their individual jobs, whether in sales, field operations, network operations, or customer service. Our field technicians, for example, undergo an eight-week training program covering everything from installing fiber to the interpersonal skills of interacting with customers. We update these training programs constantly to equip our employees for changing roles in this fast-paced industry.

## ESG Training

Our Learning and Development team, Diversity, Equity, and Inclusion, and Social Impact teams collaborate to develop employee training around altafiber's ESG efforts and the role each employee plays in reaching our ESG goals.

**Over the past two years, we've focused on developing ESG and DEI training modules about the key pillars and strategies covered in this report.**

For example, as part of our commitment to making altafiber an inclusive work environment, all new altafiber employees must complete a course on unconscious bias within two weeks of hire. All new people managers are required to participate in three courses about inclusive leadership, servant leadership, and emotional intelligence. We held company-wide diversity training for all employees in 2022 and developed additional training for managers regarding inclusive hiring practices. The training included innovative simulation education for executives on how to discuss diversity and inclusion in the workplace.

Our goal is not just ensuring that employees understand altafiber's ESG and DEI strategies but equipping them to serve as ambassadors of this philosophy by living the key tenets every day.





## Career Mapping

As part of our commitment to give every employee a clear path toward advancement, our HR team has worked with each department over the last couple of years to establish a Career Mapping program. By defining jobs, projects, and roles to align with specific skills, competencies, and proficiency levels, this program sets performance benchmarks to help employees advance their careers.

We do not just provide avenues for our employees to reach their individual goals; we help them carve out a personalized path toward their dreams and then pave the way with unique learning opportunities. These career maps are published openly for employees to help chart their path within their departments or in a completely different function within the company.

## Tuition Assistance & Certifications

Continual education is integral to the growth and development of our workforce, so we are committed to investing in employees seeking advanced degrees and certifications. Through our Tuition Reimbursement Program, altafiber provides employees with up to \$5,250 per year to fund the pursuit of a Bachelor's, Master's, or PhD degree related to our business.

Recognizing that college degrees often only scratch the surface of external learning options, altafiber also offers a Certification Program that covers the expenses of technical certifications from third-party vendors, plus an additional bonus to employees who get certified. These certifications enhance our employees' technical knowledge and skills while positioning altafiber as an industry leader. In 2022, altafiber invested over \$400,000 in its employees through these two programs alone.



**We do not just provide avenues for our employees to reach their individual goals; we help them carve out a personalized path toward their dreams and then pave the way with unique learning opportunities.**

## Internship & Mentorship Programs

Our internship and mentorship programs focus on connecting our employees to the company and each other while unlocking new skills and growth opportunities.

### Internship Program

Our internship program provides an entry-level experience incorporating all aspects of altafiber's culture and innovative work environment. Interns are exposed to the fast-paced world of technology and communications, with opportunities to impact all areas of the business. We partnered with 19 interns in 2022, with plans to continue growing this program in the future.

### Mentorship Programs

Numerous studies show the positive benefits of mentorships in the workplace. At altafiber, we believe investing in our future leaders keeps our employees motivated, engaged, and productive. For example, we match directors and other potential leaders with presidents, senior vice presidents, and vice presidents who serve as business mentors.

During the pandemic, we launched an additional mentorship program for new hires called the Peer Assisted Learning (PAL) Program. Since many of our new team members are remote employees based all around the country, we created this program to pair up new hires with more experienced employees to see the company culture from a different lens while connecting with colleagues beyond their departments.



# Management & Leadership Development

Our growth depends on our ability to identify future leaders and prepare them to lead altafiber forward. We promote from within whenever possible, leveraging our management and leadership training programs to prepare our employees for each stage of career advancement.

## Management Development Program

The transition from individual contributor to manager is often a challenging one. To assist our new people managers, these individuals participate in our Management Development Program, where they learn the skills to manage a team of people effectively. This program covers topics like:

- Coaching, Goal Setting, and Performance Management
- Effective Communication
- Servant Leadership
- Conflict Resolution
- Inclusive Leadership
- Moving from Individual Contributor to Manager

## Leadership Development Program

Directors at altafiber go through a yearlong Leadership Development Program that delves deeper into key leadership principles in action. The first six months of the program teach directors the traits that define our leadership approach at altafiber:

- Effective Communication
- Results Orientation
- Change Management
- Strategic Planning
- Sound Judgment
- Business Perspective

Over the remaining six months, participants put these principles into practice. The program culminates with a group project focused on solving a specific business issue and proposing the solution to altafiber CEO Leigh Fox and the executive team. Directors also receive one-on-one executive coaching throughout the Leadership Development Program. This investment is critical to help future leaders implement these leadership traits in real-world situations.

Together, these programs prepare our employees to take on larger leadership roles as the company grows, which in turn drives altafiber's growth.



