

PUBLIC MEETING

FRANCHISE AND CONCESSION REVIEW COMMITTEE

WEDNESDAY MARCH 11th, 2026 @ 2:30 P.M.

Location:
255 Greenwich Street
8th Floor
New York, NY 10007

NOTE: For further information on accessibility or to make a request for accommodations, such as sign language interpretation services, please contact the Mayor's Office of Contract Services (MOCS) via e-mail at DisabilityAffairs@mocs.nyc.gov or via phone at (212) 298-0800. Any person requiring reasonable accommodation for the public meeting should contact MOCS at least five (5) business days in advance of the meeting to ensure availability. 

*Franchise and Concession Review Committee Public Meeting
Wednesday March 11th, 2026 @ 2:30 P.M.*

NEW YORK CITY OFFICE OF TECHNOLOGY AND INNOVATION

No. 1: **IN THE MATTER** of the intent to seek Franchise and Concession Review Committee approval for a proposed transfer of control of an existing mobile telecommunications franchise agreement between the City of New York and Crown Castle Fiber LLC to Small Cells HoldCo Inc. The mobile telecommunications franchise agreement authorizes the franchisee to install, operate and maintain equipment and facilities, including base stations and access point facilities, on City-owned street light poles and traffic light poles, and certain utility-owned poles located on the City street and subject to necessary further approvals, public communications structures, bus stop shelters and automatic public toilets, all in connection with the provision of mobile telecommunications services. The franchise agreement term runs through June 15, 2030.

MEMORANDUM

TO: Franchise & Concession Review Committee; Honorable Borough Presidents; Honorable City Council Members; Community Boards

FROM: Brett Sikoff, Executive Director, Franchise Administration

DATE: 2/13/2026

SUBJECT: Notice of Franchise and Concession Review Committee Public Hearing, 3/9/2026

NOTICE OF A FRANCHISE AND CONCESSION REVIEW COMMITTEE (“FCRC”) PUBLIC HEARING to be held on **3/9/2026, at 2:30 p.m.** at 255 Greenwich Street, 8th Floor, New York, NY 10007 relative to the proposed transfer of control of an existing mobile telecommunications franchise agreement.

Crown Castle Fiber LLC is seeking consent to transfer control of the mobile telecommunications franchise agreement between the City of New York and Crown Castle Fiber LLC to Small Cells HoldCo Inc. The mobile telecommunications franchise agreement authorizes the franchisee to install, operate and maintain equipment and facilities, including base stations and access point facilities, on 1) City-owned street light poles and traffic light poles, and certain utility-owned poles located on the City street and 2) subject to necessary further approvals, public communications structures, bus stop shelters and automatic public toilets, all in connection with the provision of mobile telecommunications services. The franchise agreement has a term that runs through June 15, 2030.

The public may participate in the public hearing by attending and providing testimony. Written testimony may be submitted in advance of the hearing electronically to fcrc@mocs.nyc.gov. All written testimony must be received by **3/9/2026**.

A copy of the original franchise agreement and proposed organizational chart may be obtained at no cost any of the following ways:

- 1) Submitting a written request to OTI at franchiseopportunities@oti.nyc.gov from **2/16/2026** through **3/9/2026**.
- 2) Downloading from **2/16/2026** through **3/9/2026** on OTI’s website. To download a draft copy of the proposed before and after organizational charts, visit www1.nyc.gov/content/oti/pages/franchises.
- 3) By submitting a written request by mail to NYC Office of Technology & Innovation, 2 MetroTech Center, P-1 Level Mailroom. Written requests must be received by **3/6/2026**. For mail-in requests, please include your name and return address.

The agenda and related documentation for the hearing will be posted on the MOCS website at <https://www.nyc.gov/site/mocs/opportunities/franchises-concessions.page>.



For further information on accessibility or to make a request for accommodations, such as sign language interpretation services, please contact the Mayor's Office of Contract Services (MOCS) via e-mail at DisabilityAffairs@mocs.nyc.gov or via phone at (212) 298-0800. Any person requiring reasonable accommodation for the public hearing should contact MOCS at least five (5) business days in advance of the hearing to ensure availability.



RECOMMENDATION FOR AWARD OF FRANCHISE AGREEMENT MEMORANDUM

Instructions: Check all applicable boxes and provide all applicable information requested below. If any requested date or information is unavailable, describe the reason it cannot be ascertained.

A. AUTHORIZING RESOLUTION (Attach copy)

1. Mayor's Office of Legislative Affairs transmitted proposed authorizing resolution to City Council on 12/16/2015
2. City Council conducted public hearing on 01/16/2016
3. City Council adopted authorizing resolution on 03/09/2016

B. SOLICITATION/EVALUATION/AWARD

1. RFP/solicitation document issued on 06/12/2018. (Attach copy)
2. The Agency certifies that it complied with all the procedures for the solicitation, evaluation and/or award of the subject franchise as set forth in the applicable authorizing resolution and request for proposals, if applicable.

Basis for Award:

Instructions: Check applicable box below; attach a list of proposed franchisee's Board of Directors.

- Recommended franchisee is highest rated proposer and offered highest amount of revenue (overall or for the competition pool).
- Recommended franchisee was sole proposer or was determined to be only responsive proposer (overall or for the competition pool), and the and agency certifies that a sufficient number of other entities had a reasonable opportunity to propose, the recommended franchisee meets the minimum requirements of the RFP or other solicitation and award is in the best interest of the City. *Explain:*
- The subject franchise is a non-exclusive franchise and the recommended franchisee has been determined to be both technically qualified and responsible.
- Other *Describe:*

C. PUBLIC HEARING & APPROVAL

1. Agency filed proposed agreement with FCRC on 3/9/2026.
2. Public Hearing Notice
 - a. Agency published, for at least 15 business days immediately prior to the public hearing, a public hearing notice and summary of the terms and conditions of the proposed agreement in the City Record from 02/13/2026 to 03/09/2026
 - b. Agency provided written notice containing a summary of the terms and conditions of the proposed agreement to each affected CB and BP by 02/13/2026. (Check the applicable box below and provide the requested information)
 - Franchise relates to property in one borough only and, as such, agency additionally published a public hearing notice and summary of the terms and conditions of the proposed agreement twice in NY Post, a NYC daily, citywide newspaper on / / and / / , and in AMNY, a NYC weekly, local newspaper published in the affected borough on / / and / / . A copy of each such notice containing a summary of the terms and conditions of the proposed agreement was sent to each affected CB and the affected BP by / /
 - Franchise relates to property in more than one borough and, as such, agency additionally published a public hearing notice and summary of the terms and conditions of the proposed agreement twice in NY Post, a NYC daily, citywide newspaper on 02/19/2026 and 02/20/2026, and in AMNY, also a NYC daily, citywide newspaper on 02/18/2026 and 02/19/2026. A copy of each such notice containing a summary of the terms and conditions of the proposed agreement was sent to each affected CB, each affected BP and each affected Council Member by 02/13/2026.
 - Franchise relates to a bus route contained within one borough only and, as such, agency additionally published a public hearing notice and summary of the terms and conditions of the proposed agreement twice in _____, a NYC daily, citywide newspaper on / / and / / , and in _____, a NYC weekly, local newspaper published in the affected borough on / / and / / . A copy of each such notice containing a summary of the terms and conditions of the proposed agreement was sent to each affected CB and the affected BP by / / .
 - Franchise relates to a bus route that crosses one or more borough boundaries and, as such, agency additionally published a public hearing notice and summary of the terms and conditions of the proposed agreement twice in _____, a NYC daily, citywide newspaper on / / and / / , and in _____, also a NYC daily, citywide newspaper on / / and / / . A copy of each such notice containing a summary of the terms and conditions of the proposed agreement was sent to each affected CB, each affected BP and each affected Council Member by / / . A notice was posted in the buses operating upon the applicable route.
 - b. Franchise relates to extension of the operating authority of a private bus company that receives a subsidy from the City and, as such, at least 1 business day prior to the public hearing the Agency published a public hearing notice in the City Record on / / .
3. FCRC conducted a public hearing within 30 days of filing on 03/09/2026.

Between

THE CITY OF NEW YORK

And

CROWN CASTLE FIBER LLC

**FRANCHISE FOR THE INSTALLATION AND USE OF TELECOMMUNICATIONS
EQUIPMENT AND FACILITIES, INCLUDING BASE STATIONS AND ACCESS POINT
FACILITIES, ON CITY-OWNED STREET LIGHT POLES AND TRAFFIC LIGHT
POLES, AND CERTAIN UTILITY POLES AND OTHER FACILITIES LOCATED ON
CITY STREETS, IN CONNECTION WITH THE PROVISION OF MOBILE
TELECOMMUNICATIONS SERVICES**

Dated as of

April 9, 2020

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AGREEMENT

This AGREEMENT (the "Agreement"), dated as of April 9, 2020 (the "Execution Date"), is by and between THE CITY OF NEW YORK (the "City") and CROWN CASTLE FIBER LLC (the "Company"), whose principal place of business is located at 1220 Augusta Drive, Suite 600, Houston, TX 77057

WITNESSETH:

WHEREAS, the New York City Department of Information Technology and Telecommunications ("DoITT"), on behalf of the City, has the authority to grant franchises involving the occupation or use of the Inalienable Property (as defined in Section 1 hereof) of the City for the purposes described in this Agreement; and

WHEREAS, DoITT, pursuant to authorization granted by Resolution No. 935 (adopted by the New York City Council on March 9, 2016) (the "Authorizing Resolution"), issued on June 12, 2018, a Request for Proposals (the "RFP") for franchises of a type which includes the franchise described in this Agreement; and

WHEREAS, the New York City Department of City Planning determined, as evidenced in its letter dated March 1, 2018, that franchises issued pursuant to the RFP would have no land use impacts and that therefore review of such RFP pursuant to Section 197-c of the New York City Charter (the "City Charter") was not required; and

WHEREAS, DoITT, as lead agency pursuant to Section 5-03(e) of Title 62 of the Rules of the City of New York, reviewed the proposed action of granting this franchise for its potential environmental impacts and has issued a "negative declaration", that is, a determination, pursuant to City Environmental Quality Review, as set forth in Chapter 5 of Title 62 of the Rules of the City of New York, that such action will not have a significant effect on the environment; and

WHEREAS, on January 13, 2020, the New York City Franchise and Concession Review Committee (the "FCRC") held a public hearing on the Company's proposal for a franchise, which was a full public proceeding affording due process in compliance with the requirements of Chapter 14 of the City Charter, including without limitation publication of notice of such hearing in accordance with Section 371 of the City Charter; and

WHEREAS, on January 14, 2020, the FCRC voted on and adopted a resolution approving the grant of a franchise to the Company on the terms set forth in this Agreement; and

WHEREAS, (i) City-owned property, such as street light poles ("SLPs") and traffic light poles ("TLPs") located on City streets (SLPs and TLPs collectively referred to herein as "Street Operations Poles"), (ii) poles that are lawfully located on the City's inalienable property which are privately-owned poles owned by a "utility" as that term is defined in 47 USC Section 224 (herein referred to as "Street Utility Poles"), (iii) LinkNYC Kiosks (as defined in Section 1 hereof), and (iv) Coordinated Franchise Structures (as defined in Section 1 hereof) are some, but not the only, or even the preponderant, type of location that can be used to locate mobile

telecommunications facilities and equipment (indeed, the mobile telecommunications industry has largely developed to date using private property to locate facilities and equipment, access to which private property requires no authority pursuant to a City franchise) and the parties recognize that while it may be in the public interest for the City to make both Street Operations Poles as well as Street Utility Poles (together, "Street Poles") along with certain other City property available for the purposes described in this Agreement, any decision by the City not to make such property available to one or more entities, or to condition the availability of such property in any manner the City determines to be appropriate would not be intended to prohibit or effectively prohibit any such entity from providing its services, which may be provided using private property (with respect to which no additional franchise is required); and

WHEREAS, any commercial installations on Street Poles, LinkNYC Kiosks, Coordinated Franchise Structures sitting on City property or the rights of way, and other City property must be consistent with and must accommodate current and projected operational activities of City agencies using and maintaining City facilities in connection with the provision and support of City services to the public and must include an appropriate compensation (i.e., rent) to the City for use of City property; and

WHEREAS, the primary use of the Street Operations Poles and other City property is first and foremost for the original uses such as street lighting, traffic signals, highway sign support and other designated City uses; and

WHEREAS, on or about June 26, 2006, the City acting by and through its New York City Department of Transportation ("DOT") entered into a franchise agreement for the installation, operation and maintenance of Coordinated Franchise Structures with Cemusa Inc., a company which thereafter assigned its interest in said franchise agreement to Cemusa NY, LLC, d/b/a JCDecaux Street Furniture New York, LLC ("JCDecaux") (the "Coordinated Street Furniture Franchise"); and

WHEREAS, JCDecaux currently owns a non-exclusive franchise providing the right and consent to install, operate and maintain Coordinated Franchise Structures on, over and under the Inalienable Property of the City; and

WHEREAS, on December 19, 2014, the City, acting by and through its DoITT, entered into a Public Communications Structure franchise agreement with CityBridge, LLC for the installation, operation and maintenance of LinkNYC Kiosks and said franchise agreement was subsequently amended in 2015 and in 2018 (the "LinkNYC Franchise"); and

NOW, THEREFORE, in consideration of the foregoing clauses, which clauses are hereby made a part of this Agreement, the mutual covenants and agreements herein contained, and other good and valuable consideration, the parties hereby covenant and agree as follows:

SECTION 1 – DEFINED TERMS

For purposes of this Agreement, the following terms, phrases, words, and their derivatives shall have the meanings set forth in this Section.

1.1 "Affiliated Person" means each Person who falls into one or more of the following categories: (i) each Person having, directly or indirectly, a Controlling Interest in the Company; (ii) each Person in which the Company has, directly or indirectly, a Controlling Interest; (iii) each officer, director, general partner, or other Person holding an interest of five percent (5%) or more, joint venturer or joint venture partner of the Company; and (iv) each Person, directly or indirectly, controlling, controlled by or under common Control with the Company; provided that "Affiliated Person" shall in no event mean the City, any Person holding an interest of less than five percent (5%) of the Company or any creditor of the Company solely by virtue of its status as a creditor and which is not otherwise an Affiliated Person.

1.2 "Agreement" means this agreement, together with the Appendices attached hereto and all amendments, modifications or renewals hereof or thereof.

1.3 "Authorizing Resolution" has the meaning set forth in the second Whereas clause of this Agreement.

1.4 "Base Stations" means the equipment housing and antennas, and the associated equipment, all as described in Section I of Appendix A, installed at a fixed location for the reception and/or transmission of wireless, radio frequency telecommunications signals.

1.5 "City" means the City of New York or, as appropriate in the case of specific provisions of this Agreement, any board, bureau, authority, agency, commission, department or any other entity of the City of New York, or any authorized officer, official, employee or agent thereof, or any successor thereto.

1.6 "City Charter" has the meaning set forth in the third Whereas clause of this Agreement.

1.7 "City Code" means the New York City Administrative Code.

1.8 "Commissioner" means the Commissioner of DoITT, or his or her designee, or any successor in function to the Commissioner.

1.9 "Company" means Crown Castle Fiber LLC, a limited liability company organized and existing under the laws of the State of New York whose principal place of business is located at 1220 Augusta Drive, Suite 600, Houston, TX 77057.

1.10 "Compensation Street Pole(s)" has the meaning set forth in Section II(B) of Appendix D hereof.

1.11 "Comptroller" means the Comptroller of the City, the Comptroller's designee, or any successor in function to the Comptroller.

1.12 “Control” or “Controlling Interest” means working control in whatever manner exercised, including, without limitation, working control through ownership, management, debt instruments or negative control, as the case may be, of the Facilities or of the Company. A rebuttable presumption of the existence of Control or a Controlling Interest shall arise from the beneficial ownership, directly or indirectly, by any Person, or group of Persons acting in concert, of more than ten percent (10%) of any Person (which Person or group of Persons is hereinafter referred to as “Controlling Person”). “Control” or “Controlling Interest” as used herein may be held simultaneously by more than one Person or group of Persons.

1.13 “Coordinated Franchise Structure(s)” means (1) structures intended as bus stop shelters (including seating, if installed) which provide meaningful protection from precipitation, wind, and sun, (2) automatic public toilets installed, and (3) any associated equipment, wiring, and/or cables that are attached to such Coordinated Franchise Structures (other than any such associated equipment, wiring, and/or cables that are owned by third parties) and the advertising panels, installed on, over and under the Inalienable Property of the City. Coordinated Franchise Structures shall not include newsstands or public service structures.

1.14 “Coordinated Street Furniture Franchise” has the meaning set forth in the tenth Whereas clause of this Agreement.

1.15 “Customer” means any Person lawfully receiving any service provided by the Company by means of the Facilities.

1.16 “DoITT” means the Department of Information Technology and Telecommunications of the City of New York, or any successor thereto.

1.17 “DOT” means the Department of Transportation of the City of New York, or any successor thereto.

1.18 “Effective Date” means the date stated in a notice issued by the City to the Company, which date shall be ten (10) days after the first date on which all of the following conditions have been met: (a) this Agreement has been registered with the Comptroller as provided in Sections 375 and 93.p. of the City Charter, and (b) all the documents have been submitted as required by Section 2.2 hereof, (c) the City’s vendor disclosure review process known as PASSPort of the Company has been favorably completed, and (d) payment has been made to the City of the Initial Payment, the Security Fund amount pursuant to Section I of Exhibit C hereof, and the FCRC publication costs as described in Section 7.2.1 hereof.

1.19 “Execution Date” means the date set forth on the cover page of this Agreement.

1.20 “Facilities” means, collectively, the Base Stations and equipment ancillary thereto, including but not limited to fiber handholds.

1.21 “FCC” means the Federal Communications Commission or any successor thereto.

1.22 “FCRC” means the Franchise and Concession Review Committee of the City of New York, or any successor thereto.

- 1.23 “Fiber” has the meaning set forth in Section 2.4.2 hereof.
- 1.24 “Franchise Area” means each or, or any combination of, Zone A, Zone B, and Zone C for which the Company is permitted to install Facilities on Street Poles pursuant to this Agreement.
- 1.25 “Inalienable Property” means the rights of the City in and to its waterfront, ferries, wharf property, bridges, land under water, public landings, wharves, docks, streets, avenues, highways, parks, waters, waterways and all other public places.
- 1.26 “Initial Payment” shall have the meaning set forth therefor in Section V of Appendix D attached hereto.
- 1.27 Intentionally Omitted.
- 1.28 “LinkNYC Franchise” has the meaning set forth in the twelfth Whereas clause of this Agreement.
- 1.29 “LinkNYC Kiosks” shall mean Public Communications Structures installed, operated, and/or maintained pursuant to the LinkNYC Franchise or any successor thereto.
- 1.30 “Mayor” means the chief executive officer of the City, the Mayor’s designee, or any successor to the executive powers of the present Mayor.
- 1.31 “Mobile Telecommunications Services” means mobile telecommunications services as defined in the Authorizing Resolution.
- 1.32 “Person” shall mean any natural person or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for profit or not for profit, but shall not mean the City.
- 1.33 “Pre-Pole Compensation Period” shall mean a period beginning on the date on which a Street Pole becomes a Reserved Pole and expiring on the Pre-Pole Compensation Period Expiration Date (as hereinafter defined) during which no Street Pole Compensation is due.
- 1.34 “Pre-Pole Compensation Period Expiration Date” shall mean the 31st day after which a Street Pole becomes a Reserved Pole.
- 1.35 “Priority List” means the list of priorities that Street Pole Franchisees are to follow in the submission of Reservation Notices as set forth in Section II (B) of Appendix A. Such Priority List was distributed to all Street Pole Franchisees at the conclusion of the RFP process and is intended to obviate conflicting demands for specific locations.
- 1.36 “PSC” means the New York State Public Service Commission or any successor thereto.
- 1.37 “Public Communications Structure(s)” or “PCS” shall mean a structure that provides free Wi-Fi and/or additional telecommunications services as determined by the City.
- 1.38 “Reservation Notice” has the meaning set forth in Section II (B)(1) of Appendix A hereof.

1.39 “Reserved Pole” means a Street Pole which has been reserved to a Street Pole Franchisee under Section II (B) of Appendix A hereof.

1.40 “RFP” has the meaning set forth in the second Whereas clause of this Agreement.

1.41 “Scheduled Term” means the period from and including the Effective Date until and including the tenth anniversary of the Execution Date.

1.42 “Security Fund” means a cash security fund or letter of credit, as described in Section 5 and Appendix C hereof.

1.43 “SLP” has the meaning set forth in the seventh Whereas clause of this Agreement.

1.44 “Street Operations Pole(s)” shall have the meanings set forth in the seventh Whereas clause of this Agreement subject further to the requirements of this Agreement.

1.45 “Street Pole(s)” shall have the meaning set forth in the seventh Whereas clause of this Agreement subject further to the requirements of this Agreement.

1.46 “Street Utility Pole(s)” shall have the meaning set forth in the seventh Whereas clause of this Agreement.

1.47 “Street Pole Compensation” shall mean, collectively, Street Operations Pole Compensation and Street Utility Pole Compensation as they are respectively defined in Appendix D.

1.48 “Old Street Pole Franchise” means any franchise granted by the City of New York and approved by the FCRC between July 14, 2004 and November 30, 2019, authorizing installation of Base Stations on Street Poles.

1.49 “Street Pole Franchise” means any franchise granted by the City of New York and approved by the FCRC after November 30, 2019, authorizing installation of Base Stations on Street Poles.

1.50 “Street Pole Franchisee” means any company granted a Street Pole Franchise pursuant to a Street Pole Franchise agreement.

1.51 “New Reservation Phase” means the selection of Street Operations Poles subject to and accordance with the requirements set forth in Section II (B)(1) of Appendix A of this Agreement.

1.52 “Old Street Pole Franchisees” means any company granted a Street Pole Franchise pursuant to an Old Street Pole Franchise agreement.

1.53 “Term” has the meaning set forth in Section 2.1 hereof.

1.54 “TLP(s)” has the meaning set forth in the seventh Whereas clause of this Agreement.