## Philanthropic Giving

Our company is rooted in the belief that giving back to our community makes us stronger and more connected to each other.

**In the words of altafiber's CEO, Leigh Fox, "giving back is part of our DNA."**

We believe that we do not just have an opportunity, but an obligation, to make a difference. As Cincinnati's hometown provider for 150 years, we are connected to our roots, and even as we expand, we remain committed to supporting the communities where we live and work.

Through corporate donations, sponsorships, fundraisers, and other philanthropic giving, altafiber has invested over \$1.7 million to support more than 200 organizations throughout our region. While we know these financial donations matter, we believe philanthropy requires more than money. It is also about donating our time, skills, and services to stay invested in our communities.



# Bell Charitable Foundation

Although our name changed from Cincinnati Bell to altafiber in 2022, we wanted to honor our roots and preserve part of our identity that has been revered in our hometown community for 150 years. To that end, we announced the Bell Charitable Foundation (BCF) launch in April 2022 with a mission to advance the common good by investing in organizations that champion our four strategic pillars. Through regular grants funded by altafiber, BCF provides opportunities for local nonprofits to expand their programs beyond what was previously possible.

Our four strategic pillars drive the focus of grant funding awarded through the foundation. We support nonprofit programs that fulfill one or more of these pillars:

### Social and Economic

We partner with nonprofits committed to ending poverty and lifting at-risk populations to promote economic success in our community.

### Technology

We believe in the constant evolution of technology and support partnerships that provide access to tech education and resources.

### Health and Well-Being

We support partnerships that promote access to equitable, high-quality care to positively change health outcomes for our neighbors in need.

### Environmental Sustainability

We strive to protect the long-term productivity and health of the natural resources in our community to meet future social and economic needs.

With BCF, we strive for a proactive model of community engagement. We want to be more intentional about the partnerships we forge and the impact we make by strengthening our existing relationships while building new ones. Going forward, every time we invest in fiber in a certain neighborhood, we intend to pair our investment with social impact by supporting a nonprofit organization in each community we serve.

Whereas altafiber’s corporate donations and sponsorships support many well-established nonprofit organizations, our BCF partners tend to be small grassroots organizations and local startups positioned to make a big impact in their small communities. We believe the best way to change the world is to start in our own backyard.

To support our neighbors where we provide service, BCF’s giving footprint extends throughout the regions where we do business—including Ohio, Kentucky, Indiana, Hawai’i, and several other states throughout the United States. We award grants to 501(c)(3) charitable organization applicants within this footprint that align with our pillars. Through these grants, we aim to maximize our impact on each organization and the communities they serve.



## 2022 BCF Grants

To celebrate the launch of BCF in 2022, our inaugural grant cycle in July awarded nearly \$150,000 in grants to honor altafiber's 150 years of service to the community. We awarded one grant per strategic pillar, totaling four initial grants. Our second funding cycle in September focused solely on social and economic mobility, bringing our total to 11 grants and more than \$210,000 awarded in 2022.

Below are highlights of a few nonprofits we supported within each of the four pillars this year.



### Social and Economic Mobility

We funded Visionaries + Voices, a nonprofit focused on art education for people living with disabilities. This program provides materials and resources to help artists develop their artistic skills, find exhibition opportunities, and start sustainable businesses. Specifically, our \$25,000 grant supports the Teaching Arts Program, which prepares artists with disabilities for paid teaching positions in local schools.



### Technology

We funded Per Scholas, an organization that provides IT training for unemployed and underemployed people at no cost to them. Our \$40,000 grant will help more of our neighbors gain IT employment.



We funded TORCH, an organization that trains students to code and learn other IT related skills to encourage STEM careers in Hawai'i. Our grant helps to expose 6th-12th grade students to experiences that will foster interest and curiosity in the field.



### Health and Well-Being

We funded 1N5, a nonprofit that aims to prevent suicide by providing mental health intervention and support for high school students. Named for the statistic that one in five teenagers have considered or attempted suicide, 1N5 offers educational resources to help teenagers recognize mental health symptoms in themselves and their peers. Our \$10,000 grant will help 1N5 expand into other community-based spaces, breaking the stigma of mental health throughout our community.



### Environmental Sustainability

We funded Green Umbrella, a sustainability alliance that partners with companies to decrease carbon emissions in various ways. Our \$38,475 grant will help reduce our community's environmental footprint by exploring ideas to conserve water and energy consumption and lower transportation emissions.



# Community Partnerships

Build, develop, and enhance meaningful partnerships with educational, professional, and community organizations.

Understanding we cannot achieve our DEI goals alone, we are committed to building meaningful partnerships with other organizations and institutions that support our mission. Our goal is to increase our outreach to these groups as we develop mutually beneficial relationships over the long term.

## Educational Partnerships

Connecting with educational partners allows us to develop diverse talent pools over time. These pipelines will help bring new generations of potential candidates to our company in the future.

For example, in 2022, we worked closely with a university in the Cincinnati area, meeting with various identity-based organizations focused on serving women, veterans, LGBTQ students, African American students, and other groups. We worked on cultivating relationships with these organizations and getting involved in their events to foster familiarity with future leaders and potential employees. Next, we plan to take the model we have developed to other campuses across our company's footprint.

## Professional Partnerships

Partnering with professional organizations and associations leads to long-term relationships that help us develop a pipeline of talented candidates. We are establishing partnerships with a variety of organizations that will allow us to tap into diverse professional talent pools to enhance our business and grow our team.

## Community Partnerships

Our deep roots in the communities we serve differentiate us from our national competitors. Our company is a longstanding supporter of local organizations focused on enhancing our communities' education, healthcare, employment opportunities, and economic development opportunities.

Some of the community organizations we partner with include:



# Elevating Education at Taft

Robert A. Taft Information Technology High School is a public high school in downtown Cincinnati within the Cincinnati Public Schools district.

For more than 20 years, altafiber has partnered with Taft to provide layers of support, including:

- \$230,000 of financial support to provide the best educational experience possible.  
For example, we donate gift cards to reward honor roll students for their achievements every quarter.
- Two \$5,000 annual scholarships awarded to graduating seniors each year, renewable for up to four years.
- In 2022, altafiber employees volunteered 240 hours to tutor and mentor Taft seventh graders once a week during the school year. On average, students involved in the mentorship program see a 6.5% increase in test scores.



**\$500k+**  
Technology  
Support



**87 Tutors**  
and a  
**6.5%**  
Increase in  
Test Scores



**\$230k**  
Donations:  
School Supplies  
Honor Roll  
Recognition



**36**  
Internships



**88 Student**  
Scholarships  
and  
**\$1.2m**  
Tuition





## Brighton Center: altafiber's extended family

Over the last five years, altafiber has built a meaningful relationship with Brighton Center. This social service agency helps families and individuals reach self-sufficiency through family support services, education, employment, and leadership training. Our relationship started in 2019 when we volunteered to help renovate Brighton Center's 24-hour emergency youth shelter, Homeward Bound, in Covington, KY. Over three weeks, volunteers from various departments at altafiber pitched in to repaint, retile, replace fixtures, and overhaul the facility – providing a safe environment for youth aged 11-17. Employees even donated money to purchase new TVs for the shelter, and altafiber provided free high-speed internet.

In recognition of our long-standing dedication to this organization, Brighton Center awarded altafiber with its 2022 Elizabeth Herald Community Support Award, which honors community partners who help the agency achieve its mission. Since 2019, altafiber has supported Brighton Center with 180 volunteers who have donated 1,586 hours, equating to more than \$38,000 of volunteer service.

# Enabling Digital Equity

Broadband connectivity is essential for the individuals, families, and businesses we serve to thrive in the digital age and access educational, employment, and healthcare opportunities. As we continue to build fiber in Greater Cincinnati, Dayton, Hawai'i, and new geographies, we are committed to giving individuals the technology access and capacity to fully participate in our society and economy.

**"We feel a deep responsibility to create digital equity throughout our operating territories," says Jason Praeter, President – Consumer and Small Business at altafiber. "We're working with partners to help bridge that digital gap with connectivity in the communities we call home."**

## Connected Learning

The pandemic highlighted the mission-critical need for dependable Internet connectivity as the lack of digital equity became glaringly apparent in remote learning environments.

**During this challenging time, altafiber partnered with other businesses and organizations to improve Internet access for students.**

- altafiber delivered free broadband Internet to more than 7,000 students across the Greater Cincinnati region through the "Connect Our Students" program. This program was created from scratch in close partnership with schools, businesses, and philanthropic organizations including the Greater Cincinnati Foundation, which raised a \$1 million fund.
- altafiber partnered with Cincinnati Public Schools and HP Inc. to provide devices for 35,000 students (and upgrade 2,500 faculty devices) to equip our schools with tools to create safe and secure remote learning environments.
- We partnered with the City of Covington and the Covington Independent Public School System to install 124 access points, providing public Wi-Fi access to more than 80% of students in the district, while partnering with Comp-U-Dopt to provide 1,000 devices.

**Our Hawaiian Telcom colleagues undertook similar efforts, including:**

- Hawaiian Telcom partnered with the Hawai'i Department of Education to launch the 'Ohana Help Desk (643-DESK), providing technology support statewide to public school students and their parents. From connectivity issues to device and general IT support, the 'Ohana Help Desk also offers assistance in six languages: English, Hawaiian, Ilokano, Tagalog, Chuukese and Marshallese.
- In January 2021, Hawaiian Telcom installed Dedicated Internet Access at DreamHouse 'Ewa Beach Public Charter School with speeds up to 1 Gig to help fill this need and provide access to reliable Internet connection for the children and families of West Oahu.