1.55 “Unavoidable Delay” means a delay due to strike; war or act of war; insurrection; riot; fire, flood or similar act of providence; or other similar causes or events to the extent that such

causes or events are beyond the control of the Company and beyond normal and reasonable expectation, provided in each case that the Company has taken and continues to take all reasonable actions to avoid or mitigate such delay and provided that the Company notifies DoITT in writing of the occurrence of such delay within five (5) business days of the date upon which the Company learns or should have learned of its occurrence. A delay in a decision by a government entity, the approval of which is a condition to an occurrence, shall constitute an "Unavoidable Delay" in such an occurrence, but only if such delay is materially beyond the normal period in which such entity generally acts with respect to the type of decision being sought and only if the Company has taken and continues to take all reasonable steps to pursue such decision. In no event will a government entity's final decision, whether positive or negative, once made constitute an Unavoidable Delay (the term "final decision" in this sentence shall refer to a decision with respect to which all available appeals have been exhausted or the time period for filing such appeals has expired). Except to the extent required by any applicable state or federal law, the financial incapacity of the Company or other financial matters shall not constitute an Unavoidable Delay.

1.56 "Zone" means each and any of Zone A, Zone B, or Zone C.

1.57 "Zone A" means the portion of the Borough of Manhattan which includes 96th Street (inclusive of the northernmost boundary of the north side sidewalk of 96th Street) and all parts of said Borough that lie south of 96th Street.

1.58 "Zone B" means all portions of the City not within Zone A or Zone C.

1.59 "Zone C" means Community Districts 1, 2, 4, 5, and 7 in the Borough of the Bronx and Community Districts 13 and 16 in the Borough of Brooklyn.

1.60 "Zone Compensation" shall have the meaning set forth in Section I of Appendix D hereof.

SECTION 2 – GRANT OF AUTHORITY

2.1 Term.

Scheduled Term. This Agreement, and the franchise granted hereunder, shall commence upon and include the Effective Date, and shall continue for a maximum of 10 years unless this Agreement is earlier terminated by mutual agreement of the parties, or upon earlier termination of this Agreement and the franchise pursuant to the terms of this Agreement. The period of time that this Agreement remains in effect is herein referred to as the "Term." Notwithstanding the preceding, if the Effective Date does not occur within 130 days of the Execution Date, this Agreement shall be deemed immediately terminated and no obligations of the parties to one another shall thereafter accrue under this Agreement except as this Agreement expressly provides for the survival of certain obligations or provisions.

2.2 Documents Required for Occurrence of the Effective Date; No Installation Prior to Effective Date.

The Effective Date is subject to among other things, the submission to the City by the Company of the following documents as described in this Section 2.2: (a) a certificate of liability insurance pursuant to Section 10.2.6 hereof, (b) an opinion of the Company's counsel dated as of the

Execution Date, in form reasonably satisfactory to the City opining that this Agreement has been duly authorized, executed and delivered by the Company and is a binding obligation of the Company, (c) an affirmation signed by an authorized officer or representative of the Company in the form set forth in Exhibit D of the RFP, (d) an IRS W-9 form certifying the Company's tax identification number, (e) organizational and authorizing documents as described in Sections 12.5.1 and 12.5.2 hereof, and (f) if determined as necessary by DoITT, a corporate guaranty in the form of Appendix I. No installation by the Company on Street Poles, LinkNYC Kiosks or Coordinated Franchise Structures or otherwise on, over or under the Inalienable Property, granted pursuant to this Agreement, shall be permitted until the occurrence of the Effective Date. The City shall issue a notice to the Company setting forth the Effective Date, such notice to be issued within ten (10) days of the first date on which all required conditions to occurrence of the Effective Date, as set forth in this Section 2.2 and in Section 1.18, have been met.

2.3 Nature of Franchise, Effect of Termination and Renewal.

2.3.1 Nature of Franchise.

(a) The City hereby grants the Company, commencing on the Effective Date and thereafter for the period of the Term, subject to the terms and conditions of this Agreement, a nonexclusive franchise providing the right and consent to install, operate, repair, maintain, remove and replace cable, wire, Fiber (or other transmission medium that may be used in lieu of cable, wire or Fiber) and related equipment and facilities on, over and under the Inalienable Property of the City, for the provision of Mobile Telecommunications Services, provided however, that such grant is expressly limited to the locations, facilities and services described in Section 2.4.2 hereof and Appendix A hereto.

(b) Before offering or providing any services using the Facilities, the Company shall obtain any and all regulatory approvals, permits, authorizations or licenses for the offering or provision of such services from the appropriate federal, state and local authorities, if required, and shall submit to DoITT upon the written request of the City evidence of all such approvals, permits, authorizations or licenses.

(c) The Company shall surrender any Old Street Pole Franchise(s) previously granted to it by the City upon the Effective Date. Pole reservations granted pursuant to Old Street Pole Franchises, including any authorized Facilities installed in connection therewith, will be transferred over to the Company and will be governed by all terms and conditions as stated in this Agreement.

(d) In the event that the Company desires to install, maintain and operate a Facility on or within a Coordinated Furniture Structure, the Company must enter into an agreement with the Coordinated Street Furniture Franchisee as identified in this Agreement, and such agreement must be subject to DOT approval.

(e) In the event that the Company desires to install, maintain and operate a Facility on or within a LinkNYC Kiosk, the Company must enter into an agreement with a company granted such a franchise by the City. Such agreement is subject to DoITT approval.

2.3.2 Effect of Termination. Upon termination of this Agreement, the franchise shall expire, all rights of the Company in the franchise shall cease, with no value allocable to the franchise itself; and the rights and obligations of the City and the Company shall be determined as provided in Sections 11.3 through 11.5 hereof. The termination of this Agreement and the franchise granted hereunder shall not, for any reason, operate as a waiver or release of any obligation of the City, the Company or any other Person, as applicable, which accrued prior to such termination except as this Agreement expressly provides for the survival of certain obligations or provisions and except that in the event of a termination by reason of a breach or default of one or more obligations hereunder, the breaching or defaulting party shall be liable for any damages for breach or default of this Agreement for which the breach or defaulting entity would be liable under applicable law.

2.3.3 Renewal. This Agreement does not grant to the Company any right to renewal of this Agreement or the franchise granted hereunder, and there shall be no such right. If the Company seeks renewal of this Agreement and/or the franchise granted hereunder, the City shall have the fullest discretion permitted by law to grant or withhold such renewal.

2.4 Conditions and Limitations on Franchise.

2.4.1 Not Exclusive. Nothing in this Agreement shall affect the right of the City to grant to any Person a franchise, consent or right to occupy and use the Inalienable Property, or any part thereof, for the construction, operation and/or maintenance of a system to provide any services (including without limitation Mobile Telecommunications Services), pursuant to the terms of this Agreement, including but not limited to Section II(B) of Appendix A.

2.4.2 Construction of Facilities.

(a) The Company is only authorized, under the franchise granted pursuant to this Agreement, to install, within the Franchise Area:

- (i) Base Stations on Street Poles;
- (ii) Base Stations on or within LinkNYC Kiosks are subject to (x) agreements between the Company and the owner of the LinkNYC Kiosk; (y) subject to the terms and conditions of the associated LinkNYC Franchise Agreement; and (z) review and approval by DoITT;
- (iii) Base Stations on or within Coordinated Franchise Structures, subject to (x) agreements between the Company and the owner of the Coordinated Franchise Structures; (y) subject to the terms and conditions of the Coordinated Street Furniture Franchise and (z) review and approval by DOT; and
- (iv) for purposes of connecting Base Stations installed on Street Poles or other authorized structures, to one another or to a supporting telecommunications system (such supporting telecommunications system may include, without limitation, Base Stations installed on, over or under property other than the Inalienable Property), cable, wire or optical fiber, or other transmission medium that may be used in lieu of cable, wire or optical fiber, (collectively

“Fiber”) on, over or under the Inalienable Property of the City within the Franchise Area.

(b) If at any time the Company seeks to use, or make available to others, Fiber installed pursuant to this Agreement or the Coordinated Street Furniture Franchise or the LinkNYC Franchise for purposes other than the sole purpose of transmission of signals among Base Stations or between Base Stations and a supporting telecommunications system, the Company must obtain (if it does not already have), as a condition to such use or availability, an additional franchise from the City authorizing such use or availability.

(c) The Company acknowledges and agrees that all installations pursuant to this Section 2.4.2 shall be subject to the terms of this Agreement and to any further review and approval required by the City and/or any applicable local, state or federal law.

(d) The Company shall use its commercially reasonable efforts to coordinate construction and maintenance of the Facilities with the appropriate City agencies to minimize unnecessary disruption. Construction and maintenance of the Facilities shall be performed in accordance with all rules related to construction and management of the Inalienable Property, and property and equipment located thereon as the City may have in place or adopt from time to time.

(e) The Company shall obtain all construction, building or other permits or approvals necessary before installing Base Stations or Fiber under this Agreement. The Company shall provide copies of any such permits and approvals to DoITT upon request.

(f) Unless otherwise specifically permitted by the City, nothing in this Agreement is intended to authorize the Company to install poles or other new structures including Coordinated Street Furniture or LinkNYC Kiosks on the Inalienable Property of the City.

(g) Any agreements referenced in sub-Sections 2.4.2(a)(ii) and (iii) above between the Company and owners of Coordinated Franchise Structures and/or LinkNYC Kiosks for the placement of Base Stations on or within Coordinated Franchise Structures and/or LinkNYC Kiosks shall be subject to the prior approval of the City, to be given in the City’s sole and absolute discretion.

2.4.3 Public Works and Improvements. Nothing in this Agreement shall abrogate the right of the City (itself or through its contractors) to construct, operate, maintain, repair or remove any public works or public improvements of any description. In the event that the Facilities interfere with the construction, operation, maintenance, repair or removal of any public works or public improvements, the Company shall, at its own cost and expense, promptly protect or alter or relocate the Facilities, or any part thereof, as directed by the City. If practicable, the City shall use reasonable efforts to provide reasonable prior notice to the Company of such interference and the City’s direction. In the event that the Company thereafter fails to so protect, alter or relocate all or part of the Facilities, the City shall have the right to break through, remove, alter, or relocate all or any part of the Facilities without any liability to the Company, and the Company shall pay to the City the reasonable costs incurred in connection with such breaking through, removal, alteration, or relocation (provided that the City shall not place any of the Company’s Base Station equipment on any Street Pole without the Company’s agreement).

2.4.4 No Waiver. Nothing in this Agreement shall be construed as a waiver of any codes, ordinances or regulations of the City or of the City's right to require the Company or Persons utilizing the Facilities to secure the appropriate permits or authorizations for such use, provided that no fee or charge may be imposed upon the Company for any such additional permit or authorization other than the standard fees or charges generally applicable to all Persons for such permits or authorizations.

2.4.5 No Release.

(a) Except as expressly set forth in this Agreement, nothing in this Agreement shall be construed as a waiver or release of the rights of the City in and to the Inalienable Property. In the event that any action by the City results in the elimination of a Street Operations Pole, LinkNYC Kiosk, and/or Coordinated Franchise Structure in the Inalienable Property within the Franchise Area all rights and privileges granted pursuant to this Agreement with respect to said Inalienable Property, shall cease upon the date of such elimination. The City shall use reasonable efforts to provide reasonable prior notice to the Company of any such elimination. If said elimination is undertaken for the benefit of any private Person, the City shall make efforts to condition its consent to said elimination on the agreement of said private Person to (i) grant the Company the right to continue to occupy and use the applicable property or (ii) reimburse the Company for the reasonable costs of relocating the affected part of the Facilities. Notwithstanding any other provision herein to the contrary, the Company shall not be liable to the City for any such damage or loss to the extent the City is compensated by the insurance which the Company is obligated to maintain pursuant to this Agreement.

(b) It is not the intention of the parties that anything in the preceding subsection (a) is inconsistent with the provisions of Section II (B) (3) of Appendix A regarding the opportunity of the Company to gain access to an alternative Street Operations Pole for a Base Station, if a Street Operations Pole on which one of the Company's Base Station is located, or a Reserved Pole that is reserved for the Company, is removed temporarily or permanently.

(c) Unless otherwise expressly set forth in this Agreement, nothing herein shall alter the rights and responsibilities of either party pursuant to any agreement previously entered into by the parties.

SECTION 3 – SERVICE

3.1 No Interference. In the operation of the Facilities, the Company agrees not to interfere with the technical operation of any system or service, including, but not limited to, telecommunications system or service operated by or on behalf of the City in support of the City's public safety activities, transportation activities, pedestrian or vehicular traffic, other Street Pole Franchisees', LinkNYC Franchise franchisees, Coordinated Franchise Structures franchisees or other public activities. The Company will immediately terminate (or cease any such interference by adjusting) the use of any portion of the Facilities that is interfering with such activities of the City (provided that if the Company could not have reasonably anticipated that its operations would result in such interference, and the Company acts promptly to remove or relocate the portion of the Facilities resulting in such interference, then the Company shall be entitled to an abatement of any Street Pole Compensation attributable to any such interfering Facilities the use of which has been terminated, for the period during which such use is terminated). Interference, as such concept

is referred to in the preceding sentences of this Section 3.1, shall be understood to refer to both spectrum interference and any other forms of interference. With respect to other telecommunications systems not operated by or on behalf of or under the auspices of the City the Company agrees to comply with the federal Communications Act, as amended (the "Act") and applicable FCC rules and regulations with respect to radio spectrum interference.

3.2 No Discrimination. The Company shall not discriminate in the provision of its services using the Facilities on the basis of actual or perceived race, creed, color, national origin, age, gender, disability, marital status, partnership status, sexual orientation, uniformed service or alienage or citizenship status.

3.3 Continuity. In the event the Company, with the consent of the City as required and in accordance with the provisions of Section 9, sells or otherwise transfers the Facilities, the franchise granted hereunder or Control thereof to any Person, the Company shall transfer such in an orderly manner in order to maintain continuity of service to Customers.

SECTION 4 – CONSTRUCTION AND TECHNICAL REQUIREMENTS

4.1 General Requirement. The Company agrees to comply with each of the terms set forth in this Section and in Appendix B governing construction and technical requirements for its Facilities, in addition to any other reasonable construction or technical requirements or procedures specified by the City in writing.

4.2 Quality of Work on City Property, Consistency with City Use. All work involved in the construction, operation, maintenance, repair, and removal of the Facilities shall be performed in a safe, thorough, reliable and resilient manner with a qualified and trained workforce, with relevant certifications as may be required by the City, using materials of good and durable quality. In the case of installations on Street Poles all such work shall be performed in a manner and using materials consistent with the City's use of the Street Operations Poles. If, at any time, it is reasonably determined by the City (acting within the scope of its lawful proprietary and/or governmental authority) or any other governmental agency or authority of competent jurisdiction that any part of the Facilities is harmful to the public health or safety, including worker, vendor and subcontractor safety, then the Company shall, at its own cost and expense, promptly correct any and all such harmful conditions (provided however that with respect to radio frequency emissions the provisions of Section I (G) of Appendix A hereof shall apply).

4.3 Licenses and Permits. The Company shall have the sole responsibility for diligently obtaining, at its own cost and expense, all permits, licenses or other forms of approval or authorization necessary to construct, operate, maintain or repair the Facilities, including but not limited to any necessary approvals, if applicable, from Persons who may hold private rights affecting the Company's proposed use. The Company shall obtain any required permit, license, approval or authorization prior to the commencement of the activity for which the permit, license, approval or authorization is required (including without limitation any applicable authority of a district management association (or similar entity) of a business improvement district or special assessment district, as set forth in Section I (E)(2) of Appendix A hereof). DoITT will reasonably cooperate in assisting the Company in obtaining such permits listed in Section I (E)(2) of Appendix A hereof.

4.4 Relocation of the Facilities.

4.4.1 New Grades or Lines. If the grades or lines of any Inalienable Property within the Franchise Area are changed at any time during the Term in a manner affecting the Facilities, then the Company shall, at its own cost and expense and upon reasonable prior notice by the City, promptly protect or promptly alter or relocate the Facilities, or part thereof, so as to conform with such new grades or lines. In the event that, after such notice, the Company unreasonably refuses or neglects to so protect, alter or relocate all or part of the Facilities, the City shall have the right to break through, remove, alter or relocate such part of the Facilities without any liability to the Company, and the Company shall pay to the City the costs incurred in connection with such breaking through, removal, alteration or relocation. This provision shall not be construed to authorize the Company to relocate any Facilities, including without limitation Base Stations, to any other location on, over or under the Inalienable Property except to the extent otherwise permitted under this Agreement (see, for example, Section II (B)(3) of Appendix A). If relocation to such other location on, over or under the Inalienable Property cannot be accomplished consistent with the provisions of this Agreement, then the Company may relocate such Facilities to a location on private property, subject to its reaching an agreement for such relocation with such private property owner and subject further to any and all applicable approvals required by this Franchise Agreement and City laws, rules and regulations.

4.4.2 City Authority to Move Facilities. The City may, at any time, in case of fire, disaster or other emergency, as determined by the City in its reasonable discretion, cut or move or cut power to any Fiber, amplifiers, appliances, Base Stations or any other parts of the Facilities on, over or under the Inalienable Property, in which event the City shall not be liable therefore to the Company. The City shall, if practicable, notify the Company in writing prior to undertaking such action, or, if prior notice is impracticable, then the City shall notify the Company as soon as practicable after such action has been taken and in any case no later than the next business day following any such action.

4.4.3 Company Required to Move Facilities. The Company shall, upon prior written notice by the City or any Person holding a permit to move any structure, and within the time that is reasonable under the circumstances, temporarily move any applicable Facilities to permit the moving of said structure. The Company may require payment of the actual reasonable costs to move its Facilities from any Person other than the City for any such movement of its Facilities, which the Company may require be payable in full prior to any such movement. Relocation of Base Stations on Street Operations Poles shall be subject to the provisions of Section II (B)(3) of Appendix A hereof.

4.5 Protect Structures. In connection with the construction, operation, maintenance, repair or removal of the Facilities, the Company, which shall bear the reasonable cost and expense thereof, shall protect any and all existing structures and equipment belonging to the City and all designated landmarks, as well as all other structures within any designated historic district. The Company shall obtain the prior approval of the City before altering any water main, sewerage or drainage system, or any other municipal structure or equipment on, over or under the Inalienable Property. Any such alteration shall be made by the Company, which shall pay the reasonable cost and expense thereof, in a manner prescribed by the City. The Company agrees that it shall be liable, at its own cost and expense, to replace or repair and restore to its condition immediately prior to

the disturbance or damage, in a manner as may be reasonably specified by the City, any municipal structure or any other property or equipment located on, over or under the Inalienable Property that may become disturbed or damaged as a result of any work thereon by or on behalf of the Company.

4.6 No Obstruction. In connection with the construction, operation, maintenance, repair or removal of the Facilities, the Company shall not unreasonably obstruct the Inalienable Property, or subways, railways, passenger travel, river navigation, or other traffic to, from or within the Franchise Area without the prior consent of the appropriate authorities. To the extent that the City permits or suffers the installation of facilities or equipment (by entities other than the Company or its affiliates) which substantially obstructs the Company's ability to use a Base Station then the Company shall be entitled to an appropriate abatement of the Street Pole Compensation due to the City hereunder applicable to such Base Station for the period the Company's use of such Base Station is thus obstructed (provided that the Company notifies the City of the obstructive effect of such obstruction promptly after the Company becomes aware of such effect).

4.7 Safety Precautions. The Company shall, at its own cost and expense, undertake all necessary and appropriate efforts to prevent accidents and protect worker safety at its work sites, including the placing and maintenance of proper guards, fences, barricades, security personnel and suitable and sufficient lighting.

SECTION 5 – SECURITY FUND

5.1 General Requirement. As security for the performance of its obligation under this Agreement, the Company will deposit with the City (and replenish as required in this Agreement) a Security Fund, in form and amount as set forth in Appendix C hereof. Throughout the Term, and for one hundred twenty (120) days thereafter (or longer if required by Section 11.4.1(d) hereof), the Company shall maintain the Security Fund in the amount specified in Appendix C.

5.2 Purposes. The Security Fund shall serve as security for:

- (a) the faithful performance by the Company of all terms, conditions and obligations of this Agreement;
- (b) payment to the City for any expenditure, damage, or loss reasonably incurred by the City occasioned by the Company's failure to comply with all written rules, regulations, orders, permits and other directives of the City applicable to the Company's activities pursuant to this Agreement;
- (c) payment of the compensation described in Section 7 and Appendix D hereof;
- (d) payment of premiums for the liability insurance required pursuant to Section 10 hereof;
- (e) removal of the Facilities from the Inalienable Property of the City at the termination of the Agreement, at the election of the City, pursuant to Section 11.4 hereof;
- (f) payment to the City of any amounts for which the Company is liable pursuant to Section 10.1.1 hereof which are not paid by the Company's insurance;

(g) payment of any other amounts which become due to the City pursuant to this Agreement or to legal requirements applicable to this Agreement; and

(h) payment of any other costs, losses or damages incurred by the City as a result of a breach or default of the Company's obligations under this Agreement.

5.3 Withdrawals from the Security Fund. The City may draw from the Security Fund such amounts (a) as have not been timely paid to the City when due as provided in this Agreement, (b) as are appropriate to pay the costs of, or reimburse the City for its full costs incurred in undertaking, any activity which the Company is obligated to perform hereunder but has failed to timely perform, and (c) as are appropriate to indemnify and hold harmless the City from any expenses, losses or damages incurred (and not previously paid or reimbursed) as a result of any breach or default by the Company of any obligation of the Company under this Agreement. Withdrawals from the Security Fund shall not be deemed a cure of the default(s) that led to such withdrawals, but the City may not seek recourse against the Security Fund or the Company for any costs or damages for which the City has previously been compensated through a withdrawal from the Security Fund or otherwise by the Company.

5.4 Notice of Withdrawals. Within one (1) week after any withdrawals from the Security Fund, the City shall confirm by written notice to the Company of the date and amount thereof, provided, however, that the City shall not make any withdrawals from the Security Fund by reason of any breach or default of this Agreement (including, without limitation, non-payment of compensation or of other amounts payable hereunder) unless: (x) such breach or default has ripened into an Event of Default, and (y) the City notifies the Company in advance of such impending withdrawal and at least ten (10) days have elapsed after such notice. The withdrawal of amounts from the Security Fund shall constitute a credit against the amount of the applicable liability of the Company to the City but only to the extent of said withdrawal. The right to make withdrawals from the Security Fund shall not be construed as the City's right to greater compensation than the Company is obligated to pay pursuant to the terms of this Agreement.