**“We partner with public and private organizations to provide affordable, reliable access to the Internet,” says Leigh Fox, CEO at altafiber. “We can solve the access piece, but we need help solving the affordability model. That’s where these partnerships become more and more important.”**

## Affordable Connectivity Program

altafiber and Hawaiian Telcom are proud to participate in the Affordable Connectivity Program (ACP), a Federal Communications Commission (FCC) benefits program that subsidizes up to \$30 per month of internet service. The program aims to help eligible households (below 200% of the poverty line) afford the high-speed Wi-Fi they need to work, learn, and connect.

While many internet providers participated in the ACP under the American Rescue Plan, most companies approached the subsidy as a \$30 discount on existing plans. At altafiber, we also designed a new, low-cost \$30 monthly plan to provide Wi-Fi at no cost to eligible households.

## Connected Communities

As part of our “elevated commitment to community,” we strive to deliver low-barrier, high-speed Internet access in underserved areas. This includes public-private partnerships to accelerate our fiber network expansion so that we can bridge the entire digital divide, not just a piece of it.

- A powerful example is our partnerships with Campbell, Kenton, and Boone Counties in Kentucky, announced in 2021. These partnerships represent a \$181 million investment to expand fiber-to-the-premises gigabit Internet to all 207,000 Northern Kentucky businesses and residents in these counties. The build will be substantially completed in 2023 and includes a public Wi-Fi component.
- Our subsidiary Agile Networks partnered with the State of Ohio in 2021 to form Digital Access Ohio. The mission of Digital Access Ohio is to build, own, market, and operate up to 75 new telecommunication colocation tower sites, principally in rural Ohio. Digital Access Ohio will design and construct backhaul connectivity to those sites and install additional access points on 135 existing towers in the state.
- Officials in Greene County, Ohio, have approved a partnership with altafiber that will deliver gigabit internet speeds to approximately 40,000 addresses in Xenia, Cedarville, Jamestown, Bellbrook, Beavercreek, and Fairborn.
- We recently expanded our partnership with Butler Rural Electric Cooperative that will bring gigabit high-speed broadband fiber Internet access to an additional 5,000 addresses in Preble County, Ohio, and Montgomery County, Ohio.
- We partnered with the City of Greendale, Indiana, to deliver our state-of-the-art “Fiber to the Premise” network (FTTP) to all 2,200 addresses in the city. The build is expected to be complete in 2023, and includes a public Wi-Fi component.



These public-private partnerships are supplementing our already substantial investment into expanding the fiber footprints in Greater Cincinnati and Hawai'i, where we've now passed a combined total of 1 million addresses.

- In 2021, Hawaiian Telcom set a new record in capital spending to expand fiber-to-the-premise (FTTP) availability and improve broadband connectivity in Hawai'i. As a result, 30,000 locations throughout the state gained access to FTTP broadband service.
- In 2022, Hawaiian Telcom further expanded its fiber network into underserved areas on the neighbor islands, including Moloka'i and Lāna'i. Hawaiian Telcom set a new record by expanding fiber to an additional 55,000 homes and businesses, the highest number of locations we have enabled in a single year. More than 27,000 locations were in underserved rural communities on the neighbor islands, a significant step in creating more digital equity.





## Public Wi-Fi

Combining technology and community development expertise, our Smart City organization – branded as UniCity – works with governments to problem-solve through innovative city solutions. Building on a foundation of connectivity through fiber and high-speed public Wi-Fi networks, UniCity works with cities to customize a suite of technology applications to drive success in these key areas:

- Economic growth
- Neighborhood-based enhancements
- Public safety
- Data-driven policy decision making

The UniCity team is leveraging altafiber's ongoing fiber build through public-private partnerships that are increasing digital equity and increasing access to education, employment, and healthcare opportunities throughout our footprint.

Recent examples include:

- **Mt. Healthy:** We've partnered with the State of Ohio, Hamilton County, Mt. Healthy City Schools, and the City of Mt. Healthy to deliver fiber-enabled, high-speed public Wi-Fi to more than 800 apartment units.
- **Dayton:** We've partnered with multiple Dayton-based organizations to bring high-speed Wi-Fi to more than 1,000 residents living in five housing communities, as well as the Boys & Girls Club of Dayton.
- **Cincinnati Metro Housing Authority (CMHA):** This partnership delivers high-speed internet and free public Wi-Fi to over 1,200 families in six CMHA properties.
- **Housing Authority of Covington:** This partnership provides complimentary high-speed Wi-Fi to more than 600 apartments in Kentucky.