5.5 Replenishment. Within thirty (30) days after receipt of confirmation notice from the City that any amount has been withdrawn from the Security Fund, as provided in this Section 5, the Company shall restore the Security Fund to the amount specified in Appendix C hereof, provided that, if a court finally determines that said withdrawal by the City was improper, the City shall refund the improperly withdrawn amount (plus any interest accrued thereon between such improper withdrawal and such refund) to the Security Fund or to the Company such that the balance in the Security Fund shall not exceed the amount specified in Appendix C hereof. The City shall supply to the Company a written statement of deposits to and withdrawals from the Security Fund upon request of the Company, but not more often than once in any calendar quarter.

5.6 Not a Limit on Liability. The obligations of the Company and the liability of the Company pursuant to this Agreement shall not be limited by the City's acceptance of the Security Fund required by this Section 5; the City's remedies shall in no way be limited by its recourse to the Security Fund (except that the City shall not be entitled to double recovery of the same damages from both the Security Fund and other sources); and the City shall not be required to draw from the Security Fund prior to or in lieu of pursuing any alternate remedies.

SECTION 6 – EMPLOYMENT AND PURCHASING

6.1 Right to Bargain Collectively.

(a) The Company agrees to recognize the right of its employees to bargain collectively through representatives of their own choosing in accordance with applicable law. The Company shall recognize, deal, and bargain in good faith, with the representatives duly designated or selected by a majority of its employees for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment or any other terms, conditions or privileges of employment. The Company shall not dominate, interfere with, participate in the management or control of, or give financial support to any union or association of its employees.

(b) The concepts and terms set forth in the preceding subsection (a) shall be applied and construed in a manner consistent with their use in Chapter 7 of Title 29 of the United States Code (or any successor provisions thereto).

6.2 City Vendors. To the maximum feasible extent, after taking into account price and quality considerations, the Company shall utilize vendors and subcontractors located in the City in connection with the construction, and maintenance of the Facilities. “Located in the City” means, at a minimum, that the vendor maintains a real property business address in New York City to which full time employees regularly physically report. Such vendors and subcontractors will comply with all federal, state and local labor and employment laws and pursuant to Section 6.1(b) above.

6.3 Equal Employment Opportunity. The Company agrees and will require its vendors and subcontractors to comply with the provisions of the Executive Order No. 50 (April 25, 1980) of the Mayor of the City of New York (codified at Section 1-14 of Title 10 of the Rules of the City of New York), and the rules and regulations promulgated thereunder, as such Order or regulations may be amended, modified or succeeded throughout the Term, to the fullest extent such provisions are applicable.

SECTION 7 – COMPENSATION AND OTHER PAYMENTS

7.1 Compensation.

7.1.1 Compensation. As compensation for the franchise granted hereunder, the Company agrees to pay to the City the compensation amounts set forth in Appendix D hereof, as and when due as described in said Appendix D.

7.1.2 Records and Audits. The Company shall keep, for the term of this Agreement including any Continuing Obligation and any Holdover pursuant to Section 7.6 plus at least six years, at its principal executive office or such other location of its choosing (provided that such other location does not adversely affect the City's inspection rights as set forth in this Agreement), comprehensive itemized records in sufficient detail to enable the City to determine whether all compensation owed to the City pursuant to Section 7.1 is being paid to the City.

7.1.3 Reservation of Rights. No acceptance of any compensation payment by the City shall be construed as an accord and satisfaction that the amount paid is in fact the correct amount, nor shall

such acceptance of any payment be construed as a release of any claim that the City may have for further or additional sums payable under the provisions of this Agreement. All amounts paid shall be subject to audit and re-computation by the City.

7.1.4 Ordinary Business Expense. Nothing contained in this Section 7.1 or elsewhere in this Agreement is intended to prevent the Company from treating the compensation and other payments that it may pay pursuant to this Agreement as an ordinary expense of doing business and, accordingly, from deducting said payments from gross income in any local, state, or federal income tax return.

7.2 Other Payments.

7.2.1 Pre-Payment/Reimbursement of Publication Costs. The Company shall, as a condition to the occurrence of the Effective Date of this Agreement, either pre-pay or reimburse the City for costs incurred by the City for compliance with legal notice publication requirements in connection with the award of this franchise. The Company expressly agrees that the payments referred to in this Section 7.2.1 are in addition to and not in lieu of, and shall not be offset against, the compensation to be paid to the City by the Company pursuant to Section 7.1 hereof or any other amount that may be payable to the City.

7.2.2 Future Costs. The Company shall pay to the City or to third parties, at the direction of the City, an amount equal to the actual out of pocket costs and expenses which the City incurs for the services of third parties (including but not limited to attorneys, accountants and other consultants) in connection with any Company-initiated renegotiation, transfer, amendment or other modification of this Agreement or the franchise granted hereunder. Before any work subject to such reimbursement is performed, the City will advise the Company that the City will be incurring the services of third parties pursuant to the preceding sentence and will provide an estimate of said anticipated costs and expenses. The Company expressly agrees that the payments made pursuant to this Section 7.2.2 are in addition to and not in lieu of, and shall not be offset against, the compensation to be paid to the City by the Company pursuant to Section 7.1 hereof or any other amount that may be payable to the City.

7.3 No Credits or Deductions. The Company expressly acknowledges and agrees that:

(a) The compensation and other payments to be made pursuant to this Section 7 shall not be deemed to be in the nature of a tax, and shall be in addition to any and all taxes or other fees or charges which the Company or any Affiliated Person shall be required to pay to the City or to any state or federal agency or authority, all of which shall be separate and distinct obligations of the Company; and

(b) The Company expressly relinquishes and waives any rights it may have to a deduction or other credit pursuant to Section 626 of the New York State Real Property Tax Law and any successor or amendment thereto, and to any subsequent law, rule, regulation, or order which would purport to permit any of the acts prohibited by this Section 7.3, and shall not cooperate with, encourage or otherwise support any attempt by an Affiliated Person to make any such deduction or other credit; and

(c) Except as permitted by Section 7.1.4, the Company shall not, and shall not cooperate with, encourage or otherwise support any attempt by an Affiliated Person to make any claim for any deduction or other credit of all or any part of the amount of the compensation or other payments to be made or services to be provided pursuant to this Agreement from or against any City or other governmental taxes of general applicability or other fees or charges which the Company or any Affiliated Person is required to pay to the City or other governmental agency; and

(d) Except as permitted by Section 7.1.4, the Company shall not, and shall not cooperate with, encourage or otherwise support any attempt by an Affiliated Person to apply or seek to apply all or any part of the amount of the compensation or other payments to be made or services to be provided pursuant to this Agreement as a deduction or other credit from or against any City or other government taxes of general applicability (other than income taxes) or other fees or charges, each of which shall be deemed to be separate and distinct obligations of the Company and the Affiliated Persons; and

(e) The Company shall not, and shall not cooperate with, encourage or otherwise support any attempt by an Affiliated Person to apply or seek to apply all or any part of the amount of any City or other governmental taxes or other fees or charges of general applicability as a deduction or other credit from or against any of the compensation or other payments to be made or services to be provided pursuant to this Agreement, each of which shall be deemed to be separate and distinct obligations of the Company and the Affiliated Persons.

7.4 Interest on Late Payments. In the event that any payment required by this Agreement is not actually received by the City on or before the applicable date fixed in this Agreement, interest thereon shall accrue from such date until received at a rate equal to the rate of interest then in effect charged by the City for late payments of real estate taxes.

7.5 Method of Payment. Except as provided elsewhere in this Agreement, all payments made by the Company to the City pursuant to this Agreement shall be made to the City's Department of Finance, by electronic deposit or wire transfer arranged in advance with the Department of Finance, or by check and the Company shall send a copy of the documentation of such payment or a copy of such check to DoITT.

7.6 Continuing Obligation and Holdover.

(a) In the event the Company continues to operate all or any part of the Facilities on, over or under the Inalienable Property after the Term, then the Company shall continue to comply with all applicable provisions of this Agreement, including, without limitation, all compensation and other payment provisions of this Agreement, throughout the period of such continued operation ("Holdover"), provided that any such continued operation shall in no way be construed as a renewal or other extension of this Agreement or the franchise granted pursuant to this Agreement, nor as a limitation on the remedies, if any, available to the City as a result of such continued operation after the Term, including, but not limited to, damages and restitution.

(b) In the event this Agreement terminates for any reason whatsoever and the Company fails to cease providing service over the Facilities, the City, in addition to all other remedies available

to it under this Agreement or by law, shall be entitled to receive all payments it is entitled to receive under this Agreement including, but not limited to, the compensation set forth in this Section 7.

SECTION 8 – RECORDS, REPORTING, AND RULES

8.1 Protection from Disclosure. To the extent permissible under applicable law, the City shall use reasonable efforts to protect from disclosure any confidential, proprietary information submitted to the City under this Agreement or made available to the City pursuant to this Section 8, provided that the Company notifies the City of, and clearly labels the information which the Company deems to be confidential, proprietary information. Such notification and labeling shall be the sole responsibility of the Company. Information that, at the time of disclosure, was publicly available is not, for the purposes of this Agreement, confidential, proprietary information.

8.2 Oversight. DoITT shall have the right to oversee, regulate and inspect periodically the installation, construction and maintenance of the Facilities, and any part thereof, in accordance with the provisions of this Agreement and applicable law. The Company shall establish and maintain, at its principal executive offices or such other location of its choosing (provided that such other location does not adversely affect the City's inspection and oversight rights) such managerial and operational records, standards, procedures and controls as enable the Company to document, in reasonable detail, to the reasonable satisfaction of the City at all times throughout the Term, that the Company is in compliance with this Agreement. The Company shall retain such records for not less than six (6) years following their creation, and for such additional period as DoITT may reasonably direct.

8.3 Reports.

8.3.1 Status Report. The Company shall, on an annual basis, during the month preceding each anniversary of the Effective Date, provide DoITT and DOT with a report describing any construction or installation of Facilities that has occurred during the previous twelve months. Such information may include, but not be limited to, data or information related to the type of equipment and the Company's reasonably anticipated plans for such construction and installation for the coming twelve months. It is understood by the parties that the Company shall have the unrestricted right to adjust such reasonably anticipated plans and such report of anticipated plans shall not restrict the Company's rights under this Agreement to reserve space for, and install, Facilities in a manner and at locations which may not be consistent with such report of anticipated plans.

8.3.2 Street Pole Installation Completion Reporting. Within ten (10) days of the completion of installation of the Facilities on a Street Pole, the Company shall report such installation to DoITT and DOT via franchisee-accessible computer application, or by such alternative reporting procedure as DoITT and DOT shall specify.

8.3.3 LinkNYC Kiosks and Coordinated Franchise Structures Installation Completion Reporting. Within ten (10) days of the completion of installation of the Facilities on or within a LinkNYC Kiosk and Coordinated Franchise Structure, the Company shall report such installation to DoITT and DOT via franchisee-accessible computer application, or by such alternative reporting procedure and format as DoITT and DOT shall specify.

8.3.4 Additional Information and Reports. Upon the request of the Commissioner, the Company shall submit to DoITT and DOT, within 14 days, any information or report reasonably related to the Facilities and this Agreement, or to the Company's obligations under this Agreement in such form and containing such information, reasonably related to the Facilities and this Agreement, as the Commissioner shall reasonably specify. Such information may include, but not be limited to, reports identified in Appendix H, and data or information related to the type of equipment and technology deployed pursuant to this Agreement, the radio frequencies in use, and the names of all wireless operator(s) or holders of applicable spectrum licenses (to the extent that it may be an entity other than the Street Pole Franchisee itself) on whose behalf the Company is installing Facilities. Such information or report shall be accurate and complete.

8.4 City Rules. To the full extent permitted by applicable law either now or in the future, the City reserves the right to adopt or issue such rules, regulations, orders, or other directives governing the Facilities that are consistent with the terms of this Agreement and that it finds necessary or appropriate in the lawful exercise of its police powers, and the Company expressly agrees to comply with all such lawful rules, regulations, orders, or other directives.

8.5 Books and Records/Audit.

8.5.1 Books and Records. The Company, for the Term of this Agreement and including any Holdover pursuant to Section 7.6 plus at a minimum six years, shall maintain complete and accurate books of accounts and records of the business, ownership, and operations of the Company with respect to the Facilities in a manner that allows the City at all times to determine whether the Company is in compliance with the Agreement in accordance with Generally Accepted Accounting Principles. If the City reasonably determines that the records are not being maintained in such a manner, the Company shall alter the manner in which the books and/or records are maintained so that the Company comes into compliance with this Section within a reasonable time. The Company shall ensure that its financial accounts are annually audited by an independent, certified public accountant. Such accountant shall produce a full and unredacted signed report of such audit which will be submitted to the City on an annual basis.

8.5.2 Right of Inspection. The Commissioner and the Comptroller, or their authorized representatives shall have the right to audit, to examine, and to make and receive copies of or extracts from all financial and related records (in whatever form they may be kept, whether written, electronic, or other) relating to or pertaining to this Agreement kept by or under the control of the Company, including, but not limited to those kept by the Company, its employees, agents, assigns, successors, and subcontractors. Such records shall include, but not be limited to, accounting records, written policies and procedures; subcontract files; ledgers; cancelled checks; deposit slips; bank statements; journals; and correspondence or other information which pertain to the Facilities, their installation, operation and maintenance, as may be necessary or appropriate to review the Company's compliance with its obligations pursuant to this Agreement. The Company shall at any time requested by the City, whether during or after completion of this Agreement, and at the Company's sole expense make such records available for inspection and audit (including copies and extracts of records as required) by the City. Such records shall be made available to the City during normal business hours at the Company's office or place of business and subject to three-day written notice. All such documents shall be made available within New York City or in such other place that the City may in its discretion agree upon in writing in order to facilitate said

inspection, examination, or audit, provided, however, that if such documents are made available by the Company outside of the City, then the Company shall pay the reasonable expenses incurred by the Commissioner, the Comptroller or their designated representatives in traveling to such location. In the event that no such location is available, then the financial records, together with the supporting or underlying documents and records, shall be made available for audit at a time and location that is convenient for the City. All of such documents shall be retained by the Company for a minimum of six (6) years following termination of this Agreement. Access by the Commissioner, the Comptroller or their designated representatives to any of the documents covered by this Section 8.5.2 shall not be denied by the Company on grounds that such documents are alleged by the Company to contain confidential, proprietary or privileged information, provided that this requirement shall not be deemed to constitute a waiver of the Company's right to assert that confidential, proprietary or privileged information contained in such documents should not be disclosed, subject to Section 8.1 hereof. In order to determine the validity of such assertion and withholding by the Company, the Commissioner, the Comptroller or their designated representatives (as the case may be) agree to review the alleged proprietary information, and/or a log of the documents believed by the Company to be privileged reflecting sufficient information to establish the privilege claimed, at the Company's premises, or at a mutually acceptable location within the City, and, in connection with such review, to limit access to the alleged proprietary information to those individuals who require the information in the exercise of the City's rights under this Agreement. If the Corporation Counsel of the City, or by injunction or other action a court with subject matter jurisdiction, concurs with the Company's assertion regarding the proprietary nature of such information, the City will hold such information in confidence to the extent authorized by and in accordance with applicable law and will not remove from the Company's premises and/or will immediately return to the Company all embodiments of the proprietary portion of any document or other intangible thing that contains such proprietary information (without maintaining any copies for archival or any other purposes). If the Corporation Counsel of the City, or by injunction or other action a court with subject matter jurisdiction, concurs with the Company's assertion regarding the privileged nature of such information, then the Company will not be required to disclose such information. If the Corporation Counsel of the City does not concur with such assertions, then the Company shall promptly provide such documents, including the alleged proprietary or privileged portion thereof, to the City, provided that the Company shall not be required to provide the proprietary or privileged portion thereof during the pendency of any court challenge to such provision or inconsistently with any final court decision. The records and materials subject to inspection under this Section 8.5 shall not include Customer specific information or records and materials of Affiliated Persons, unless the City can reasonably show why such Customer-specific information or records and materials of Affiliated Persons may be necessary or appropriate to review or audit the Company's compliance with its obligations pursuant to this Agreement.

8.5.3 Subcontracts. The Company shall ensure the City has these rights with respect to the Company's employees, agents, assigns, successors, vendors and subcontractors, and the obligations of these rights shall be explicitly included in any subcontracts or agreements formed between the Company and any subcontractors to the extent that those subcontracts or agreements relate to fulfillment of the Company's obligations to the City hereunder.

8.5.4 Audit Costs. In the event that the City, in the course of any audit (including, but not limited to a City audit and/or a third party audit) or an inspection of records by the City, 1) identifies any

underpayment by the Company to the City in excess of one percent (1%) of all compensation paid by the Company to the City during the audit period; or 2) discovers substantive findings related to fraud, misrepresentation, or non-performance, the costs of any such audit will be borne by the Company.

Any adjustments and/or payments that must be made as a result of any such audit (including, but not limited to a City audit and/or a third party audit) or inspection of the Company's records as well as any costs associated with any such audit or inspection of the Company's records shall be made to the City within thirty (30) days from any notification by the City to the Company that such funds are due the City. The City may recoup the costs of any such audit, adjustment and/or payment directly from the Security Fund.

In addition to any other amounts due the City, the Company shall pay to the City interest on any such underpayment at the Prime Rate plus two (2%) percent. "Prime Rate" shall mean the prime rate as published in the Money Rates Section of The Wall Street Journal; however, if such rate is, at any time during the term of this Agreement, no longer so published, the term Prime Rate shall mean the average of the prime interest rates which are announced, from time to time, by the three (3) largest banks (by assets) headquartered in the United States which publish a prime, base or reference rate, in any case not to exceed the maximum rate permitted by law.

8.6 Compliance With "Investigations Clause." The Company agrees to comply in all respects with the City's "Investigations Clause," a copy of which is attached at Appendix E hereto.

SECTION 9 – RESTRICTIONS AGAINST ASSIGNMENT AND OTHER TRANSFERS

9.1 Transfer of Interest. Except as expressly provided otherwise in this Agreement, and excepting conveyances and leases of real or personal property in the ordinary course of the operation of the Facilities (but not excepting leases which by their size or nature are the functional equivalent of transfers of the Facilities), neither the franchise granted herein nor any rights or obligations of the Company in the Facilities or pursuant to this Agreement shall be encumbered, assigned, sold, transferred, pledged, leased, sublet, or mortgaged in any manner, in whole or in part, to any Person, nor shall title therein, either legal or equitable, or any right or interest therein, pass to or vest in any Person, either by act of the Company, by act of any Person holding Control of or any interest in the Company or the Facilities or the franchise granted herein, by operation of law, or otherwise, without the prior written consent of the City pursuant to the procedures set forth in this Section 9, provided that the City shall consider any such action in accordance with its usual procedural rules.

9.2 Transfer of Control or Stock. A complete description of the ownership and Control of the Company as of the Effective Date is set forth in Appendix F to this Agreement. Notwithstanding any other provision of this Agreement, except as provided in Section 9.6 hereof, no change in Control of the Company, the Facilities or the franchise granted herein shall occur after the Effective Date, by act of the Company, by act of any Person holding Control of the Company, the Facilities or the franchise granted herein, by operation of law, or otherwise, without the prior written consent of the City granted pursuant to the procedures set forth in this Section 9. The requirements of Section 9.3 hereof shall also apply whenever any change is proposed of ten percent (10%) or more of the ownership of the Company, the Facilities, the franchise granted herein or of any Person

holding Control of the Company or in the Facilities or in the franchise (but nothing herein shall be construed as suggesting that a proposed change of less than ten percent (10%) does not require consent of the City (acting pursuant to the procedures set forth in this Section 9) if it would in fact result in a change in Control of the Company, the Facilities or the franchise granted herein), and any other event which could result in a change in Control of the Company, regardless of the manner in which such Control is evidenced (e.g., stock, bonds, debt instruments or other indicia of ownership or Control).

9.3 Petition. The Company shall promptly notify (in advance when possible) the Commissioner and DOT of any action requiring the consent of the City pursuant to Sections 9.1 or 9.2 hereof or to which this Section 9.3 applies by submitting to DoITT (pursuant to the notice provisions set forth in Section 12.4 hereof) and DOT a petition requesting the submission by the Commissioner of such petition to the FCRC and approval thereof by the FCRC or requesting a determination that no such submission and approval is required and its argument why such submission and approval is not required. Each petition shall fully describe the proposed action and shall be accompanied by a justification for the action and, if applicable, the Company's argument as to why such action would not involve a change in Control of the Company, the Facilities or the franchise, and such additional supporting information as the Commissioner and/or the FCRC may reasonably require in order to review and evaluate the proposed action. The Commissioner shall expeditiously review the petition and shall (a) notify the Company in writing if the Commissioner determines that the submission by the Commissioner and the approval of the FCRC is not required or (b) if the Commissioner determines that such submission and approval is required, either (i) notify the Company that the Commissioner does not approve the proposed action and therefore will not submit the petition to the FCRC, or (ii) submit the petition to the FCRC for its approval.

9.4 Consideration of the Petition. DoITT and the FCRC, as the case may be, may take such actions as either deems appropriate in considering the petition and determining whether consent is required or should be granted (provided that in no event will DoITT or the FCRC act in a manner prohibited by law or take into account matters which they would be prohibited by law from considering). After receipt of a petition, the FCRC may, as it deems necessary or appropriate, schedule a public hearing on the petition. The Company shall provide all requested assistance to DoITT and the FCRC in connection with any such inquiry and, as appropriate, shall secure the cooperation and assistance of all Persons involved in said action.

9.5 Assumption. As a condition to the granting of any consent required by this Section 9, the Commissioner and/or the FCRC may require that each Person involved in any action described in Sections 9.1 or 9.2 hereof shall execute an agreement, in a form and containing such conditions as may reasonably be specified by the City, providing that such Person assumes and agrees to be bound by all applicable provisions of this Agreement and such other conditions which the City reasonably deems necessary or appropriate in the circumstances. The execution of such agreement by such Person(s) shall in no way relieve the Company, or any other transferor involved in any action described in Section 9.1 or 9.2 hereof, of its accrued obligations pursuant to this Agreement.

9.6 Permitted Encumbrances: Pre-Approved Transfers.

(a) Nothing in this Section 9 shall be deemed to prohibit (or require consent of the City to) any encumbrance, assignment, pledge, lease, sublease, mortgage, or other transfer of all or any part of the Facilities, or any right or interest therein, for bona fide financing purposes, provided that each such encumbrance, assignment, pledge, lease, sublease, mortgage, or other transfer shall be subject to the rights of the City pursuant to this Agreement and applicable law (the actions permitted in this Section include, without limitation, promissory notes and financial and security agreements for the financing of the Facilities with a third party financing entity). The consent of the City shall not be required with respect to any transfer to, or taking of possession by, any banking or lending institution which is a secured creditor of the Company of all or any part of the Facilities pursuant to the rights of such secured creditor under Article 9 of the Uniform Commercial Code, as in effect in the State of New York, and, to the extent that the collateral consists of real property, under the New York Real Property Law; provided, further that, such transfer to or taking of possession shall be subject to the rights of the City pursuant to the provisions of this Agreement and any rights of any banking or lending institution shall be subordinate to any rights that the City may have under this Agreement and/or to the Facilities. The City waives any lien rights it may have concerning Base Station antennas and equipment boxes, which are deemed personal property of the Company and not fixtures, and the Company shall at all times have the right to remove same at any time without the consent of the City (except (i) to the extent such consent is required by DOT with respect to access to and care of the applicable Street Operations Pole or Street Operations Poles, and (ii) subject to any rights of the utility owner of an Street Utility pole from which the company seeks to remove Facilities). The City agrees that such Base Station antennas and equipment boxes shall be exempt from execution, foreclosure, sale, levy, or attachment, provided that such agreement by the City is not intended to limit the City's rights to remove all or part of the Facilities as expressly set forth in this Agreement.

(b) Notwithstanding anything to the contrary in this Section 9 or this Agreement, any sale, assignment or other form of transfer of the franchise granted herein or of the Company's interest in this Agreement or of any related interest which requires the approval of the City pursuant to this Section 9 shall be deemed approved by the City, and therefore will not require any additional approval or consent of the City (although the Company shall be obligated to provide notice to the City of such transaction and the City may require appropriate assumption or similar documentation of such transaction), if such transaction is:

(i) to a direct or indirect subsidiary of the Company that is wholly owned by the Company,

(ii) to an entity of which the Company is a direct or indirect subsidiary wholly owned by such entity,

(iii) an entity which is wholly owned by an entity which also wholly owns the Company,

(iv) a transfer of publicly traded securities through open market transactions over a securities exchange or dealer quotation system on which such securities are traded, provided that such transfer occurs independent of management of the

Company and does not result in a change in more than 25% of the equity or voting interest in the Company, or

(v) a transfer to another Street Pole Franchisee, provided that in the event of any such transfer the Zone Compensation payable to the City under both the transferor's and transferee's Street Pole Franchises shall continue to be due, and provided that the provisions of Section III, IV, and V of Appendix A hereof shall apply in full.

9.7 Consent Not a Waiver. The grant or waiver of any one or more of such consents shall not render unnecessary any subsequent consent, nor shall the grant of any such consent constitute a waiver of any other rights of the City, as required in this Section 9.

9.8 Petitions from Persons Other Than the Company Seeking Control over the Company. Notwithstanding the foregoing, DoITT reserves the right, on a case-by-case basis, to accept, hear and/or grant petitions seeking approval of the transfer of Control of the Company, the Facilities or the franchise granted herein from Persons seeking to obtain Control of the Company (if appropriate to protect this Agreement from being breached upon the consummation of such a transfer of Control). The City shall provide the Company with reasonable notice of any such petitions. The City, its officers, employees, agents, attorneys, consultants and independent contractors shall not be liable to the Company or any other Person for exercising its rights herein. This Section 9.8 shall not be construed to unilaterally transfer franchise rights under this Agreement.

9.9 Transfers Relating To Street Operations Poles. The agreements of the parties regarding transactions with respect to particular Street Operations Pole reservation rights are set forth in Section III of Appendix A.

SECTION 10 – LIABILITY AND INSURANCE

10.1 Liability and Indemnity.

10.1.1 Company. The Company shall be liable for, and the Company shall indemnify, defend and hold the City, its officers, agents, servants, employees, attorneys, consultants and independent contractors (the "Indemnitees") harmless from, any and all liabilities, suits, obligations, fines, damages, penalties, claims (even if the claim is without merit), costs, charges and expenses (including, without limitation, reasonable attorneys' fees and disbursements), that may be imposed upon or incurred by or asserted against any of the Indemnitees arising out of the construction, operation, maintenance, repair or removal of the Facilities or otherwise arising out of or related to this Agreement; provided, however, that the foregoing liability and indemnity obligation of the Company pursuant to this Section 10.1 shall not apply to any liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses to the extent such liabilities, etc. arise out of any intentional tortious acts or gross negligence of the City, its officers, employees, servants, agents, attorneys, consultants or independent contractors. Notwithstanding the preceding, it is not the intention of this Agreement that the Company, if it hires or retains for its own purposes a consultant or contractor which also happens to be a consultant or contractor of the City, be obligated to indemnify such consultant or contractor, with respect to work such consultant or

contractor performs for the Company, in any manner inconsistent with the applicable agreement between the Company and such consultant or contractor.

10.1.2 No Liability for Public Work, etc. None of the City, its officers, agents, servants, employees, attorneys, consultants or independent contractors shall have any liability to the Company for any damage as a result of or in connection with the protection, breaking through, movement, removal, alteration, or relocation of any part of the Facilities by or on behalf of the Company or the City in connection with any emergency, public work, public improvement, alteration of any municipal structure, any change in the grade or line of any Inalienable Property, or the elimination, discontinuation, closing or demapping of any Inalienable Property, as provided in Section 2.4.3 and Section 4 hereof or other actions of the City referred to in Section 4. When reasonably possible, the Company shall be consulted prior to any such activity, but the City shall have no liability to the Company in the event it does not so consult the Company. All costs to repair or replace the Facilities, or parts thereof, damaged or removed as a result of such activity, shall be borne by the Company, provided, however, that the foregoing obligation of the Company pursuant to this Section 10.1.2 shall not apply to any liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses arising out of any intentionally tortious act or gross negligence of the City, its officers, employees, servants, agents, attorneys, consultants or independent contractors.

10.1.3 No Liability for Damages. None of the City, its officers, agents, servants, employees, attorneys, consultants and independent contractors shall have any liability to the Company for any special, incidental, consequential, punitive, or other damages as a result of the proper and lawful exercise of any right of the City pursuant to this Agreement or applicable law, including, without limitation, the rights of the City to terminate this Agreement or the franchise granted herein as provided herein; provided, however, that the foregoing limitation on liability pursuant to this Section 10.1.3 shall not apply to any liabilities, suits, obligations, fines, damages, penalties, claims, costs, charges and expenses arising out of any intentionally tortious act or gross negligence of the City, its officers, employees, servants, agents, attorneys, consultants or independent contractors.

10.1.4 Defense of Claim, etc. If any claim, action or proceeding is made or brought against any of the Indemnitees by reason of any event to which reference is made in Section 10.1.1 hereof; then upon demand by the City, the Company shall either resist, defend or satisfy such claim, action or proceeding in such Indemnitee's name, by the attorneys for, or approved by, the Company's insurance carrier (if such claim, action or proceeding is covered by insurance) or by the Company's attorneys. The foregoing notwithstanding, upon a showing that the Indemnitee reasonably requires additional representation (because, for example, a conflict of interest exists which makes joint representation of the Indemnitee by Company's counsel inadvisable), such Indemnitee may engage its own attorneys to defend such Indemnitee, or to assist such Indemnitee in such Indemnitee's defense of such claim, action or proceeding, as the case may be, and the Company shall pay the reasonable fees and disbursements of such attorneys of such Indemnitee.

10.2 Insurance.

10.2.1 Insurance. The Company shall, on the Effective Date, have all insurance required by this Section 10.2 and the Company shall ensure continuous insurance coverage in the manner, form

and limits required by this Section 10.2 throughout the Term and so long as the Company has facilities within the Inalienable Property.

10.2.2 Commercial General Liability Insurance.

(a) The Company shall maintain Commercial General Liability insurance covering the Company as a named insured in the minimum amount of \$10,000,000 per occurrence and a minimum of \$10,000,000 aggregate. The use of an excess or umbrella policy is allowable to meet the limit. Such insurance shall protect the Company, and the City, its officials and employees, from claims of property damage and bodily injury, including death, that may arise from any of the operations under this Agreement. Such insurance shall have a minimum products-completed operations aggregate limit of no less than \$10,000,000. Coverage under this insurance shall be at least as broad as that provided by the most recently issued Insurance Services Office (“ISO”) Form CG 0001, and shall be occurrence based rather than “claims-made”. Such policy shall include an endorsement providing that no cancellation or non-renewal of such policy will be effective without at least thirty (30) days prior written notice to the City delivered by either registered mail or other delivery method that provides proof of receipt.

(b) Such Commercial and General Liability insurance and any Umbrella and Excess Insurance shall name the City, together with its officials and employees, as an additional insured with coverage at least as broad as the most recently issued ISO Forms CG 20 26 and CG 20 37.

10.2.3 Workers’ Compensation, Disability Benefits and Employer’s Liability Insurance. The Company shall maintain Workers’ Compensation Insurance, Disability Benefits Insurance and Employer’s Liability Insurance, in accordance with laws of the State of New York, on behalf of, or with regard to, all employees undertaking activities pursuant to or authorized by this Agreement.

10.2.4 Unemployment Insurance. To the extent required by law, the Company shall provide Unemployment Insurance for its employees.

10.2.5 Business Automobile Liability Insurance.

(a) If vehicles are used in the provision of services under this Agreement, then the Company shall maintain Business Automobile Liability insurance in the amount of at least \$1,000,000 each accident combined single limit for bodily injury and property damage and Excess or Umbrella Liability insurance to raise the aggregate coverage to a minimum of \$2,000,000 per accident for liability arising out of ownership, maintenance or use of any owned, non-owned or hired vehicles to be used in connection with this Agreement; and such coverage shall be at least as broad as the most recently issued ISO Form CA0001.

(b) If vehicles are used for transporting hazardous materials, then the Business Automobile Liability insurance shall be endorsed to provide pollution liability broadened coverage for covered vehicles (endorsement CA 99 48), as well as proof of MCS-90.

10.2.6 General Requirements for Insurance Coverage and Policies.

(a) All required insurance policies shall be maintained with companies that may lawfully issue the required policy and that have an A.M. Best rating of at least A- / “VII” or a Standard and

Poor's rating of at least A, unless prior written approval is obtained from the City's Law Department;

(b) All insurance policies shall be primary (and non-contributing) to any insurance or self-insurance maintained by the City;

(c) The Company shall be solely responsible for the timely payment of all premiums for all required insurance policies and all deductibles or self-insured retentions to which such policies are subject, whether or not the City is an insured under the policy;

(d) There shall be no self-insurance program with regard to any insurance required under this Section 10.2, unless approved in advance in writing by the Commissioner. Any such self-insurance program shall provide the City with all rights that would be provided by traditional insurance required under this Section 10.2, including, but not limited to, the defense obligations that insurers are required to undertake in liability policies; and

(e) The City's limits of coverage for all types of insurance required under this Section 10.2 shall be the greater of (i) the minimum limits set forth in this Section 10.2, or (ii) the limits provided to the Company as a named insured under all primary, excess, and umbrella policies of that type of coverage.

10.2.7 Proof of Insurance.

(a) For Workers' Compensation Insurance, Disability Benefits Insurance, and Employer's Liability Insurance, the Company shall provide as a condition to the occurrence of the Effective Date one of the following (ACORD forms are not acceptable proof of workers' compensation coverage):

(i) Form C-105.2, Certificate of Workers' Compensation Insurance;

(ii) Form U-26.3, State Insurance Fund Certificate of Workers' Compensation Insurance;

(iii) Form SI-12, Certificate of Workers' Compensation Self-Insurance;

(iv) Form GSI-105.2, Certificate of Participation in Worker's Compensation Group Self-Insurance;

(v) Form DB-120.1, Certificate of Disability Benefits Insurance;

(vi) Form DB-155, Certificate of Disability Benefits Self-Insurance;

(vii) Form CE-200 – Affidavit of Exemption;

(viii) Other forms approved by the New York State Workers' Compensation Board; or

(ix) Other proof of insurance in a form acceptable to the City.

(b) For each policy required under this Agreement, except for Workers' Compensation Insurance, Disability Benefits Insurance, Employer's Liability Insurance, and Unemployment Insurance, the Company shall, as a condition to the occurrence of the Effective Date, file a certificate of insurance with DoITT. All certificates of insurance shall be (a) in a form acceptable

to the City and certify the issuance and effectiveness of such policies of insurance, each with the specified minimum limits; and (b) accompanied by the endorsement in the Company's general liability policy by which the City has been made an additional insured pursuant to Section 10.2.2 above. All certificates of insurance shall also be accompanied by either a duly executed "Certification by Broker" in the form provided by the City or copies of all policies referenced in the certificate of insurance. If complete policies have not yet been issued, binders are acceptable, until such time as the complete policies have been issued, at which time such policies shall be submitted;

(c) Certificates of insurance confirming renewals of insurance shall be submitted to the Commissioner prior to the expiration date of coverage of policies required under this Section 10.2. Such certificates of insurance shall comply with the requirements of this Section 10.2 as applicable;

(d) The Company shall provide the City with a copy of any policy required under this Section 10.2 upon the demand for such policy by the Commissioner or the City's Law Department;

(e) Acceptance by the Commissioner of a certificate or a policy does not excuse the Company from maintaining policies consistent with all provisions of this Section or from any liability arising from its failure to do so; and

(f) In the event the Company receives any notice from an insurance company or other person that any insurance policy required under this Section shall expire or be cancelled or terminated for any reason, the Company shall immediately forward a copy of such notice to the City.

10.2.8 Miscellaneous Insurance Matters.

(a) Whenever any notice of any loss, damage, occurrence, accident, claim or suit is required under a general liability policy maintained in accordance with this Section, the Company shall provide the insurer with timely notice thereof on behalf of the City. Such notice shall be given even where the Company may not have coverage under such policy (for example, where one of the Company's employees was injured). Such notice shall expressly specify that "this notice is being given on behalf of the City of New York as Additional Insured" and contain the following information: the number of the insurance policy; the name of the named insured; the date and location of the damage, occurrence, or accident; the identity of the persons or things injured, damaged, or lost; and the title of the claim or suit, if applicable. The Company shall simultaneously send a copy of such notice to the "City of New York c/o Insurance Claims Specialist, Affirmative Litigation Division, New York City Law Department, 100 Church Street, New York, New York 10007". If the Company fails to comply with the requirements of this paragraph, then the Company shall indemnify the City for all losses, judgments, settlements and expenses, including reasonable attorneys' fees, arising from an insurer's disclaimer of coverage citing late notice by or on behalf of the City;

(b) The Company's failure to maintain any of the insurance required by this Section shall constitute a material breach of this Agreement. Such breach shall not be waived or otherwise excused by any action or inaction by the City at any time;

(c) Insurance coverage in the minimum amounts required in this Section shall not relieve the Company of any liability under this Agreement, nor shall it preclude the City from exercising any rights or taking such other actions as are available to it under any other provisions of this Agreement or applicable law;

(d) The Company waives all rights against the City, including its officials and employees, for any damages or losses that are covered under any insurance required under this Section (whether or not such insurance is actually procured, or claims are paid thereunder) or any other insurance applicable to the operations of the Company in connection with this Agreement.

(e) The Company will be responsible for providing continuous insurance coverage in the manner, form, and limits required by this Agreement and is authorized to provide service pursuant to this Agreement and the franchise granted hereunder only during the effective period of all required coverage (in the event authorization to provide service hereunder ceases by reason of the non-effectiveness of any such required insurance coverage, such authorization to provide service will be automatically restored, without any additional required action by any party, upon the effectiveness of all required insurance coverage being restored).

SECTION 11 – DEFAULT AND TERMINATION

11.1 Remedies Not Exclusive. The Company agrees that the City shall have the specific rights and remedies set forth in this Section 11. These rights and remedies are in addition to and cumulative of any and all other rights or remedies, existing or implied, now or hereafter available to the City at law or in equity in order to enforce the provisions of this Agreement. Such rights and remedies shall not be exclusive, but each and every right and remedy specifically provided or otherwise existing or given may be exercised from time to time and as often and in such order as may be deemed expedient by the City, except as provided herein. The exercise of one or more rights or remedies shall not be deemed a waiver of the right to exercise at the same time or thereafter any other right or remedy nor shall any such delay or omission be construed to be a waiver of or acquiescence to any default. The exercise of any such right or remedy by the City shall not release the Company from its obligations or any liability under this Agreement. Notwithstanding anything to the contrary in this Section 11.1, nothing in this provision shall entitle the City to duplicative collection of damages.

11.2 Defaults and Event of Defaults.

11.2.1 Notice of Default. Upon the occurrence of a breach or default by the Company of any agreement, duty or obligation under this Agreement, DoITT may notify the Company of said breach or default. Such notice shall be provided in accordance with Section 12.4 hereof and shall specify the alleged breach or default with reasonable particularity. Such notice shall be a condition precedent to the ripening of a breach or default into an Event of Default, as described in the following Section 11.2.2.

11.2.2 Events of Default. Any of the following shall constitute an Event of Default, with the attendant remedies available to the City therefore as set forth in Section 11.2.3 hereof:

- (a) any failure to timely make any payment to the City pursuant to this Agreement that is not cured within ten (10) days after notice to the Company given pursuant to Section 11.2.1 hereof;
- (b) any breach or default of any other material provision of this Agreement (including, without limitation, the provisions of Appendices A, B, C or D) by the Company that is not cured within thirty (30) days after notice to the Company given pursuant to Section 11.2.1 hereof, except that if such breach or default is curable by work to be performed, acts to be done, or conditions to be

removed which cannot, by their nature, reasonably be performed, done or removed within the cure period provided, then such breach or default shall not constitute an Event of Default so long as the Company shall have commenced curing the same within the thirty (30) day cure period and shall thereafter diligently and continuously prosecute the same promptly to completion; or

(c) any recurring or persistent failure by the Company to timely comply with any of the material provisions, terms or conditions of this Agreement or with any applicable rules, regulations or duly authorized orders of the City, provided DoITT has notified the Company, pursuant to Section 11.2.1 hereof, of the City's finding of such recurring or persistent failure and ten (10) days have elapsed after such notice.

11.2.3 Remedies of the City on an Event of Default.

(a) Upon an Event of Default, DoITT may:

(i) cause a withdrawal from the Security Fund for any specified amount due the City under this Agreement;

(ii) seek and/or pursue money damages from the Company as compensation for such Event of Default;

(iii) bar the Company from using some or all Street Poles or LinkNYC Kiosks or Coordinated Franchise Structures as a site for the Company's equipment, or from the reserving use of some or all Street Operations Poles, or revoke the franchise granted hereunder with respect to any specific Street Pole or group of Street Poles;

(iv) revoke the franchise granted pursuant to this Agreement by termination of this Agreement following the expiration of thirty (30) days (or such longer period as may be specified by the City in such notice) after notice from the City to the Company;

(v) accelerate the due date of the Zone Compensation due under Section I of Appendix D hereof, such that all amounts due thereunder for the remainder of the Scheduled Term become immediately due and payable as if such full and immediate payment and due date were expressly provided in Section I of Appendix D hereof (provided that in no event shall the amount thus due and payable as the result of such acceleration exceed the present value of the stream of Zone Compensation payments which would have been due and payable during the remainder of the Scheduled Term absent such acceleration, said present value to be calculated using a discount rate reasonably designated by the City);

(vi) seek to restrain by injunction the applicable breach or default by the Company;
and/or

(vii) invoke any other available remedy that would be permitted by law.

(b) Nothing herein shall prevent the City from electing more than one remedy, simultaneously or consecutively, for any Event of Default so long as there is no duplicative recovery of damages.

11.3 Termination.

11.3.1 Termination Events.

(a) In addition to termination of this Agreement pursuant, to Section 11.2.3(iv) above, occurrence of any of the following shall result in termination of the Agreement:

(i) the condemnation by public authority, other than the City, or sale or dedication under threat or in lieu of condemnation, of all or substantially all of the Facilities, the effect of which would materially frustrate or impede the ability of the Company to carry out its obligations and the purposes of this Agreement and the Company fails to demonstrate to the reasonable satisfaction of DoITT, within thirty (30) days after notice that such condemnation, sale or dedication would not materially frustrate or impede such ability of the Company;

(ii) if (A) the Company shall make an assignment of the Company or the Facilities for the benefit of creditors (except as permitted in Section 9.6 of this agreement), shall become and be adjudicated insolvent, shall petition or apply to any tribunal for, or consent to, the appointment of, or taking possession by, a receiver, custodian, liquidator or trustee or similar official pursuant to state or local laws, ordinances or regulations of or for it or any substantial part of its property or assets, including all or any substantial part of the Facilities; (B) a writ or warranty of attachment, execution, distraint, levy, possession or any similar process shall be issued by any tribunal against all or any material part of the Company's property or assets; (C) any creditor of the Company petitions or applies to any tribunal for the appointment of, or taking possession by, a trustee, receiver, custodian, liquidator or similar official for the Company or of any material parts of the property or assets of the Company under the law of any jurisdiction, whether now or hereinafter in effect, and a final order, judgment or decree is entered appointing any such trustee, receiver, custodian, liquidator or similar official, or approving the petition in any such proceedings; or (D) any final order, judgment or decree is entered in any proceedings against the Company decreeing the voluntary or involuntary dissolution of the Company; or

(iii) if there shall occur any denial, forfeiture or revocation by any federal, state or local governmental authority having regulatory jurisdiction over the Company of any authorization required by law or the expiration without renewal of any such authorization, and such events, either individually or in the aggregate, materially jeopardize the Facilities or their operation, and the Company fails to take steps to obtain or restore such authorization within thirty (30) days after notice, provided that termination shall not occur if the authorization is not restored upon the expiration of such period if, despite the Company's diligent efforts, obtaining or restoring such authorization is not possible within thirty (30) days, so long as the Company continues to diligently pursue the obtaining or restoring of such authorization.