# Supplier Diversity

## Cultivate and grow relationships with diverse suppliers

One of our key business imperatives is forging partnerships with diverse suppliers, whether they are a:

- Minority Business Enterprise (MBE)
- Women Business Enterprise (WBE)
- Veteran Business Enterprise (VBE)
- Disabled Business Enterprise (DBE)

Forging partnerships with diverse suppliers keeps our company innovative and competitive and ensures we find the best solutions for our customers while directly (and indirectly) supporting traditionally underserved businesses.

We routinely receive requests from current and potential customers asking what we're doing to support supplier diversity and economic inclusion. Driven by this demand, we currently report our diverse supplier spending to a handful of customers and report on our economic inclusion efforts upon request from current and potential customers.

We recognize there are significant opportunities to develop a robust supplier diversity program, and we commit to developing formal strategies to engage more of these suppliers in the future.



# Governance



# How We Govern

Strong corporate governance is the key to driving our company's success and building sustainable long-term value for our stakeholders. Our governance practices and operating principles were established when we were a publicly traded company known as Cincinnati Bell Inc., subject to strict regulatory scrutiny. Following our acquisition by Macquarie in September 2021, altafiber is a privately owned company and no longer held to certain public-company compliance requirements—but we still hold ourselves to the same high standards we always have.

Although we've always been committed to our customers, as a publicly traded company we were accountable to our stockholders. altafiber now has the flexibility to make business decisions in the best interests of our customers, employees, and other stakeholders. This approach fuels our growth to ensure long-term value creation for our investors, continuous innovation for our customers, and endless opportunities for our employees.

Bound by professional experience, sound judgment, integrity, competence, diversity, and dedication, altafiber's Board of Directors meets four times annually to provide oversight and guidance to the senior management team. The board oversees strategic planning, operations, financial budgets, and business performance to ensure that the company adheres to the highest standards of corporate governance. Our board and management bring together strong operational and financial expertise to guide altafiber's strategy so we can provide innovative network solutions that connect our customers.

To ensure employees and directors understand their responsibilities for upholding altafiber's reputation, the board regularly reviews and updates our regulatory obligations and governance practices as documented in our Code of Ethics and Code of Conduct. Internal and external quarterly audits establish checks and balances to ensure that these guidelines comply with all applicable laws and regulations as we continue to raise the standard of service to our customers and the communities we serve.



# Board of Directors

The Board of Directors features a diverse mix of corporate and public leaders who collaborate with altafiber’s senior management team as it implements and executes on the company’s strategic plan.

The Board also oversees operations, financial budgets, and business performance to ensure that altafiber adheres to the highest standards of corporate governance.

Importantly, altafiber begins quarterly Board Meetings with an update on safety, which reflects the company’s commitment to providing employees with a safe workplace environment.

The Board is also deeply engaged in our sustainability and social initiatives, which are a core part of altafiber’s investments in the communities we serve.

### Our Board

- 100% directors are independent
- 3 of 9 directors are women



**Kelly Atkinson**  
Former Chief Commercial Officer  
Brinks Home



**Felix Bernshteyn**  
Principal  
Ares Management LLC



**Scott Graves**  
Partner, Co-Head  
of Private Equity Group,  
Portfolio Manager and Head of  
Special Opportunities  
Ares Management LLC



**F. Gregory Guerra**  
Former President, Chief Operating  
Officer, and Chief Strategy Officer  
Segra



**Colleen Hanabusa**  
Former Congresswoman  
representing the First Congressional  
District of the State of Hawai’i  
U.S. Congress



**John Komeiji**  
Chair of the Maunakea Stewardship  
and Oversight Authority



**Anton Moldan**  
Senior Managing Director  
Macquarie Asset Management



**Doug Wiest**  
Senior Operating Partner  
Macquarie Infrastructure  
and Real Assets



**Christina M. Wire**  
Vice President of Global Operations  
YouTube

# Meet our Leaders

[Learn more about our leadership team](#)

[Learn more about our corporate governance](#)



**Leigh R. Fox**

President & Chief Executive Officer



**Joshua T. Duckworth**

Chief Financial Officer



**Christi H. Cornette**

Chief Administrative Officer



**Ronald S. Beerman**

Chief Network Officer



**Mary E. Talbott**

Chief Legal Officer



**Kevin J. Murray**

Chief Information Officer



**Jason E. Praeter**

President – Consumer & Small Business



**Gregory M. Wheeler**

President – Business Markets



**Paul Khawaja**

Senior Vice President  
OnX Canada



**Jeff Lackey**

President  
CBTS



**Su Shin**

President and General Manager  
Hawaiian Telcom



# Economic Impact

The economic impact of altafiber includes the economic output, jobs, and wages supported in the Cincinnati MSA by the expenditures of altafiber and the philanthropic and sponsorship support provided to the local community. The fiscal benefits represent the subsequent impacts on earnings and sales tax revenue for state and local governments. Additionally, the community benefits of altafiber include the philanthropic and sponsorship support provided to local organizations in the Cincinnati Region. Between 2018 and 2022, altafiber supported **\$6.7 billion** in economic output, **41,321 jobs**, and **\$2.8 billion** in wages in the Cincinnati MSA.