(b) Notwithstanding the occurrence of one or more of the events detailed in the preceding subsection 11.3.1(a) or in Section 11.2.3(iv), this Agreement shall not be deemed terminated if applicable federal law (including federal bankruptcy law) or state law would prohibit such termination.

11.4 Removal.

11.4.1 Discretion of DoITT and DOT. Upon any termination of this Agreement and upon expiration or termination of any third-party agreements with a LinkNYC franchisee or a Coordinated Franchise Structure franchisee, DoITT and DOT, in its sole discretion, may, but shall not be obligated to, direct the Company to remove, at the Company's sole cost and expense, all of the Facilities, or any portion of the Facilities designated by DoITT and DOT. Further, the Company upon its own initiative and at its sole cost and expense, may remove all of the Facilities, from the Inalienable Property in accordance with all applicable rules and requirements of the City and subject to the following:

(a) the Company's option to remove Facilities from the Inalienable Property at its own initiative (if the City does not require such removal) shall not apply to those buried portions of the Facilities (if any) which, in the opinion of DoITT and DOT, cannot practicably be removed without excessive disruption of the Inalienable Property or other facilities and equipment located on, over or under such Inalienable Property;

(b) in removing the Facilities, or part thereof, the Company shall refill and compact, at its own cost and expense, any excavation that shall be made by it and shall leave, in all material aspects, all Inalienable Property and other property and equipment, including without limitation Street Operations Poles, in as good condition as that prevailing prior to the Company's removal of the Facilities, ordinary wear and tear not caused by the Company or the Facilities excepted, and without affecting, altering or disturbing in any way any electric, telephone or other cables, wires, structures or attachments;

(c) the City shall have the right to inspect and approve the condition of such Inalienable Property and other property and equipment after removal and, to the extent that the City determines that said Inalienable Property and other property and equipment of the City have not been left in materially as good condition as that prevailing prior to the Company's removal of the Facilities (ordinary wear and tear not caused by the Company or the Facilities excepted) the Company shall be liable to the City for the cost of restoring the Inalienable Property and other property and equipment of the City to said condition;

(d) the Security Fund, liability insurance and indemnity provisions of this Agreement shall remain in full force and effect during the entire period of removal and associated repair of all Inalienable Property and other property and equipment of the City, and for not less than one hundred twenty (120) days thereafter; and

(e) removal shall be commenced within sixty (60) days of the removal order by DoITT and shall be substantially completed within twelve (12) months thereafter including all reasonably associated repair of the Inalienable Property and other property and equipment of the City.

11.4.2 Failure to Commence Removal. If, in the reasonable judgment of the City, the Company fails to commence removal of the Facilities as designated by DoITT or DOT, within sixty (60) days after DoITT's or DOT's removal order, or if the Company fails to substantially complete such removal, including all associated repair of the Inalienable Property and other property and equipment of the City, within twelve (12) months thereafter, then, to the extent not inconsistent

with applicable law, the City shall have the right to remove, or authorize removal by another Person of, the Facilities, at the Company's cost and expense. Any portion of the Facilities not timely removed by the Company shall belong to and become the property of the City without payment to the Company, and the Company shall execute and deliver such documents as the City shall reasonably request, in form and substance acceptable to the City, to evidence such ownership by the City of such Facilities, but not in any other property of the Company, intellectual or otherwise.

11.4.3 No Condemnation. None of the declaration, connection, use, transfer or other actions by the City under Section 11.4.2 shall constitute a condemnation by the City or a sale or dedication under threat or in lieu of condemnation.

11.5 Return of Security Fund. Upon the later of the date one hundred and twenty (120) days after the termination of this Agreement for any reason or the date of the completion of removal of the Facilities from and associated repair of the Inalienable Property and other property and equipment of the City pursuant to Section 11.4.1 hereof, the Company shall be entitled to the return of the Security Fund deposited pursuant to Section 5 and Appendix C hereof, or such portion thereof as remains on deposit at said termination, provided that all offsets necessary (a) to compensate the City pursuant to Section 5.2 and/or Section 5.3 hereof, (b) to cover any costs, loss or damage incurred by the City as a result of any Event of Default, in the event of termination of this Agreement by the City pursuant to Section 11.3 hereof, and (c) to reimburse the City for the cost of removal of the Facilities pursuant to Section 11.4.2 hereof have been taken by the City.

SECTION 12 – MISCELLANEOUS

12.1 Appendices. The Appendices to this Agreement, attached hereto, and all portions thereof and exhibits thereto, are incorporated herein by reference and expressly made a part of this Agreement as if they were part of the body of this Agreement. The procedures for approval of any subsequent amendment or modification to said Appendices shall be the same as those applicable to any amendment or modification of the body of this Agreement.

12.2 Action Taken by City. Any action to be taken by DoITT pursuant to this Agreement shall be taken in accordance with the applicable provisions of the City Charter as said Charter may be amended or modified throughout the Term, except insofar as the City Charter permits its provisions to be varied by contract, in which case the terms and provisions set forth herein shall control, and except insofar as the City Charter is found by a court of competent jurisdiction, with all appeals exhausted, to be preempted by State or Federal law. Whenever, pursuant to the provisions of this Agreement, the City, the Company, or any other Person is required or permitted to take any action, including, without limitation, the making of any request or the granting of any consent, approval, or authorization, the propriety of said action shall be measured against the standard of reasonableness such that each such action shall be undertaken in a reasonable manner, unless this Agreement authorizes the City, the Company, or other Person to take such action in its sole discretion.

12.3 Entire Agreement. This Agreement, including all Appendices hereto, embodies the entire understanding and agreement of the City and the Company with respect to the subject matter hereof and merges and supersedes all prior representations, agreements and understandings, whether oral or written, between the City and the Company with respect to the subject matter hereof, including,

without limitation, all prior drafts of this Agreement and any and all written or oral statements or representations by any official, employee, agent, attorney, consultant or independent contractor of the City or the Company.

12.4 Notices. Every notice, order, petition, document, or other direction or communication (collectively referred to in this Section as a “notice”) to be served upon the City or the Company shall (unless expressly provided to the contrary in this Agreement), in order to have a legal or contractual effect, be in writing and shall be sufficiently given if sent by registered or certified mail, return receipt requested or by nationally recognized overnight delivery service, requiring a sign receipt of delivery. Every such notice to the Company shall be sent to its office located at 1220 Augusta Drive, Suite 600, Houston, TX 77057. Every notice from the Company shall be sent to the individual, agency or department designated in the applicable section of this Agreement, unless it is to “the City” or to “DoITT” in which case such communication shall be sent to DoITT at 15 Metro Tech Center, Brooklyn, NY 11201, 19th Floor, Attention: Assistant Commissioner for Franchise Administration. A required copy of each notice from the Company shall be sent to each of the following addresses: (1) DoITT, 15 Metro Tech Center, 18th Floor, Brooklyn, New York 11201 Attention: General Counsel, (2) DOT, 55 Water Street, 9th Floor, New York, New York 10041 Attention: General Counsel, and (3) New York City Law Department, 100 Church Street, New York, New York 10007, Attention: Chief, Economic Development Division. Except as otherwise provided herein, the mailing of such notice, direction, or order shall be equivalent to direct personal notice and shall be deemed to have been given when mailed. Either party to this Agreement may change any notification address set forth in this Section 12.4 by notice to the other party.

12.5 General Representations, Warranties and Covenants of the Company. In addition to the representations, warranties, and covenants of the Company to the City set forth elsewhere herein, the Company represents and warrants to the City and covenants and agrees (which representations, warranties, covenants and agreements shall not be affected or waived by any inspection or examination made by or on behalf of the City), that, as of the Effective Date:

12.5.1 Organization, Standing and Power. The Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of New York and is duly authorized to do business in the State of New York and in the City. The Company has all requisite power and authority to own or lease its properties and assets, to conduct its businesses as currently conducted and to execute, deliver and perform this Agreement and all other agreements entered into or delivered in connection with or as contemplated hereby. Certified copies of the Company's current articles of incorporation and certificate of good standing (or documents of comparable import if the Company is not a corporation) will be delivered to the City as a condition to the occurrence of the Effective Date, and will be complete and correct as thus delivered. The Company is qualified to do business and is in good standing in the State of New York. The Company holds or shall obtain any and all necessary licenses and permits from the New York State Public Service Commission, the Federal Communications Commission, and any other governmental body having jurisdiction over provision of services by the Company.

12.5.2 Authorization: Non-Contravention. The execution and delivery of this Agreement and all other agreements, if any, entered into in connection with the transactions contemplated hereby have been duly, legally and validly authorized by all necessary action on the part of the Company

and the Company shall furnish the City with a certified copy of authorizations for the execution and delivery of this Agreement as a condition to the occurrence of the Effective Date. This Agreement and all other agreements, if any, entered into in connection with the transactions contemplated hereby have been duly executed and delivered by the Company and constitute (or upon execution and delivery will constitute) the binding obligations of the Company. The Company has obtained the requisite authority to authorize, execute and deliver this Agreement and to consummate the transactions contemplated hereby and no other proceedings or other actions are necessary on the part of the Company to authorize the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

12.5.3 No Additional Consent Required. No consent, approval or authorization of, or declaration or filing with, any public, governmental or other authority is required for the valid execution and delivery of this Agreement or any other agreement or instrument, if any, executed or delivered in connection herewith.

12.5.4 Compliance with Law. The Company certifies that, to the best of its knowledge after reasonable investigation, it is in compliance with all laws, ordinances, decrees and governmental rules and regulations applicable to the Facilities, including, without limitation, any applicable antitrust laws and rate regulations, and has filed, has obtained or will file for and obtain all government licenses, permits, and authorizations necessary for the installation, operation and maintenance of the Facilities.

12.5.5 Criminal Acts. Neither the Company, nor, to the best of the Company's knowledge after reasonable investigation, any Person holding a Controlling Interest in the Company, nor any director or officer of the Company nor any employee or agent of the Company nor any Controlling Person, acting pursuant to the express direction, or with the actual consent of the foregoing, has been convicted (where such conviction is a final, non-appealable judgment) or has entered a guilty plea with respect to any criminal offense arising out of or in connection with: (i) this Agreement, (ii) the award of the franchise granted pursuant to this Agreement, or (iii) any act to be taken following the Effective Date, pursuant to this Agreement by the City, its officers, employees, or agents, including, without limitation, bribery or fraud arising out of or in connection with (i), (ii) or (iii).

12.5.6 Misrepresentation. No material misrepresentation has been made, either oral or written, intentionally or negligently, by or on behalf of the Company in this Agreement, in connection with any submission to the City, including the Company's response to the RFP, or in connection with the negotiation of this Agreement.

12.6 Additional Covenants. Until the termination of this Agreement and the satisfaction in full by the Company of its obligations under this Agreement, in consideration of the franchise granted herein, the Company agrees that it will comply with the following affirmative covenants, unless the City otherwise consents in writing:

12.6.1 Compliance with Laws; Licenses and Permits.

(a) The Company shall comply with: (i) all applicable laws and judgments (including, but not limited to, those of the PSC and the FCC and any other federal or state agency or authority of

competent jurisdiction) affecting this Agreement, the franchise, and the Facilities; and (ii) all local laws and all rules, regulations and duly authorized orders of the City.

(b) The Company shall have the sole responsibility for obtaining or causing to be obtained all permits, licenses and other forms of approval or authorization necessary to construct, operate, maintain, repair or remove the Facilities, or any part thereof. The Company will, prior to any construction, operation, maintenance, repair or removal of the Facilities, secure all necessary permits, licenses and authorizations in connection with the construction, operation, maintenance, repair or removal of the Facilities, or any part thereof, and will file all required registrations, applications, reports and other documents with, the FCC, the PSC and other entities exercising jurisdiction over the provision of telecommunications services or the construction of delivery systems therefor.

(c) The Company shall not permit to occur, or shall promptly take corrective action if there shall occur, any event which (i) could result in the revocation or termination of any such license or authorization, (ii) could materially and adversely affect any significant rights of the Company, or (iii) permits or, after notice or lapse of time or both, would permit, revocation or termination of any such license or which materially and adversely affects or reasonably can be expected to materially and adversely affect the Facilities or any part thereof.

12.6.2 Criminal Acts. The Company shall not permit any of the convictions or guilty pleas of the types listed in Section 12.5.5 to occur during the term of this Agreement, arising out of or in connection with (i) this Agreement, (ii) the award of the franchise granted pursuant to this Agreement, or (iii) any act to be taken following the Effective Date, pursuant to this Agreement by the City, its officers, employees, or agents, and it shall be an Event of Default if any such convictions or guilty pleas shall occur during the term of this Agreement, provided that the City's right to take enforcement action under this Agreement in the event of said convictions or guilty pleas shall arise only with respect to any of the foregoing convictions or guilty pleas of the Company itself or, with respect to any of the foregoing convictions or guilty pleas of any of the other Persons specified in Section 12.5.5, if the Company shall have failed to disassociate itself from, or terminate the employment of, said Person or Persons within thirty (30) days after the City orders such disassociation.

12.6.3 Maintain Existence. The Company will preserve and maintain its existence, its business, and all of its rights and privileges necessary to fulfill the obligations of the Company hereunder. The Company shall maintain its good standing in its state of organization and continue to qualify to do business and remain in good standing in the State of New York and shall conduct business in accordance with its governing documents.

12.6.4 Condition of Facilities. All of the properties, assets and equipment that constitute the Facilities will be maintained in good repair, working order and good condition.

12.7 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted transferees and assigns. All of the provisions of this Agreement shall apply to the City and the Company and their successors and assigns.

12.8 No Waiver; Cumulative Remedies. No failure on the part of either party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any other right, except as provided herein, subject to the conditions and limitations established in this Agreement. No failure of the Company or the City to insist on strict performance by the other of any of the conditions, covenants, terms or provisions of this Agreement or to exercise any of their respective rights hereunder shall be considered a waiver of such rights, and the Company and the City shall each have the right to enforce such respective rights at any time and take such action as might be lawful or authorized hereunder, either in law or equity. The rights and remedies provided herein are cumulative and not exclusive of any remedies provided by law, and nothing contained in this Agreement shall impair any of the rights of either under applicable law, subject in each case to the terms and conditions of this Agreement. A waiver of any right or remedy by either party at any one time shall not affect the exercise of such right or remedy or any other right or other remedy by either party at any other time. In order for any waiver of either party to be effective, it must be in writing. The failure of either party to take any action regarding a breach or default, or an Event of Default, by the Company shall not be deemed or construed to constitute a waiver of or otherwise affect the right of either party to take any action permitted by this Agreement at any other time regarding such breach, default or Event of Default which has not been cured, or with respect to any other breach, default or Event of Default by the Company.

12.9 Partial Invalidity. The clauses and provisions of this Agreement are intended to be severable. If any clause, provision, section, subsection, sentence, phrase, or other portion of this Agreement is, for any reason, declared invalid, in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, then such provision shall be deemed a separate, distinct and independent portion, and such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect, but only so long as the fundamental assumptions underlying this Agreement are not undermined. If, however, the fundamental assumptions underlying this Agreement are undermined as a result of any such provision being declared invalid, in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, and such declaration is not stayed within 30 days by a court pending resolution of a legal challenge thereto or an appeal thereof, the adversely affected party shall notify the other party in writing of such declaration of invalidity and the effect of such declaration of invalidity and the parties shall enter into good faith negotiations to modify this Agreement to compensate for such declaration of invalidity, provided, however, that any such modifications shall be subject to all City approvals and authorizations and compliance with all City procedures and processes. If the parties cannot come to an agreement modifying this Agreement within 120 days (which 120-day period shall be tolled during any stay contemplated above) of such notice, then this Agreement shall terminate with such consequences that would ensue if it had been terminated by the City pursuant to Section 11.4 hereof.

In addition, in the event any applicable federal, state, or local law or any regulation or order is passed or issued, or any existing federal, state, or local law or regulation or order is changed (or any judicial interpretation thereof is developed or changed) in any way which undermines the fundamental assumptions underlying this Agreement, the adversely affected party shall notify the other part in writing of such change and the effect of such change and the parties shall enter into good faith negotiations to modify this Agreement to compensate for such change, provided, however, that any such modifications shall be subject to all City approvals and authorizations and

compliance with all City procedures and processes. If the parties cannot come to an agreement modifying this Agreement within 120 days of such change, then this Agreement shall terminate with such consequences that would ensue if it had been terminated by the City pursuant to Section 11.4 hereof.

12.10 Headings. The headings contained in this Agreement are to facilitate reference only, do not form a part of this Agreement, and shall not in any way affect the construction or interpretation hereof. Terms such as "hereby," "herein," "hereof," "hereinafter," "hereunder," and "hereto" refer to this Agreement as a whole and not to the particular sentence or paragraph where they appear, unless the context otherwise requires. The term "may" is permissive; the terms "shall" and "will" are mandatory, not merely directive. All references to any gender shall be deemed to include both the male and the female, and any reference by number shall be deemed to include both the singular and the plural, as the context may require. Terms used in the plural include the singular, and vice versa, unless the context otherwise requires.

12.11 No Agency. The Company shall conduct the work to be performed pursuant to this Agreement as an independent franchisee and not as an agent of the City.

12.12 Governing Law. This Agreement shall be deemed to be executed in the City of New York, State of New York, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with the laws of the State of New York, as applicable to contracts entered into and to be performed entirely within that State.

12.13 Survival of Representations and Warranties. All representations and warranties contained in this Agreement shall survive the Term.

12.14 Delegation of City Rights. The City reserves the right to delegate and redelegate, from time to time and to the extent permitted by law, any of its rights or obligations under this Agreement to any governmental body or organization, or official of any other governmental body or organization, and to revoke any such delegation or redelegation. Any such delegation or redelegation by the City shall be effective upon written notice by the City to the Company of such delegation or redelegation. Upon receipt of such notice by the Company, the Company shall be bound by all terms and conditions of the delegation or redelegation not in conflict with this Agreement. Any such delegation, revocation or redelegation, no matter how often made, shall not be deemed an amendment to this Agreement or require the Company's consent.

12.15 Claims Under Agreement. The City and the Company agree that, except to the extent prohibited by applicable law, any and all claims asserted by or against either party arising under this Agreement or related thereto shall be heard and determined either in a court of the United States located in New York City ("Federal Court") or in a court of the State of New York located in the City and County of New York ("New York State Court"). To affect this agreement and intent, the parties agree that:

- (a) if either party initiates any action against the other in Federal Court or in New York State Court, service of process may be made as provided in Section 12.17 hereof;
- (b) with respect to any action between the City and the Company in New York State Court, each party hereby expressly waives and relinquishes any rights it might otherwise have (i) to move

or dismiss on grounds of forum non conveniens; (ii) to remove to Federal Court outside of the City of New York; and (iii) to move for a change of venue to a court of the State of New York outside New York County;

(c) with respect to any action between the City and the Company in Federal Court, each party expressly waives and relinquishes any right it might otherwise have to move to transfer the action to a United States Court outside the City of New York; and

(d) if either party commences any action against the other in a court located other than in the City and State of New York, then, upon request of the other, such party shall either consent to a transfer of the action to a court of competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action, such party shall consent to dismiss such action without prejudice and may thereafter reinstitute the action in a court of competent jurisdiction in the City of New York.

12.16 Modification. Except as otherwise provided in this Agreement, any Appendix to this Agreement or applicable law, no provision of this Agreement nor any Appendix to this Agreement shall be amended or otherwise modified, in whole or in part, except by a written instrument, duly executed by the City and the Company, and approved as required by applicable law.

12.17 Service of Process. Process may be served on the Company either in person wherever the Company may be found, or by registered mail addressed to the Company at its address as set forth in Section 12.4 of this Agreement, to such other location as the Company may provide to the City by notice in writing, or to the Secretary of State of the State of New York.

12.18 Compliance With Certain City Requirements. Not in limitation of the requirements of the Agreement, the Company agrees to comply with the City's "MacBride Principles", a copy of which is attached at Appendix G hereto and with PASSPort, as the same may be amended from time to time.

12.19 Business Days and Calendar Days. References herein to periods of time numbered in days shall be deemed to refer to calendar days unless expressed defined in the applicable section hereof as business days. Business days shall mean calendar days that are not Saturdays, Sundays or legal public holidays for U.S. federal employees.

— end of page —

[signatures appear on next page]

IN WITNESS WHEREOF, the City, by its duly authorized representatives, has caused the corporate name of said City to be hereunto signed, and the Company, by its duly authorized officer, has caused its name to be hereunto signed, as of the date and year first above written.

THE CITY OF NEW YORK

By: _____
Deputy Mayor Date

Department of Information Technology and
Telecommunications

By: _____
Commissioner Date

Crown Castle Fiber LLC

By: _____
Title: SVP & COO Tower + Small Cell
Date: 1/31/20

Approved as to form and
certified as to legal authority:

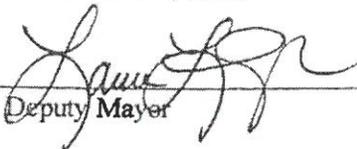
[Signature]
Acting Corporation Counsel
Date: 1/21/2020

Attest: [Signature]
City Clerk

Date: April 22, 2020

IN WITNESS WHEREOF, the City, by its duly authorized representatives, has caused the corporate name of said City to be hereunto signed, and the Company, by its duly authorized officer, has caused its name to be hereunto signed, as of the date and year first above written.

THE CITY OF NEW YORK

By:  04/09/2020
Deputy Mayor

By: Department of Information Technology
and Telecommunications

Commissioner

Approved as to form and
certified as to legal authority:

Acting Corporation Counsel

Date:

Attest: 

City Clerk

Date: 4/22/20

Crown Castle Fiber LLC

By: _____

Name:
Title:

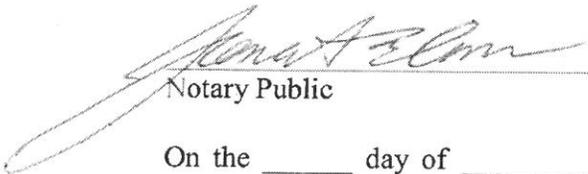
On the 31 day of January in the year 2020 before me, the undersigned, personally appeared Bob Ackerman, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



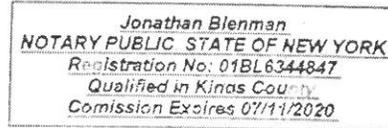
Notary Public



On the 11th day of March in the year 2020 before me, the undersigned, personally appeared Michael Pastor, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



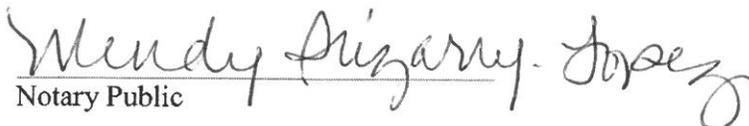
Notary Public



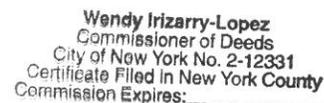
On the _____ day of _____ in the year 2020 before me, the undersigned, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public

On the 22nd day of April in the year 2020 before me, the undersigned, personally appeared Michael McSweeney, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, and that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public



1/1/2022

APPENDIX A

Base Station Location and Design

I. Design of Street Pole Base Station Equipment

(A) Permitted Components and Size of Base Station Equipment. Base Stations to be installed on Street Operations Poles pursuant to this Agreement are permitted to be comprised of one, two or all three of the following elements, which shall be consistent the following design parameters:

Element (1): Equipment Housings. One equipment housing (which may enclose, incorporate or consist of one or more than one antenna of any type, or other form of equipment) within either of the two following size parameters:

- (a) An equipment housing with a volume no greater than 2.8 cubic feet (i.e., 4,840 cubic inches) with maximum dimensions of 35 inches (H) by 15 ½ inches (W) by 9 inches (D).
- (b) An equipment housing with a volume no greater than 2.8 cubic feet (i.e. 4,840 cubic inches) with maximum dimensions of 25 inches (H) by 18 inches (W) by 11 inches (D).

Element (2): Stick-Type Antennas. One stick-type antenna, no more than two (2) inches in diameter and extending no more than sixty (60) inches in length, extending vertically from a base at the top of the pole. Special consideration may be given for attachment of antennae on certain Street Operations Pole designs that do not contain a pole cap. Approval by the City for installations on poles of this type will be given on a case by case basis and require submission of detailed mounting drawings.

Element (3) Interconnecting Wiring/Cabling: Wire or cable interconnecting the above elements with each other and with underground power and/or other supporting utility facilities (in areas of the City where such utility facilities are located above ground, then such wire interconnection shall be permitted to connect to such above ground facilities), with as much of such wire or cable being located inside the Street Operations Pole, rather than externally, as practicable. Company is encouraged to use wireless backhaul technologies, where practicable, to interconnect its facilities to minimize the disruption to City streets.

(B) Permitted Location and Orientation on Pole of Base Station Equipment.

(1) Unless otherwise specifically permitted by the City, all equipment on a Street Operations Pole will be located on the vertical shaft portion of the pole (that is, unless otherwise specifically permitted by the City, no equipment will be located on any horizontal portion or "arm" of the Street Operations Pole) and equipment housings shall be oriented vertically so that the largest dimension is the height.

(2) Notwithstanding anything to the contrary in this Appendix A, any facilities located on “bishop’s crook” design SLPs shall be installed only within the “limit zone”, defined as a four-foot zone of minimal or no decoration generally located on such poles from about fifteen feet above street level to about nineteen feet above street level.

(C) Permitted Visual Appearance of Equipment Housing.

(1) Each equipment housing must be painted the same color as the pole on which it is sited, or otherwise be made to color match the Street Pole using a pre-approved method. Street Pole Franchisees shall be required to replace, re-finish, or re-paint Base Stations as directed by the City to address color fading or other appearance-changing occurrences.

(2) No unauthorized writing, symbol, logo or other such graphic representation that is visible from the street or sidewalk shall appear on any exterior surface of an equipment housing. The City may require the placement of a standard identifying barcode or comparable mark.

(3) If the City adopts a new design or designs for Street Operations Poles the Company will use an appropriate enclosure for any equipment boxes to be located on such newly designed Street Operations Poles which enclosure shall be esthetically consistent with such new design or designs, and the Company will cooperate with the City in the City’s replacement of old with new pole structures, including the Company cooperating to temporarily remove equipment on a Street Operations Pole during any transition of such Street Operations Pole to a newly designed version.

(D) Permitted Weight of Base Station Equipment. All equipment to be installed on a Street Operations Pole must be of a weight no greater than that compatible with the capacity of the pole to safely and securely support such equipment. Calculation of such compatible weights shall as appropriate take into account snow load, wind load, and the weight of other equipment commonly found on Street Operations Poles such a traffic signals, street light luminaires, banners, or other reasonably predictable weight burdens to which equipment may be subject in the field. Street Pole Franchisees are required to submit for review by the City a structural analysis performed by a licensed engineer to account for each type of Street Operations Pole.

(E) Review Requirements for Design and Installation of Base Station Equipment on Street Operations Poles.

(1) Installation of equipment on Street Operations Poles pursuant to this Agreement shall be subject to the City’s right to review and approve the final design and appearance of all equipment to:

- (a) ensure compliance with all applicable laws, rules and regulations of the City (including but not limited to those specific requirements described in Section I (E)(2) below),

- (b) ensure public safety, the integrity of City facilities and non-interference with pedestrians and vehicular traffic, and
- (c) ensure esthetic consistency with the Street Operations Poles to which the equipment will be attached (including signage and other items or matter that may be located on such Street Operations Poles) and the surrounding context.

(2) In addition to the general requirement that installations on Street Operations Poles are subject to City review for compliance with all applicable laws, rules and regulations of the City, the following specific approval requirements shall be applicable to Street Operations Poles installations:

- (a) Installation of Base Stations on Street Operations Poles shall be subject to approval by the City's Public Design Commission (Public Design Commission means the Public Design Commission of the City of New York, or any successor thereto) of the design of the Company's proposed form of Base Station installation, as provided in Section 854 of the City Charter. During the Franchise Term, Street Pole Franchisees may propose modified equipment specifications and designs for which the City, in its fullest discretion and if authorized by applicable law, may approve. Such approval will be subject to the review and approval by all City agencies of applicable jurisdiction, which may include, without limitation, DOT and the Public Design Commission. The City, in its sole discretion, subject to the terms and conditions of the Franchise, may approve one or more additional designs of equipment attachments.
- (b) Approval of installations within "historic districts" as defined in Section 25-302 of the City Code are subject to prior review by the City Landmarks Preservation Commission pursuant to Section 25-318 of the City Code, and no approval for such installation shall be effective unless and until a report as described in said Section 25-318 is received.
- (c) Approval of installations within City parks shall be subject to prior review by DoITT in consultation with the New York City Department of Parks and Recreation, and no approval for such installation shall be effective unless and until DoITT, in consultation with the New York City Department of Parks and Recreation, has reviewed and approved the proposed installation.
- (d) Base Station equipment designs may, in the City's sole discretion, require modification to maintain consistency with special Street Pole designs (including for example, without limitation, poles specially designed for historic districts, business improvement districts or other types of areas). Such modification will not be considered an approval

of a new design to be used outside of the designated areas that include such special Street Pole designs.

- (F) Power Supply. The Company will be solely responsible for obtaining and paying all costs for electrical power for its equipment. The Company shall either (1) obtain the written agreement of the electrical power provider that such provider will not look to the City for payment of such costs of electrical power even if the Company fails to pay such costs, or (2) deposit an additional amount into the Security Fund for each Base Station it installs equal to one year of reasonably estimated charges for electrical power to such Base Station (the City and the Company to reasonably agree on such reasonably estimated charges prior to installation of such Base Station). In any event, Base Station equipment must be designed so that power usage by the Base Station can be shut off remotely, without climbing up to the antenna or equipment box.

- (G) Radio Frequency Energy Exposure Limits. The Company shall, with respect to all the Facilities, (1) comply on an on-going basis with FCC maximum permitted levels of radio frequency energy exposure, (2) continue, on an on-going basis, to comply with such FCC maximum permitted levels (calculated on an aggregate basis with any other radio frequency energy emitters that may be present), (3) comply with all FCC rules and requirements, regarding the protection of health and safety with respect to radio frequency energy exposure, in the operation and maintenance of such Facilities (taking into account the actual conditions of human proximity to Base Stations on Street Operations Poles), and (4) at the direction of the City, pay the costs of testing such Facilities for compliance with the preceding clauses (1), (2) and (3), which testing may be directed by the City from time to time, without limitation, and which is to be conducted by independent experts selected by the City after consultation with the Company and which testing shall be conducted in accordance with the FCC's OET (Office of Engineering and Technology) Bulletin 65 (or a successor thereto) unless the City reasonably determines that alternative testing procedures that reflect sound engineering practice are appropriate. Any such Facility non-compliant with applicable radio frequency exposure limits shall be immediately deactivated until such time that the Company can demonstrate, to the City's satisfaction, full compliance with all applicable FCC rules and requirements. Failure by the Company to promptly deactivate its Facilities pursuant to this provision and/or fully comply with FCC rules and requirements may constitute an Event of Default as contemplated in Section 11.2.2 (b) of this Agreement.

- (H) Street Utility Poles. Notwithstanding anything to the contrary in the preceding subsections of this Section I, the design and location of Facilities on Street Utility Poles shall be consistent with the provisions of this Section I to the maximum extent permitted by safety, legal and use requirements associated with the use of such poles for the applicable pre-existing utility uses.

II. Location and Number of Pole Sites

(A) Location Requirements.

Street Operations Poles will only be available pursuant to this Agreement in accordance with the following provisions:

(1) No more than one Base Station, in total, is permitted on a Street Operations Pole pursuant to this Agreement and the other Street Pole Agreements, so that once a Street Operations Pole becomes a Reserved Pole reserved to a Street Pole Franchisee (see Section II(B)(1) of this Appendix A) such Street Operations Pole is not available for use by any other Street Pole Franchisee as long as such Street Operations Pole remains a Reserved Pole.

(2) Base Stations will be permitted on Street Operations Poles located at both intersection and mid-block locations, as described herein.

(3) Base Stations will be permitted on Street Operations Pole sites within an intersection only up to the number which leaves two (2) Street Operations Pole sites within such intersection without any Base Stations installed by Street Pole Franchisees (including the Company), and thus available for future potential use for purposes to be determined by the City. The City will review, on a case-by-case basis, requests for Street Operations Poles at certain intersections which leave fewer than two (2) Street Operations Pole sites without Base Stations. Street Operations Poles shall be "within an intersection" if any part of the base of the Street Operations Pole is thirty (30) feet or less from two different street beds or at a comparable location at the intersection of two (2) streets

(4) Due to City operational needs, TLPs on which a traffic signal controller box is located (usually one pole per intersection with a traffic light) are not available for use by the Company for Base Stations. Other TLPs will only be approved on a case by case review by DOT.

(5) Base Stations installed on Street Operations Poles pursuant to this Agreement shall be placed, located and operated so as not to interfere with public safety or traffic operations or any other City, state or federal government operations. The Company agrees to immediately remove any Base Station that is operating inconsistently with this subsection (5) if such inconsistency cannot be immediately cured.

(6) Base Stations installed on Street Operations Poles pursuant to this Agreement shall be placed, located and operated by the Company so as not to illegally interfere with the operation of Base Stations of other Street Pole Franchisees or other radio frequency spectrum users generally. The City shall, to the extent permitted, require the foregoing clause to be placed in all Street Pole Franchises granted now or during the Term. The Company recognizes, however, that the City is not a guarantor of, nor is it obligated to the Company to enforce, the Company's freedom from radio frequency interference that may affect the Company's Base Stations. Even if the City has some authority as a site location provider to act against such interference, and the City may choose to exercise such authority in any particular instance, the Company hereby recognizes and agrees that the

City shall have no legal or contractual obligation to the Company to exercise such authority and may choose not to do so.

(7) This Agreement does not authorize the placement of Base Stations on sites, structures or facilities other than Street Operations Poles and other certain authorized LinkNYC Kiosks or Coordinated Franchise Structures as limited to and as described herein except as such placement may be expressly authorized by DoITT and DOT pursuant to procedures established by DoITT and DOT. The City reserves the right to grant, at any time, to any party, upon terms and conditions determined by the City in its discretion, separate and distinct rights to place such equipment on other sites (such as City buildings) or other types of street facilities, equipment or furniture.

(8) Prior to the installation of a Base Station on any Street Operations Pole on a City street where the pole is less than ten (10) feet from an existing building, DoITT will provide not less than fifteen (15) business days' notice of, and opportunity to submit written comment regarding, such proposed installation to the Community Board and City Council member in whose district such building lies. (For purposes of this provision, the distance from a pole to a building shall be measured by the distance from the base of the pole facing the building to the building line.)

(9) The City reserves the right at any time to waive any of the above restrictions (or other restrictions in this Agreement), with or without conditions, in its discretion.

(10) Street Utility Poles. Notwithstanding anything to the contrary in the preceding subsections of this Section II (A), the location of Facilities on Street Utility Poles shall be consistent with the provisions of said subsections to the maximum extent permitted by safety, legal and use requirements associated with the use of such poles for the applicable pre-existing utility uses.

(B) Allocation of Street Operations Pole Sites Among Street Pole Franchisees.

The Company shall not install any facilities or equipment on any Street Operations Pole unless and until such Street Operations Pole has been reserved for the Company under this subsection (B). Notwithstanding a pending reservation, the Company shall not install Facilities on a Street Operations Pole where equipment has been reserved or installed pursuant to this Franchise or is otherwise in use or reserved by the City or for which the City has granted a permit to use the pole to another party. Company is responsible for providing accurate coordinates and mapping of desired Street Poles.

(1) New Reservation Phases. From time to time the City will notify all Street Pole Franchisees of a period during which new pole reservations may be made (a "New Reservation Phase"). Such notice shall include the requirements for such New Reservation Phase including but not limited to the maximum per-Zone number. Franchisees shall in turn, in accordance with the Priority list, select Street Operations Poles in any Zone for which they are paying Zone Compensation. All selections must be posted in a manner determined by the Commissioner which shall be accessible to the City and all other Street Pole Franchisees. Such list may not include any Reserved Poles.

(2) Expiration of Reservation. Reservations granted for a Street Operations Pole expire upon the occurrence of the earliest to occur of the following:

(i) Upon the termination of the Street Pole Franchise.

(ii) The Company surrenders an unoccupied Reserved Pole. Surrender of the Reserved Pole is effective upon receipt by the City of written notice of the surrender of the reservation(s) and notice to the other Street Pole Franchisees (in a manner comparable to the manner of posting Reservation Notices).

(iii) If (A) a Street Pole Franchisee does not commence construction activity (or fails to otherwise notify the City that it has started construction) for the installation of a Base Station on a Reserved Street Operations Pole within one year of the posting of a Reservation Notice creating such reservation, (B) the City thereafter commences a further New Reservation Phase, (C) the City notifies Street Pole Franchisees that such Reserved Pole is subject to inclusion on new Reservation Notices¹, and (D) if a Street Pole Franchisee requests such Street Operations Pole during a New Reservation Phase as described in this subsection (iii). At the sole discretion of the City, the one-year period set forth in the preceding sentence may be subject to extension for Unavoidable Delays in the applicable Base Station installation.

(iv) If (A) an operational Base Station becomes non-operational and is not restored to operability within sixty (60) days of becoming non-operational, or (B) a Base Station repeatedly becomes non-operational in a manner that, despite repeated restoration of operability within the required time period, suggests that the Base Station is not being significantly relied on for the provision of service, then the Reserved Pole status of such Street Operations Pole shall expire thirty (30) days after notice from the City of such expiration.²

¹ If no Street Pole Franchisee requests such Street Operations Pole during a New Reservation Phase as described in this subsection (iii), such Street Operations Pole's status as a Reserved Pole shall continue (unless it otherwise expires under subsections (i), (ii) or (iv) of this subsection (3)) until the next New Reservation Phase.

² The intention of this subsection (iv) is to allow Reserved Poles that are not fulfilling the intended purpose of providing service to be made available to other Street Pole Franchisees who may be interested in using such Street Operations Pole for provision of service. This subsection (iv) is not intended to cause the expiration of Reserved Pole status for Base Stations which are installed for the specific purpose of providing service only on occasions of unusual demand or specific need, and which are intentionally out of service for extended periods in a manner consistent with such limited use goals. Such limited use Facilities shall not be considered as "non-operational" for purposes of this subsection (iv) so long as they are operational when placed in service for their intended, occasional use and so long as the number of such limited use installations

Continued...

(v) If after posting a Reservation Notice, the Company fails within 30 days of such posting to pay the City such amount as is necessary to meet the requirements of Appendix C of this Agreement for deposit into the Security Fund, in a manner reflecting the addition of such Reserved Poles as are reserved pursuant to such Reservation Notice, then that number of Reserved Poles reserved by such Reservation Notice shall have their Reserved Pole status expire as is necessary to reduce the Company's Security Fund obligation under Appendix C hereof to the actual amount contained in the Security Fund.³

(3) Temporary or Permanent Replacement Reservation. In the event that a Street Operations Pole, on which the Company has placed a Base Station in accordance with the provisions of this Agreement, temporarily or permanently is rendered substantially unusable for the purpose intended under this Agreement (for reasons unrelated to the Company and its operations because, for example, the City has removed the Street Operations Pole, temporarily or permanently), the City will reasonably cooperate with the Company to attempt to locate an alternative Street Operations Pole that can serve as an alternative location. If the City and the Company reach an agreement on such an alternative Street Operations Pole, the City shall designate it a Reserved Pole until either (1) the original Reserved Pole is restored as an available site or (2) the City and the Company agree to terminate the original reservation. During any period that a Reserved Pole on which the Company has placed a Base Station in accordance with the provisions of this Agreement becomes (for reasons unrelated to the Company and its operations) unavailable for location of a Base Station, any compensation to the City due under Section II of Appendix D attributed to such Street Pole shall be abated in full, provided that for the period that an alternative Street Pole becomes designated as a Reserved Pole as described in this subsection (4), then compensation will be due with respect to such alternative location, calculated pursuant to Section II.

(4) Reasonable Revision of Allocation Procedures. If DoITT, acting reasonably, determines at any time that all or any part of the Street Operations Pole Allocation procedures set forth in this Section II is impracticable in fulfilling the purposes for which such procedures were intended, DoITT may, after consultation with all Street Pole Franchisees, issue revised procedures reasonably structured to better fulfill such purposes.

(C) Allocation of Street Utility Pole Sites Among Street Pole Franchisees.

Allocation of Street Utility Poles shall be pursuant to procedures of the utility company owner or owners of the applicable poles. Said Street Utility Pole owner's written approval (in the

shall not be installed on more than 10% of the Company's Reserved Poles and so long as the Company, upon written request of the City, provides an annual list to the City of such limited use installations on Reserved Poles.

³ Where some but not all Reserved Poles are not sufficiently funded as required by Appendix C hereof within said thirty (30) day period and are therefore subject to expiration of their Reserved Pole status under this subsection, it shall be within the City's sole discretion to select which of said Reserved Poles to designate as having their Reserved Pole status expire.

form of a signed pole attachment license including signed survey or walk sheet, or alternative documentation as deemed acceptable by the City) for Company's use of Street Utility Poles shall be provided to the City prior to the installation of Facilities on Street Utility Poles.

III. Transfer of Street Operations Pole Reservations Among Street Pole Franchisees.

The City recognizes that in the ordinary course of business, the Company and other Street Pole Franchisees may, during the course of implementing the Street Pole Franchises, enter into arrangements to utilize services in connection with one another's Facilities (indeed, the City acknowledges that it is the expressly contemplated business plan of several of the Street Pole Franchisees to sell capacity on, or service from, their Facilities to cellular and/or personal communications service providers, which providers may include certain other Street Pole Franchisees). It is not the intention of this Agreement to limit or restrict the ability of the Company and other Street Pole Franchisees to, in the ordinary course of business, buy or sell capacity on, or service from, Facilities installed pursuant to this Agreement and other Street Pole Franchise Agreements. Furthermore, it is not the City's intention to prohibit in this Agreement cooperation among Street Pole Franchisees to identify Street Operations Poles where such cooperation would promote the ability of each of the cooperating Street Pole Franchisees to reserve sufficient Street Operations Poles at sufficiently appropriate locations to meet its service goals, in a manner that minimizes incompatible demands for site reservations in any New Reservation Phase. {The parties note that because priority positions have previously been determined as part of the RFP process with respect to conflicting demands for individual sites, and as the compensation the City receives from each Company for each site in each Zone has been established as part of the completed RFP process, the City is not prejudiced with respect to compensation by Street Pole Franchisees cooperating among themselves to minimize conflicting reservation requests for individual Street Operations Pole sites (such conflicting requests do not increase the potential for compensation to the City in the way they might if individual Street Operations Pole reservations were auctioned on a site-by-site basis). However, it is *not* the intention of the parties to this Agreement that Street Pole Franchisees be permitted to collude to reduce franchise compensation payments to the City by arranging, for example, for one Street Pole Franchisee to use Reserved Poles reserved to a second Street Pole Franchisee solely for installation of Facilities that are not bona fide facilities for the use of the second Street Pole Franchisee.⁴ Such non-permitted collusion shall be considered a default of the Street Pole Franchise Agreements of all colluding parties, including, if it involves the Company, of this Agreement. Further, it is not intended as a general matter that the reservation of individual Street Operations Poles is to be a transferable right to be transferred among Street Pole Franchisees.} If a Street Pole Franchisee chooses not to use a Reserved Pole reserved to it for actual installation of a Base Station for its own use, or chooses to terminate an installation on a Reserved Pole, the procedure intended hereunder is that the Street Pole Franchisee will invoke the provisions regarding voluntary termination of a reservations (under Section II(B)(2)(ii) of this

⁴ For example, Street Pole Franchisee A, which purchased a higher priority in the reservation process by agreeing to pay a higher per Street Operations Pole compensation, may not solicit Street Pole Franchisee B, which has agreed to pay the City a lesser amount in per Street Operations Pole compensation, to submit requests for reservations in the name of B but which will actually be used by A.