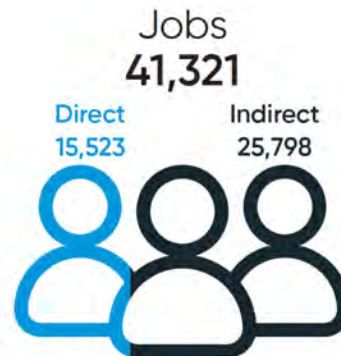
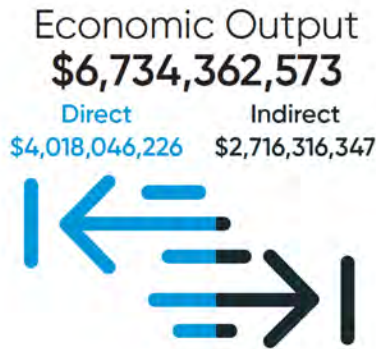
## Fiscal Impacts

Total Tax Revenue  
**\$171,937,722**

- State Earnings Tax Revenue: **\$85,459,596**
- Local Earnings Tax Revenue: **\$51,481,705**
- Sales Tax Revenue: **\$34,996,421**

The fiscal benefits of altafiber represent the earnings and sales tax revenue generated for state and local governments as a result of the expenditures made by altafiber. Between 2018 and 2022, the direct capital and operations expenditures of altafiber and the resulting indirect output created \$171.9 million in tax revenue for state and local governments.

### Total Economic Impact of altafiber's Capital and Operations Expenditures and Philanthropic and Sponsorship Support, 2018 – 2022





**Adhering to this Code of Ethics impacts our financial performance and reputation in the marketplace—most importantly, we behave ethically because it’s the right thing to do.**

## Code of Ethics

Whether we’re governed publicly by the Securities and Exchange Commission (SEC) or privately by Macquarie, we remain committed to doing the right thing all the time. Integrity, fairness, and accountability remain our guiding principles as we strive to conduct business honestly and ethically.

While our Code of Ethics applies explicitly to our senior financial officers and directors, altafiber expects every employee to:

- Uphold the highest standards of personal and professional integrity.
- Comply with all applicable laws, rules, and regulations.
- Avoid any appearances of impropriety or conflicts of interest.
- Protect the confidentiality of private information about the company and its customers.
- Deal fairly and respectfully with colleagues, customers, competitors, and vendors.
- Report any possible violations of this Code of Ethics using the anonymous Ethics Hotline.

The company responds promptly to possibly illegal or unethical conduct and takes corrective actions when necessary to prevent undesirable situations from escalating while protecting our stellar reputation.

Ultimately, altafiber’s continued success depends on our employees, officers, and directors upholding these high standards. Adhering to this Code of Ethics impacts our financial performance and reputation in the marketplace—most importantly, we behave ethically because it’s the right thing to do.



# Code of Conduct

As a supplement to our Code of Ethics, altafiber's Code of Conduct provides clear guidelines to explain how employees should behave when conducting day-to-day business-related activities. Together with our corporate mission, values, and culture, this code creates a framework to help employees make sound decisions, even in complex situations.

As detailed in our Code of Conduct, altafiber is committed to fostering professional behaviors and environments that:

- Promote courteous, respectful interactions free from harassment, discrimination, or retaliation.
- Embrace diversity and differences in opinion and perspective.
- Provide equal employment opportunities for all employees and applicants.
- Assure the privacy of communications and prohibit wiretapping and eavesdropping.
- Place professional responsibilities and corporate principles above personal gain.
- Encourage employees to make objective decisions while avoiding conflicts of interest.
- Reflect our standards of service excellence in every interaction.
- Safeguard company property and proprietary information.
- Maintain a safe, productive, healthy workplace.

Integrity is not just a corporate commitment; it's the personal responsibility of every employee, and we hold everyone accountable for their actions while representing altafiber. Adhering to these high standards is vital to maintaining the trust and confidence of the communities we serve—because it's the right thing to do, not merely because it's a company policy.



**Integrity is not just a corporate commitment; it's the personal responsibility of every employee, and we hold everyone accountable for their actions while representing altafiber.**



## Safety

We are committed to maintaining a safe, healthy workplace because people are our most valuable asset at alfiber. We expect our employees and contractors to comply with all applicable laws, safety regulations, and internal policies, following the latest standards and best practices to help make alfiber a safer workplace. We developed and implemented an SMS (safety management system) with seven guiding principles to create a formal, organization-wide approach to safety management and assurance.

Our Safety team regularly updates our internal safety policies, developing online and instructor-led training programs to keep our employees safe. The trainings not only teach safe techniques for executing our work but also behaviors and awareness to help employees avoid potential hazards, which instills a culture of safety in our team.