Appendix A), after which the affected Street Operations Pole would become available for other Street Pole Franchisees to seek to reserve during the next New Reservation Phase. However, DoITT reserves the right to approve individual transfers of reservations on a case-by-case basis if the public interest would be served by any specific proposed transfer.

IV. Option to Expand Franchise Area; Option to Obtain Additional Reservation Phase Pole Allotment.

(A) The Company (and all Street Pole Franchisees) will have the option to expand its Franchise Area during the life of the Term. By way of example, any Street Pole Franchisee that has initially selected a Franchise Area that includes only Zone C shall have the option, once a year during the Term, to expand such area to include either Zone B, or both Zone B and Zone A. Any Street Pole Franchisee that has initially selected a Franchise Area that includes only Zones B and C, shall have the option, once a year during the Term, to expand such area to include Zone A. Such expanded Franchise Area will be available to the Company provided that: the Company provides notice to the City of its exercise of such option not earlier than one hundred twenty (120) days, but not later than sixty (60) days, prior to each anniversary of the Effective Date, with such expansion to become effective on that anniversary of the Effective Date which occurs immediately after said notice;

(1) the Company agrees to an adjustment in the Zone Compensation due under Section I of Appendix D of this Agreement to match, commencing on the day such Franchise Area expansion becomes effective and thereafter going forward, the compensation due for such expanded Franchise Area (any applicable increase in Zone Compensation to be payable on the date such Franchise Area expansion becomes effective);

(2) the Company agrees to an adjustment of its Security Fund obligations under this Agreement to match the increase in Zone Compensation pursuant in subsection (2) above (any applicable increase in such Security Fund obligations to be payable on the date such expansion becomes effective);

(3) the Company agrees that it shall, with respect to the newly added Zone or Zones, take a place lower on the Priority List than any Street Pole Franchisee that previously had such Zone or Zones within its Franchise Area; and

(4) the Company agrees to pay compensation per Compensation Street Pole, within the newly added Zone or Zones, under Section II of Appendix D hereof, which matches the amount paid with respect to such Zone or Zones by the Street Pole Franchisee which was previously the lowest on the Priority List with respect to the newly added Zone or Zones.

(B) The Company (and all Street Pole Franchisees) shall have the option (non-rescindable by the Company and exercisable during the window period described in subsection (1) below) to acquire one additional reservation phase pole allotment (an "Additional Pole Allotment") during the life of the Term. If such option is exercised, the Additional Pole Allotment will be available to the Company during every subsequent New Reservation Phase during the remainder of the Term provided that:

(1) the Company provides notice to the City of its intention to exercise its non-rescindable option not earlier than sixty (60) days, but not later than thirty (30) days, prior to each anniversary of the Effective Date, with such Additional Pole Allotment to become effective following the anniversary of the Effective Date which occurs immediately after said notice and upon the commencement of New Reservation Phase;

(2) in addition to Zone Compensation under Section I of Appendix D and Street Pole Compensation under Section II of Appendix D, the Company agrees to an additional annual recurring payment (the "Additional Pole Allotment Fee") for the remainder of the Term equivalent to its Zone Compensation;

(3) the Company agrees to pay additional Street Pole Compensation per Street Operations Pole for each reservation made with its Additional Pole Allotment that is equivalent to the rate of its per pole compensation pursuant to Section II of Appendix D;

(4) the Company agrees to take a place lower on the Priority List than that of any franchisees previously granted the right to selection Street Poles for each zone and whose rank at the bottom of the Priority List for its additional pole allotment for each zone will be ranked, together with any other Street Pole Franchisees exercising its additional pole allotment, based on its ranking on the original Priority List within that zone;

(5) such Street Pole Franchisee agrees to an adjustment of its Security Fund obligations pursuant to Section I of Appendix C, which adjustment shall include (i) an increase in the amount deposited commensurate with the annual increase in Street Pole Compensation pursuant to subsection (3) above and (ii) an additional deposit in the amount of one year of the Additional Pole Allotment Fee.

V. Total Maximum Number of Poles Per Street Pole Franchisee; Merger of Street Pole Franchises.

(A) At no time shall the Company have Base Station facilities on more than four thousand (4000) Street Poles in total throughout the Franchise Area, unless the City agrees in advance in writing to an increase in such maximum number. Once the Company's total number of reservations of Street Operations Poles plus Utility Company Street Utility Poles reaches 4000 cumulatively, the Company shall not be permitted to reserve any additional Street Operations Poles if reserving such additional Street Operations Poles would have the effect of providing the Company with the right to place equipment on more than 4000 Street Poles. In addition, DoITT will inform the owner of Street Utility Poles that the Company has reached the 4000 Street Pole limit and no longer has City approval to install equipment on any Street Poles⁵. Notwithstanding the foregoing and for the avoidance of doubt, the Company, by agreement with other franchisees, can have its Base Station facilities on poles reserved by another franchisee such that the total

⁵ The effect of this provision is intended to limit the number of Street Operations Poles on which each Street Pole Franchisee is permitted to use for Base Station facilities to a number equal to 4000 minus the number of its Street Utility Pole Base Station facilities.

number of the Company's Base Stations on Street Poles pursuant to this Agreement and other franchisee's agreements exceeds 4000 Street Poles.

(B) In the event that a transaction occurs involving two Street Pole Franchises such that one of the Street Pole Franchises involved in such transaction remains in effect and the other does not (with one of the two Street Pole Franchisees seeking to continue to occupy sites or seek future reservations pursuant to the eliminated franchise) the surviving Street Pole Franchisee shall be obligated to pay Zone Compensation and Street Pole Compensation as if both of the Street Pole Franchises continued in effect (and the Zone Compensation under the surviving Street Pole Franchise shall be deemed increased to reflect such obligation). For example and for the avoidance of doubt, an assignment, the result of which is a consolidation of two franchises, then and in such event as required by Section 9.6(b)(v) of this Agreement, the reservation priority system and maximum number of poles provisions of this Appendix A shall be applied as if the surviving Street Pole Franchisee continued to hold the rights that were held under the no longer surviving Street Pole Franchise. For further example and for the avoidance of doubt, if Street Pole Franchisees holding the third and fifth priority ranks in Zone C were to undertake a consolidation transaction in which the third priority Street Pole Franchisee were to be the surviving entity, (i) the third priority Street Pole Franchise would be deemed to require an increased Zone Compensation, equal to the total sum of the Zone Compensation due under both of the now consolidated Street Pole Franchises, (ii) the third priority Street Pole Franchisee would now be entitled to maintain Base Stations on those Street Operations Poles the fifth priority Street Pole franchisee had previously been entitled to maintain, (iii) in each New Reservation Phase, the third priority Street Pole Franchisee would be entitled to submit a Reservation Notice in both the third priority reservation rank and the fifth priority reservation rank for each Phase for each Zone, and (iv) the permitted installation limit pursuant to the preceding paragraph (A) would be a total of eight thousand Base Station facilities.

VI. Waiver.

The City reserves the right to waive any requirement imposed on the Company or any other Street Pole Franchisees pursuant to this Appendix A, provided that the City agrees not to waive any requirement with respect to one or more Street Pole Franchisees the result of which would unreasonably adversely affect the Company's pole allocation priority as set forth on the Priority List. The City agrees that, to the maximum extent permitted by law and subject to the other terms of this Agreement, if the City grants additional Street Pole Franchises in addition to those previously listed on the Priority List, any Street Pole reservation priority rights that are to be provided under any such subsequent Street Pole Franchisee shall be lower in priority rank than those previously listed on the Priority List.

APPENDIX B

Construction and Maintenance Terms and Conditions Related to Construction of the Facilities on Street Poles

In addition to all provisions in the body of this Agreement regarding construction, maintenance and operation of the Facilities, the parties shall observe all the following requirements regarding construction, operation and maintenance of the Facilities:

I. Base Station Provisions

(A) Prior to any installation of Base Station equipment on any Street Operations Pole, DOT shall have the right to conduct an inspection of the Street Operations Pole and to review and approve the proposed installation for technical compatibility (which shall include, but not be limited to, a review and evaluation of the Street Operations Pole's electrical and structural status) with City facilities and operations.

(B) The Company must obtain prior approval from DOT in the form of a construction permit(s) for any construction work involving the opening of a roadway or sidewalk, lane closure, or any other street work deemed applicable by the City in connection with a Company's Base Station.

(C) All equipment installed under the Franchise shall be maintained by the Company, and the City will not be responsible for the maintenance or repair of any such equipment.

(D) All construction shall be performed in a manner consistent with the requirements of DOT, pursuant to its authority to protect the integrity, operability, reliability and appearance of Street Operations Poles and to manage vehicular and pedestrian traffic.

(E) When City maintenance work on a Street Operations Pole on which the Company has located a Base Station requires that such a Base Station be removed, the City will attempt to provide ten (10) days written notice to the Company to remove the Base Station. Upon notice to the Company of the completion of the City's maintenance work, the Company may reinstall the Base Station.

(F) When a Street Operations Pole on which a Base Station is located is knocked down (or damaged to the extent it must be removed), the City's maintenance contractor will remove the Street Operations Pole. The City will notify the Company as promptly as may be practicable regarding the Street Operations Pole's removal. Upon notice of the completion of any repair work to and reinstallation of the Street Operations Pole by the City to the Company, it shall be the responsibility of the Company to reinstall the Base Station.

(G) In connection with any special event (for example without limitation, the Thanksgiving Day Parade) in connection with which the City determines it is required to undertake work involving Street Operations Poles, the Company shall take any action with respect to any Base Stations, as may be required by the City.

(H) It shall at all times be the responsibility of the Company to maintain any required electric service to the Company's equipment. Maintenance of fuses, cables, breakers, etc. shall be exclusively the responsibility of the Company.

(I) The Company will cooperate with the City on location and design of Base Station installations to ensure appropriate coordination with street signage and other items located on Street Operations Poles.

(J) The Company shall comply with all DOT directions with respect to any foundation work required to accommodate connections between Base Stations and any other Company equipment. In the event of any failure of the Company to properly comply with such DOT directions, the City may perform or arrange for the performance of any work which may be necessary to bring such foundation work into compliance, and to draw on the Security Fund to reimburse the City for any such costs.

(K) As described in Section I(C)(1) of Appendix A, Base Station equipment housings must be painted, or otherwise be made to color match using a pre-approved method, the same color as the Street Pole. As of the Effective Date, the following are the paint specifications to be used for Street Operations Poles:

(1) The paint shall have a semi-gloss sheen and shall be one of the following Federal Standard 595B colors: Green #14036, Brown #10049 or Black #27038, or as otherwise approved by the DOT. All painted posts and/or painted surfaces shall be cleaned of all foreign matter (such as loose paint, rust, dirt and grease) prior to painting.

(2) Paint used must be of the anti-graffiti, corrosion resisting, semi-gloss type as manufactured by Armor Products, Inc., BC Products International, Inc., Con-Lux Coatings, Inc. or an approved equal.

(3) The protective coating of all paint used must exhibit the following characteristics:

- (i) Display exceptional resistance to ultra violet light, road salt compounds, and industrial chemical fumes.
- (ii) Display high impact resistance to withstand 160 psi of wind without cracking, chipping or peeling.
- (iii) Display a water transmission rate of less than 0.00000005 Perms.
- (iv) Bend over 180 degrees and one-eighth inch (1/8") mandrel without cracking.
- (v) Be suitable for applications in below freezing temperatures.
- (vi) Resist solvents for removal of graffiti from painted surfaces.
- (vii) Resist flame or high temperatures to 400 degrees Fahrenheit.

- (viii) Possess unique molecular structure suitable for brush, roll or spray application to achieve high quality, general purpose usage, exceptional spreadability and adhesion.
 - (ix) Exhibit corrosion resistance equal to that tested as part of Painting System #41 by the Steel Structures Painting Council.
- (4) All paint used must conform to the following chemical requirements:
- (i) No more than twenty percent (20%) Oxal Hexel, seventeen percent (17%) Butyl Acetate, three percent (3%) Xylol.
 - (ii) Maximum of forty percent (40%) volatile by volume.
 - (iii) Minimum of 60 degrees Fahrenheit Flashpoint.
 - (iv) Formulated with air-out additives for flowability.
 - (v) Two-part aliphatic urethane with a three-to-one (3:1) mixture ratio and an absolute minimum of sixty percent (60%) solid content.
 - (vi) Maximum VOC of 3.45 per gallon.

II. Provisions Regarding Installation of Fiber Connecting Base Stations To Each Other Or To Supporting Telecommunications Systems (“Connecting Fiber”).

(A) The Company shall install all Connecting Fiber in a manner consistent with existing telephone or public utility lines and within the facilities of Empire City Subway Company, Ltd. or Consolidated Edison Company of New York Inc. wherever existing telephone and/or other fiber optic cable lines are thus installed. Provided, however, that such fiber was installed lawfully. Where such lines are underground at a particular location (other than on private property), the Company shall install its Connecting Fiber underground, except as otherwise provided in this Agreement or as otherwise approved by the agencies of the City having jurisdiction over such matters. Any above-ground Connecting Fiber will be maintained in accordance with maintenance standards established by the City.

(B) Whenever possible, the Company shall utilize existing telephone or public utility poles, ducts, conduits or other facilities for the installation of Connecting Fiber. Where the Company performs any excavation of any street, the Company will abide by all DOT rules, regulations, requirements and permit conditions regarding such excavation, including, without limitation, requirements regarding the replacement and restoration of excavated street surfaces and materials, including, where applicable, the replacement and restoration of streets (which term includes, without limitation, the sidewalk portion of the streets) of distinctive design.

(C) (1) On July first of each year the Company shall provide to the City, in a format acceptable to the Commissioner, and to the extent different from the requirements set forth in subparagraph (2) below, consistent with industry standards, up-to-date maps, resiliency

information, and other information detailing the location of Connecting Fiber pursuant to this Agreement.

(2) As of the Effective Date, the following format for mapping as described in the preceding subsection (1) is acceptable to the Commissioner:

(i) for any installation where the Company initiates a street cut and installs Connecting Fiber without the use of duct of a third party, all locations of such Connecting Fiber must be produced utilizing the City's accurate physical base map (NYCityMap). The submission must be digital, provided on a CD, or in an alternative format deemed acceptable by the City, and the infrastructure elements depicted must be accurate within two feet horizontally and six inches vertically using State Plane Coordinates in the Long Island East Zone NAD 1983/92, NAVD 1988.

(ii) for any installation where the Company uses the ducts or fiber optic cables of a third party, the Company shall use its best efforts to create maps using such specific source information, data points and detail as may have been made available to the Company upon the Company's request from the third party owning the underlying facilities where the Connecting Fiber is installed.

(iii) mapping data, underlying metadata that provides information on the coordinate reference system used, individual data objects, attributes, fields, and business or semantic rules on how this data is persisted in its data repository. Attribute information must be structured according to DoITT specifications. Mapping data should be represented spatially in a defined coordinate reference system with both vertical and horizontal datums specified, including the elevation (height of land above sea level) information. Acceptable formats for spatial representation of point, polyline, and polygon mapping data are shapefile, CSV, File GeoDatabase, Tab File, KML or GeoJSON format.

(3) Upon written notice to the Company, the Commissioner may reasonably change the format requirements described in (2) above.

III. General Provisions.

(A) The Company must comply with, and shall ensure that its subcontractors comply with, all rules, regulations and standards of the DOT. If the construction, upgrade, repair, maintenance or operation of the Facilities does not comply with such rules, regulations and standards, the Company must, at its sole costs, remove and reinstall such portions of the Facilities to ensure compliance with such rules, regulations and standards.

(B) In the event of any inconsistency between this Appendix B and applicable provisions of the New York City Administrative Code or rules of the DOT, or other rules of the City, such provisions and rules shall prevail.

IV. Pole Management Requirements.

(A) Any Facility located on any Street Operations Pole will be subject to the City's operational needs with respect to such Street Operations Pole.

(B) In addition, if the City determines that it is appropriate to move or remove any Street Operations Pole temporarily to accommodate City or public activities (for example a parade such as the annual Thanksgiving Day parade), then the Company will be required to cooperate, at the Company's sole expense, with such temporary move or removal.

(C) All installations shall be performed in a manner consistent with the requirements of DOT implementing its authority to protect the integrity, operability, reliability and appearance of Street Operations Poles and to manage vehicular and pedestrian traffic.

APPENDIX C

Security Fund

I. Security Fund Amount. The Security Fund shall be in the form of a cash security fund or Letter of Credit to be held by the City separate from any other funds. Beginning no later than the Effective Date and at all times throughout the Term, the amount of the Security Fund shall always, at minimum, be equal to the sum of (a) one year's annual payment due pursuant to Section I of Appendix D, plus (b) the equivalent of one year of pole compensation for all reserved Street Poles, and where applicable, all LinkNYC Kiosks or Coordinated Franchise Structures for which the Company has obtained the authority to utilize for the deployment of Base Stations, plus (c) one year's Additional Pole Allotment Fee pursuant to Section IV(A)(2) of Appendix hereof, the total amount which shall be updated periodically during the Term.

II. Interest. Any interest which accrues on the Security Fund shall accrue to the benefit of the Security Fund, such that any future required deposit by the Company into the Security Fund to achieve a required increase in the balance of the Security Fund may be reduced by the amount by which accrued interest has increased the balance in the Security Fund beyond the required balance. Accrued interest shall follow the balance of the Security Fund.

III. Refunds of Excess Amounts. On the ninetieth day after each anniversary of the Effective Date (each such ninetieth day referred to herein as a "Refund Date") if the number of Street Poles reserved to the Company (or, in the case of Street Utility Poles, written approval by the owner of the Street Utility Pole for the placement of the Company's Facilities on the Street Utility Pole), authorized LinkNYC Kiosks or Coordinated Street Furniture Structures has declined during the twelve months preceding such Refund Date, such that the amount in the Security Fund is more than the amount required to be maintained in the Security Fund as calculated herein, and if the Company is not then in breach or default of any provision of this Agreement which has been the subject of a notice from the City pursuant to Section 11.2.1 of this Agreement, then the City shall refund to the Company (at the Company's option) from the Security Fund the excess amount over the amount required to be maintained in the Security Fund.

IV. Deposits Under Old Franchise Agreements. In the event that the Company has deposited a security fund pursuant to an Old Street Pole Franchise agreement, the Company may request that the City transfer such funds to the Security Fund, provided that the Company supplements such old funds with an amount necessary to meet the requirements of Section I of this Appendix C.

APPENDIX D

Franchise Compensation

I. Zone Compensation For Street Poles.

(A) The Company will be required to compensate the City with a minimum annual compensation based on the geographic area in which it elects to reserve Street Poles (“Zone Compensation”). Zone Compensation shall be as follows:

- (1) \$200,000 per year for use of Street Poles in all three zones, even if the Company has Reserved Poles in only Zone A, only Zones A and B, or only Zones A and C;
- (2) \$100,000 per year for use of Street Poles only in Zones B and C, even if the Company has Reserved Poles in only Zone B;
- (3) \$20,000 per year for use of Street Poles only in Zone C.

(B) The Company assumes the risk of paying minimum compensation notwithstanding the fact that pole reservation phases may be paused or ceased during the Term.

(C) Zone Compensation shall be in addition to, and not in lieu of, the Street Pole Compensation payments described in Section II of Appendix D.

II. Compensation for Use of Street Poles.

(A) The Company shall pay to the City monthly “Street Operations Pole Compensation,” for the use or reservation of Street Operations Poles to install Base Stations, in the following amounts: \$351.00 per Street Operations Pole that is a Compensation Street Pole and is located in Zone A, \$251.00 per Street Operations Pole that is a Compensation Street Pole and is located in Zone B, and \$101.00 per Street Operations Pole that is a Compensation Street Pole and is located in Zone C; in each case such amount per Compensation Street Pole is subject to the annual escalation as defined below.

(B) The Company shall pay to the City monthly “Street Utility Pole Compensation,” for the use of Street Utility Poles to install Base Stations, in the following amounts: \$25.00 (twenty five dollars) per Street Utility Pole that is a Compensation Street Pole and is located in Zone B, and \$10.00 (ten dollars) per Street Utility Pole that is a Compensation Street Pole and is located in Zone C. (For the prevention of doubt, notwithstanding anything any other provision of this Agreement, the location of Facilities on Street Utility Poles in Zone A is not permitted under this Agreement). In each case such amount per Compensation Street Pole is to be subject to the annual escalation as defined below.

(C) “Compensation Street Pole” means:

- (1) any Reserved Pole on which the Company’s facilities are installed pursuant to an Old Street Pole Franchise,

(2) any Reserved Pole on which the Company's facilities are not yet installed after the Pre-Pole Compensation Period Expiration Date (as defined in Section D below),

(3) any Reserved Pole on which the Company voluntarily surrenders pursuant to Section II(B)(2)(ii) of Appendix A of this Agreement, shall continue to be a Compensation Street Pole for one year from the date of the voluntary surrender, or until reserved by another Street Pole Franchisee,

(4) any Street Operations Pole reserved by a Street Pole Franchisee whose franchise has been terminated until such time as the Facilities have been entirely removed from the Street Operations Pole.

Notwithstanding the foregoing, however, a Street Operations Pole shall cease being treated as a Compensation Street Pole immediately at such time as the City determines that the Reserved Pole is ineligible to receive the City's approval for using such Street Operations Pole to install a Base Station thereon.

Moreover, any Street Utility Pole for which the owning utility company terminates approval for the Company's use of such Street Utility Pole will no longer be considered a Compensation Street Pole. The City shall stop billing for the said Street Utility Pole upon 10 days written notice from the Company.

(D) Pre-Pole Compensation Period. New Street Pole reservations shall be subject to a Prepayment Period to allow for a reasonable amount of time for the Company to submit to the City documentation required to complete its application after which such Street Pole becomes a Compensation Street Pole. The Company shall only be permitted one Pre-Pole Compensation Period for any individual Street Pole.