New field technicians at alfiber go through several months of intensive job-specific training that combines classroom learning, instructor-led courses, on-the-job mentorship from experienced technicians, and time on a transitional crew to ensure a smooth transition to independent work. This training protects our technicians from potential hazards they may encounter in the field. Topics include:

- Bucket truck operation
- Driving safety
- Electrical safety
- Emergency action plan
- Hazard recognition
- Ladder safety
- Pole climbing
- Situational awareness
- Work area protection

After the initial onboarding, all alfiber field staff receive annual safety recertifications in these critical areas. These training programs also teach employees to identify and immediately report unsafe conditions and behaviors around them. Our safety team responds promptly to incidents and near misses, investigating root causes and creating preventative action plans to mitigate future issues.



# Safety on the Road

In service organizations like alfiber, with a fleet of 1,500 vehicles constantly serving customers, driving safety is a top concern. We recently bolstered our companywide training program through the Smith System Driver Improvement Institute to keep our employees safe behind the wheel. Hawaiian Telcom was already using this driver training program, and we decided to roll it out across our entire fleet in 2022. The safety team is now certified to teach the Smith System, which includes classroom learning as well as behind-the-wheel driving instruction.

We also use telematics in our fleet vehicles to monitor real-time driving information. Our fleet tracking system uses GPS technology and onboard diagnostics to collect data such as vehicle speed, harsh braking, seat belt use, and fuel consumption. Using this data, we developed scorecards to measure our employees' driving performance, which helps us identify any need for additional driver training. In 2022, alfiber fleet drivers collectively scored 87% safety compliance, while Hawaiian Telcom drivers achieved 96%, with our goal being at our above 95% compliance.

**The safety team is now certified to teach the Smith System, which includes classroom learning as well as behind-the-wheel driving instruction.**



## Tracking Safety Metrics

In 2022, we also implemented a Software-as-a-Service solution that integrates our risk, safety, compliance, and insurance claims data into one cloud-based system. This integrated risk management information system allows us to monitor key performance indicators and track the overall effectiveness of our safety efforts as we strive to improve.

We will use this system to track our safety performance over time, with the goal of outperforming the Bureau of Labor Statistics safety rating for the telecommunications industry.

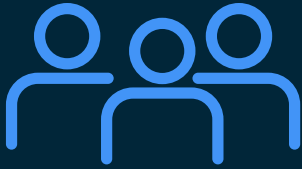
**In 2022, our telecom occupational injuries and illnesses rate was 1.88 per 100 employees, below the Bureau of Labor Statistics telecom average of 2.2. Our IT occupational injuries and illness rate was 0.11 per 100 employees, below the Bureau of Labor Statics IT average of 0.3.**

Although we've always been committed to safety in the field, occupational safety has recently become a more prominent strategic priority starting at the top of our organization. We now have an internal safety committee comprising 15 leaders across the company, focused on driving altafiber's safety culture forward. Now, through regular safety training, improved data management, and a companywide focus on prevention, we're proactively avoiding incidents before they even occur.



**Occupational safety has recently become a more prominent strategic priority starting at the top of our organization.**





**Our people are our most important asset at altafiber because our team works daily to deliver innovative solutions to our customers. Their knowledge, passion, and diversity are essential to our success. To support them, we strive to make altafiber a great workplace where everyone feels valued and respected.**

## Human and Labor Rights

Our core values—doing the right thing, respecting our differences, investing in the future, valuing team over self, and embracing transparency—reinforce our commitment to upholding basic human rights principles. The altafiber Human and Labor Rights policy outlines these principles, as outlined in the United Nations Guiding Principles on Business and Human Rights and the Universal Declaration of Human Rights.

This policy applies to all employees of altafiber and its subsidiaries. We also encourage our partners and external stakeholders to uphold the principles of this policy. As active members of the communities in which we operate, we are committed to protecting human rights as we conduct business throughout our neighborhood and around the world.

We respect the rights of our workforce and those affected by our operations through:

- Prohibiting forced labor, child labor, human trafficking, and modern slavery.
- Ensuring a safe and healthy workplace and meeting all applicable health and safety regulations.
- Promoting an environment of diversity and inclusion, free from harassment and discrimination.
- Complying with all applicable labor laws related to work hours, wages, and benefits.
- Respecting employee freedom of association and collective bargaining rights.
- Providing avenues for open communication where employees can voice concerns and ideas.

At altafiber, we take a structured approach to embedding human rights principles into our decision-making processes across the company, ensuring that this commitment is reflected in every aspect of our operations.

Our people are our most important asset at altafiber because our team works daily to deliver innovative solutions to our customers. Their knowledge, passion, and diversity are essential to our success. To support them, we strive to make altafiber a great workplace where everyone feels valued and respected.



## Risk Management and Security Governance

We take security seriously at alfiber because our customers count on us to keep them connected. With so many households and businesses entrusting their private data and internet connectivity to alfiber, our commitment to security and risk management can't be compromised.

Our information security program, policies, and procedures are based on the National Institute of Standards and Technology (NIST) 800-53 Security and Privacy Controls Framework for Information Systems and Organizations. This framework includes administrative, physical, and technical safeguards to protect our company and our customers from risk. Our Enterprise Risk Management Committee and company leadership employ the NIST Risk Management Framework to ensure the organization is formally and regularly reviewing risk.

We also leverage a proprietary internal risk management tool called the Risk Register to evaluate potential threats. This robust software, which is directly based on concepts outlined in the NIST Risk Management Framework, helps us assess potential risks and threats to develop mitigation strategies.

A cross-functional, executive-level security council governs alfiber's security program, Business Resilience/Continuity Program (BRCP) and risk management framework. This council meets quarterly to review organizational security policies and standards and to discuss emerging threats and events.





## Physical Security

At alfiber, all facilities are evaluated based on criteria focused on employee safety, network connectivity, strategic importance, and insured value of assets. Through an authenticated access control system, physical access to alfiber's facilities is limited to employees, approved vendors, and authorized visitors. This ensures that alfiber's resources are appropriately provisioned, granting access only to those who need it to perform their duties.

The security of our central offices, data centers, and other network facilities is even more stringently controlled. Access to these facilities, which require multiple authentication factors, is managed through an online certification program to ensure that employees and contractors have been trained in the necessary security protocols. Access alarms are monitored 24x7x365, and annual security assessments are performed at each facility.

# Employee Security

We conduct thorough background and reference checks on personnel as part of our hiring process; this requirement also applies to all third-party vendors. All altafiber personnel must also sign confidentiality and code of ethics agreements as a condition of employment.

Realizing that we are only as strong as our weakest link, we have implemented a security awareness training program emphasizing each employee's vital role in altafiber's overall security posture. Through web-based and in-person training, surveys, and monthly articles, we're constantly equipping our employees with tools and best practices to protect both the company's and customer's data.

**In 2022, 98% of altafiber's employees completed the annual security training; meanwhile, at Hawaiian Telcom, 100% completed the training.**

We also execute controlled phishing simulations throughout the year to test employees' ability to identify illegitimate emails. Every employee is tested at least once annually, and we assign remediation training to employees who fail phishing tests. We offer incentives to employees to encourage and reinforce continued vigilance.







**altafiber is required to vet, all new third-party vendors and equipment before granting access or deploying in our environment.**

## National Security

As a foreign-owned telecommunication and critical infrastructure provider, altafiber is regularly reviewed by the “Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector.” The committee, formerly Team Telecom, advises the Federal Communications Commission (FCC) on national security and law enforcement aspects of foreign involvement in the U.S. telecom sector.

**The committee has strict oversight of our company, requiring rigorous security controls, audits, and reporting. We’re required to submit detailed security reports to the committee every year, and they can audit altafiber at any time.**

For example, altafiber is required to vet, through this committee, all new third-party vendors and equipment before granting access or deploying in our environment. The company also vets high-risk vendors through a rigorous Third-Party Risk Management Program that reviews each company’s security controls and certifications. Each vendor must sign an addendum acknowledging altafiber’s data security and Letter of Authorization (LOA) requirements.

The oversight of the assessment committee ensures the U.S. government that altafiber is tightly controlling the critical infrastructure services we provide while reassuring our customers that we’re following the strictest security standards in the industry.

# Cybersecurity

We take a “defense in depth” approach to safeguarding our networks, servers, and data at altafiber. Our network design leverages redundant components and connections to ensure the highest levels of availability, reliability, and performance. For example:

- Intrusion detection and protection technology filters out unwanted traffic and activity.
- Comprehensive endpoint protection software safeguards workstations and servers.
- Three levels of email protection keep our inboxes clean of cyber threats.
- Network devices are monitored 24x7x365 using automated tools along with trained staff.
- Vulnerability scanning and attack and penetration testing by qualified internal personnel and third parties assess the strength of our perimeter and internal networks.
- 24x7x365 log monitoring in our security information and event management (SIEM) system provides real-time threat detection.

Our security teams constantly monitor cyber risks to detect vulnerabilities so that we can patch and fix any weaknesses. We focus on putting controls in place to protect our company from threats, and we’ve designed our infrastructure to recognize and remediate problems immediately if they do occur. Through it all, our security team works closely with IT and network operations to ensure altafiber’s cybersecurity posture is continually maturing.



**Our security teams constantly monitor cyber risks to detect vulnerabilities so that we can patch and fix any weaknesses.**



**2022 ESG REPORT**  
altafiber