(E) Amounts payable pursuant to this Section II will be in addition to and not in lieu of any amounts payable as described in Section I, and any other compensation or amounts otherwise payable to the City under the terms of this Agreement.

III. Compensation for Use of LinkNYC Kiosks; Coordinated Franchise Structures.

The Company shall pay to the City monthly compensation for the use or reservation of LinkNYC Kiosks or Coordinated Franchise Structures for the purpose of the installation, operation and maintenance of Base Stations on or within LinkNYC Kiosks or Coordinated Franchise Structure(s) in the following amounts: \$105.00 (one hundred five dollars) for each LinkNYC Kiosk and Coordinated Franchise Structure in Zone A, \$75.00 (seventy five dollars) for each LinkNYC Kiosk and Coordinated Franchise Structure in Zone B, and \$30.00 (thirty dollars) for each LinkNYC Kiosk and Coordinated Franchise Structure in Zone C. Such compensation is in addition to any compensation that the Company is obligated to pay the owner of the LinkNYC Kiosk or Coordinated Franchise Structure in accordance with the terms and conditions agreed upon between the parties.

IV. Annual Escalation.

The amounts of Street Pole Compensation, LinkNYC Kiosks compensation and Coordinated Franchise Structures compensation set forth in Section II of this Appendix D, shall be subject to a four percent (4%) annual escalation effective upon the first anniversary of the effective date of this Agreement and each subsequent anniversary thereafter during the Term.

V. Timing of Payments.

(A) Payment of Zone Compensation and Street Pole Franchisees' additional pole allotment compensation as contemplated in Appendix A Section IV of this agreement shall be made annually in advance and shall be due and payable on the Effective Date (the payment of Zone Compensation due and payable on the Effective Date is referred to in this Agreement as the "Initial Payment") and on each anniversary of the Effective Date.

(B) Street Pole Compensation shall be due in arrears on a quarterly basis on the fifteenth day after the receipt of an invoice, with the amount due on such date to be the total Street Pole Compensation which accrued during the preceding three calendar months for all Street Poles which constituted Compensation Street Poles at any time during such quarter. In addition to the full monthly amount accruing for each full month that a Street Pole constituted a Compensation Street Pole, there shall also accrue a pro rata portion of the applicable monthly amount with respect to any Street Pole that constituted a Compensation Street Pole for only part of a month, such pro rata share to be calculated by dividing (x) the number of days in such month that such Street Pole constituted a Compensation Street Pole by (y) the total number of days in such month. The payment obligations under this Section IV shall survive the end of the Term until payment is made with respect to all compensation accrued during the Term (and any amount which continues to accrue based on any holdover presence of Facilities on, over or under the Inalienable Property after the end of the Term). To the extent the final period of compensation accrual is less than a full payment period, the final payment due hereunder after the end of the Term shall be based on a pro rata calculation of compensation due based on the number of days in the final payment period as a fraction of a full payment period.

APPENDIX E

Investigations Clause

1.1 The parties to this agreement agree to cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York ("State") or City of New York ("City") governmental agency or authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license that is the subject of the investigation, audit or inquiry.

1.2 (a) If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York, or;

(b) If any person refuses to testify for a reason other than the assertion of his or her privilege against self-incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony under oath, or by the Inspector General of the governmental agency that is a party in interest in, and is seeking testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then;

1.3 (a) The commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing, upon not less than five (5) days written notice to the parties involved to determine if any penalties should attach for the failure of a person to testify.

(b) If any non-governmental party to the hearing requests an adjournment, the commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to paragraph 1.5 below without the City incurring any penalty or damages for delay or otherwise.

1.4 The penalties which may attach after a final determination by the commissioner or agency head may include but shall not exceed:

(a) The disqualification for a period not to exceed five (5) years from the date of an adverse determination for any person, or any entity of which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City; and/or

(b) The cancellation or termination of any and all such existing City contracts, leases, permits or licenses that the refusal to testify concerns and that have not been assigned as permitted under this agreement, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; monies lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.

1.5 The commissioner or agency head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in paragraphs (a) and (b) below. He or she may also consider, if relevant and appropriate, the criteria established in paragraphs (c) and (d) below in addition to any other information which may be relevant and appropriate:

(a) The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.

(b) The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.

(c) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.

(d) The effect a penalty may have on a unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under 1.4 above, provided that the party or entity has given actual notice to the commissioner or at the hearing called for in 1.3(a) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potential adverse impact a penalty will have on such person or entity.

1.6 (a) The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.

(b) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal or employee

(c) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receive monies, benefits, licenses, leases, or permits from or through the City or otherwise transacts business with the City.

(d) The term "member" as used herein shall be defined as any person associated with another person or entity as a partner, director, officer, principal or employee.

1.7 In addition to and notwithstanding any other provision of this agreement the Commissioner or agency head may in his or her sole discretion terminate this agreement upon not less than three (3) days written notice in the event contractor fails to promptly report in writing to the Commissioner of Investigation of the City of New York any solicitation of money, goods, requests for future employment or other benefit or things of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this agreement by the contractor, or affecting the performance of this contract.

APPENDIX F

COMPANY CONTROL AS OF THE EFFECTIVE DATE

Full list of 10% or more direct or indirect interests in the franchise assets as of the Effective Date:

Crown Castle Fiber Holdings Corp. (46-1679595) owns 100% of Crown Castle Fiber LLC

Crown Castle Operating Company (76-0627041) owns 100% of Crown Castle Fiber Holdings Corp.

Crown Castle International Corp. (76-0470458) owns 100% of Crown Castle Operating Company

APPENDIX G

MacBride Principles

ARTICLE I. MACBRIDE PRINCIPLES

NOTICE TO ALL PROSPECTIVE CONTRACTORS

Local Law No. 34 of 1991 became effective on September 10, 1991 and added Section 6 115.1 to the Administrative Code of the City of New York. The local law provides for certain restrictions on City contracts to express the opposition of the people of the City of New York to employment discrimination practices in Northern Ireland and to encourage companies doing business in Northern Ireland to promote freedom of workplace opportunity.

Pursuant to Section 6 115.1, prospective contractors for contracts to provide goods or services involving an expenditure of an amount greater than ten thousand dollars, or for construction involving an amount greater than fifteen thousand dollars, are asked to sign a rider in which they covenant and represent, as a material condition of their contract, that any business in Northern Ireland operations conducted by the contractor and any individual or legal entity in which the contractor holds a ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or greater ownership interest in the contractor will be conducted in accordance with the MacBride Principles of nondiscrimination in employment.

Prospective contractors are not required to agree to these conditions. However, in the case of contracts let by competitive sealed bidding, whenever the lowest responsible bidder has not agreed to stipulate to the conditions set forth in this notice and another bidder who has agreed to stipulate to such conditions has submitted a bid within five percent of the lowest responsible bid for a contract to supply goods, services or construction of comparable quality, the contracting entity shall refer such bids to the Mayor, the Speaker or other officials, as appropriate, who may determine, in accordance with applicable law and rules, that it is in the best interest of the city that the contract be awarded to other than the lowest responsible bidder pursuant to Section 313(b)(2) of the City Charter.

In the case of contracts let by other than competitive sealed bidding, if a prospective contractor does not agree to these conditions, no agency, elected official or the Council shall award the contract to that bidder unless the entity seeking to use the goods, services or construction certifies in writing that the contract is necessary for the entity to perform its functions and there is no other responsible contractor who will supply goods, services or construction of comparable quality at a comparable price.

PART A

In accordance with Section 6 115.1 of the Administrative Code of the City of New York, the contractor stipulates that such contractor and any individual or legal entity in which the contractor holds a ten percent or greater ownership interest and any individual or legal entity that holds a ten percent or greater ownership interest in the contractor either (a) have no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business

operations they have in Northern Ireland in accordance with the MacBride Principles, and shall permit independent monitoring of their compliance with such principles.

PART B

For purposes of this section, the following term shall have the following meaning:

“MacBride Principles” shall mean those principles relating to nondiscrimination in employment and freedom of workplace opportunity which require employers doing business in Northern Ireland to:

- (1) increase the representation of individuals from underrepresented religious groups in the work force, including managerial, supervisory, administrative, clerical and technical jobs;
- (2) take steps to promote adequate security for the protection of employees from underrepresented religious groups both at the workplace and while traveling to and from work;
- (3) ban provocative religious or political emblems from the workplace;
- (4) publicly advertise all Job openings and make special recruitment efforts to attract applicants from underrepresented religious groups;
- (5) establish layoff, recall and termination procedures which do not in practice favor a particular religious group;
- (6) abolish all job reservations, apprenticeship restrictions and different employment criteria which discriminate on the basis of religion;
- (7) develop training programs that will prepare substantial numbers of current employees from underrepresented religious groups for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade and improve the skills of workers from underrepresented religious groups;
- (8) establish procedures to assess, identify and actively recruit employees from underrepresented religious groups with potential for further advancement; and
- (9) appoint a senior management staff member to oversee affirmative action efforts and develop a timetable to ensure their full implementation.

ARTICLE II. ENFORCEMENT OF ARTICLE I.

The contractor agrees that the covenants and representations in Article I above are material conditions to this contract, unless otherwise expressly set forth herein. In the event the contracting entity receives information that the contractor who made the stipulation required by this section is in violation thereof, the contracting entity shall review such information and give the contractor an opportunity to respond. If the contracting entity finds that a violation has occurred, the entity

shall have the right to declare the contractor in default and/or terminate this contract for cause and procure the supplies, services or work from another source in any manner the entity deems proper. In the event of such termination, the contractor shall pay to the entity, or the entity in its sole discretion may withhold from any amounts otherwise payable to the contractor, the difference between the contract price for the uncompleted portion of this contract and the cost to the contracting entity of completing performance of this contract either itself or by engaging another contractor or contractors. In the case of a requirements contract, the contractor shall be liable for such difference in price for the entire amount of supplies required by the contracting entity for the uncompleted term of its contract. In the case of a construction contract, the contracting entity shall also have the right to hold the contractor in partial or total default in accordance with the default provisions of this contract, and/or may seek debarment or suspension of the contractor. The rights and remedies of the entity hereunder shall be in addition to, and not in lieu of, any rights and remedies the entity has pursuant to this contract or by operation of law.

APPENDIX H

Additional Reports

1.1 Worker Safety. The Company shall, on an annual basis, compile and transmit to DoITT a report describing the safety conditions regarding workers performing installation, maintenance, and other related work pursuant to this Agreement (“relevant work”), including at a minimum the following information. The information provided in this report shall not be labeled as confidential or proprietary information.

(a) A list of all companies employing the workers performing the relevant work pursuant to this Agreement for the prior year, including the Company itself, or another company or companies (“contracted companies”);

(b) A description of the relationship between the Company and contracted companies, including whether the Company and contracted companies have a direct contractual relationship or whether work is subcontracted through another entity or entities, and if so, a description of such other entity or entities;

(c) Copies of all policies and procedures maintained by the Company and contracted companies related to safety standards for the relevant work, including, but not limited to, description of safety training requirements, copies of training materials, and description of any personal protective equipment required, provided that if policies and procedures have previously been provided pursuant to this Agreement, only revisions to such policies and procedures or new policies and procedures must be submitted after the date of original submittal;

(d) For the Company and each of the contracted companies, a description of each job title performing relevant work and a list of any certifications or licenses required of each job title;

(e) For the Company and each of the contracted companies, the total number of workers performing relevant work, disaggregated by job title, and for each job title, the number of workers with required certifications and licenses, along with a statement of whether each worker has required experience and training;

(f) A certification that the Company and contracted companies maintain workers’ compensation insurance to the fullest extent required by applicable federal, New York States, and New York City law;

(g) Documentation evidencing that the Company and any contracted company performing relevant work in the prior year, and any contracted company with which the Company intends to work with in the following year, are registered to do business in New York and properly licensed for the work to be conducted;

(h) To the extent permitted by law and policy of relevant investigatory agency, for the Company and each contracted company the Company has worked with in the prior year, the number and a description of any open investigations against the Company or contracted company for violations of the Occupational Safety and Health Act, the National Labor Relations Act, the Fair Labor Standards Act, Title VII of the Civil Rights Act of 1964, and New York Labor and

Employment Laws, and a list of findings against the contracted company for violations of the Occupational Safety and Health Act, the National Labor Relations Act, the Fair Labor Standards Act, Title VII of the Civil Rights Act of 1964, and New York Labor and Employment Laws within the last two years;

(i) For the Company and each contracted company performing relevant work with in the prior year, a description of whether or not workers are required to or requested to execute arbitration agreements with the contracted company or Company, and if so, a copy of the arbitration agreements;

(j) For the company and each contracted company performing relevant work in the prior year, a list of all arbitration matters involving safety issues and copies of all resolutions, including formal resolutions through an arbitrator's decision or informal resolutions through settlement agreement.

APPENDIX I

FORM OF GUARANTY

In consideration of the award of a Mobile Telecommunications Franchise Agreement (“Agreement”) by and between the City of New York and [Franchisee Name] (“Franchisee”), dated [Date], we, [Guarantor Name] hereby unconditionally and irrevocably agree to provide all the financial resources necessary for the satisfactory performance of the obligations of the Franchisee under the Agreement and also to be legally liable for the performance of the obligations of the Franchisee in case of default or revocation of the Agreement, to the extent such obligations survive revocation.

Corporate Seal

Signature

Type or Print Name

Title & Official Name of Guarantor

Date

End of Document

Morgan Lewis

Russell M. Blau

Danielle Burt

Stephanie A. Roy

russell.blau@morganlewis.com

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stephanie.roy@morganlewis.com

May 28, 2025

Via Overnight Courier

New York City Office of Technology and Innovation
(formerly known as the Department of Information Technology and Telecommunications)
Attention: Assistant Commissioner for Franchise Administration
15 Metro Tech Center, 19th Floor
Brooklyn, NY 11201

**Re: Joint Petition of Crown Castle Fiber LLC and Small Cells Holdco Inc. for
Consent of the Transfer of Control of Franchisee to Small Cells Holdco Inc.**

Dear Assistant Commissioner:

On behalf of Crown Castle Fiber LLC and Small Cells Holdco Inc. ("Joint Petitioners") attached for filing with the Office is the above-referenced Joint Petition and accompanying exhibits to support the Joint Petition. As required by the Franchise Agreement with the City of New York (the "City") for the provision of Mobile Telecommunications Services, dated April 9, 2020, Joint Petitioners have also served a copy of the filing to the addresses provided on the attached Certificate of Service.

We would appreciate acknowledgement of receipt and acceptance of this filing. Should you have any questions concerning this submission, please do not hesitate to contact the undersigned.

Respectfully submitted,

/s/ Danielle Burt

Russell M. Blau

Danielle Burt

Stephanie A. Roy

Counsel to Joint Petitioners

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**BEFORE THE
CITY OF NEW YORK
OFFICE OF TECHNOLOGY AND INNOVATION
and
DEPARTMENT OF TRANSPORTATION**

| | |
|---|----------------------------|
| _____) | |
| Joint Petition of) | |
|) | |
| Crown Castle Fiber LLC) | NOTICE AND PETITION |
|) | |
| and) | FOR CONSENT OF |
|) | |
| Small Cells HoldCo Inc.) | TRANSFER OF CONTROL |
|) | |
| For consent of the transfer of control of) | |
| Franchisee to Small Cells HoldCo Inc.) | |
| _____) | |

Crown Castle Fiber LLC (“CCF” or “Franchisee”) is a party to a Franchise Agreement with the City of New York (“City”) for the provision of Mobile Telecommunications Services, dated April 9, 2020.

Franchisee and Small Cells HoldCo Inc. (“Small Cells HoldCo” or “Purchaser”), pursuant to Sections 9.2 and 9.3 of the Franchise Agreement, seek consent for the transfer of control of Franchisee from Crown Castle Operating Company (“CCOC”), a wholly owned subsidiary of Crown Castle Inc. (“CCI”), to Small Cells Holdco (the “Small Cell Transaction”). The Small Cell Transaction entails the sale of CCOC’s small cells businesses to Small Cells HoldCo, which is ultimately controlled by EQT Active Core Infrastructure Fund (“EQT Fund”). This will be accomplished through Small Cell HoldCo’s indirect acquisition of all the ownership interest in Franchisee, which will at closing hold all of CCI’s small cell network business.¹ For the City’s convenience, pre- and post-transaction organizational charts are provided as **Exhibit A.**

¹ Separate petitions will be filed for the transfer of control of Franchise Agreements with the City for the provision of Mobile Telecommunications Services held by (i) Crown Castle Solutions LLC (“CCS”) and (ii) Crown Castle NG East, LLC (“CCNG”), a wholly owned subsidiary of CCS. CCF also

In light of the many business and financial considerations affected by the timing of the consent process, Petitioners respectfully request that the City move quickly to approve the proposed transfer of control.

I. DESCRIPTION OF THE PARTIES

A. Franchisee and CCI

Franchisee, a New York limited liability company, is wholly owned by Crown Castle Fiber Holdings Corp., a Delaware corporation. Crown Castle Fiber Holdings Corp. is wholly owned by CCOC, a Delaware corporation. CCOC is wholly owned by CCI, a publicly traded corporation (NYSE: CCI) incorporated under the laws of the State of Delaware. Since January 1, 2014, CCI has operated as a real estate investment trust (“REIT”) for U.S. federal income tax purposes. CCI, through certain of its indirect subsidiaries, owns, operates, leases, or manages approximately 40,000 towers and rooftop sites for wireless communications equipment with a significant presence in the top 100 U.S. markets (CCI and its subsidiaries are collectively referred to as “Crown Castle”).

Crown Castle subsidiaries have deployed approximately 105,000 small cell nodes and approximately 90,000 route miles of fiber in the United States. These Crown Castle subsidiaries provide transport, backhaul, and small cell services as well as dedicated point-to-point telecommunications services.

A copy of the Form 10-K and most recent Form 10-Q filed by CCI with the SEC is available at <https://investor.crowncastle.com/financial-information/sec-filings>. Such forms include CCI’s financial statements and information about its management. For convenience, **Exhibit B** includes a copy of CCI’s audited financial statements for the period ending December 31, 2024,

holds a Franchise Agreement with the City for the provision of Information Services, dated April 22, 2022, and a separate petition will be filed in connection with the proposed transfer of that agreement.

and **Exhibit C** includes biographies for key management of the small cells business. More information can be found on Crown Castle’s website at: www.crowncastle.com.

For more than two decades, Franchisee (including its predecessors in interest) has enjoyed a successful working relationship with OTI (as successor to Department of Information Technology and Telecommunications) and the City and has worked cooperatively in connection with its Franchise Agreement. CCF has performed in good faith and acted in accordance with the terms of its Franchise Agreement and all applicable rules and regulations.

B. Small Cells HoldCo

Small Cells HoldCo is a Delaware corporation created to aggregate the indirect ownership of the EQT Fund, ultimately managed by affiliates of EQT AB (“EQT”), in connection with the indirect investment of the EQT Fund (and co-investors) in Small Cells HoldCo. EQT, founded in Sweden in 1994, is a leading alternative investments firm. As of December 31, 2024, EQT has more than EUR 269 billion (approximately \$305 billion) in total assets under management (including EUR 136 billion (approximately \$154 billion)² in fee-generating assets under management) across more than 40 active funds. EQT has offices in more than 25 countries across Europe, Asia, and the Americas with more than 1,900 employees (as of December 31, 2024). EQT is publicly traded on the Stockholm Nasdaq (ticker symbol EQT) and is majority owned by its partners. More information can be found on EQT’s website at www.eqtgroup.com.

Investments by the EQT Fund are typically made through one or more limited partnerships, which act as aggregator vehicles for the multiple limited partnerships and other investment arrangements comprising the EQT Fund, and such partnerships and arrangements are managed by

² The assets under management provided are as of December 31, 2024. *EQT AB (publ) Year-end Report 2024*, EQT AB (Jan. 23, 2025), <https://eqtgroup.com/news/eqt-ab-publ-year-end-report-2024>. The conversion rate from Euros to U.S. Dollars is as of April 30, 2025, according to figures from the European Central Bank. Euro Foreign Exchange Reference Rates, European Central Bank (Apr. 30, 2025), <https://www.ecb.europa.eu/stats/exchange/eurofxref/shared/pdf/2025/04/20250430.pdf>.

the Fund’s fund manager, EQT Fund Management S.à r.l. (the “Manager”) (which also acts as the Alternative Investment Fund Manager (“AIFM”) for a number of the limited partnerships within the structure). Under the structure of the EQT Fund and consistent with European Union regulations regarding investment fund management, day-to-day investment activities of the EQT Fund are indirectly exercised by the Manager. This Manager, as well as the general partners of the limited partnerships comprising the EQT Fund, are ultimately controlled by EQT. Under this structure, EQT has the authority to appoint (and change) the board of the Manager, which is ultimately solely responsible, in its capacity as the fund manager, for all investment decisions of the EQT Fund.

Small Cells HoldCo provides in **Exhibit D** biographies of key personnel that will support the small cell business. Small Cells HoldCo is a newly formed entity and does not have historical financial statements. The most recent annual consolidated financial statement of EQT is provided as **Exhibit E**.

II. DESIGNATED CONTACTS

For the purposes of this Petition, questions or any correspondence, orders, or other materials should be directed to the following contacts:

Russell M. Blau
Danielle Burt
Stephanie A. Roy
MORGAN, LEWIS & BOCKIUS LLP
1111 Pennsylvania Ave., N.W.
Washington, DC 20004-2541
Tel: 202-739-3000
Fax: 202-739-3001
russell.blau@morganlewis.com
danielle.burt@morganlewis.com

With copies to:

Edward B. Adams, Jr.
Executive Vice President and General Counsel
Crown Castle Inc.
8020 Katy Freeway
Houston, TX 77024
Tel: (713) 570-3000
teddy.adams@crowncastle.com

stephanie.roy@morganlewis.com

And:

Luuk Bogaarts
Small Cells HoldCo Inc.
c/o EQT Partners Inc.
1114 Avenue of the Americas, 45th Floor
New York, NY 10036
Tel: 646-647-7193
eqt-fo-infrastructure@eqtpartners.com

III. DESCRIPTION OF THE PROPOSED TRANSACTION AND ITS ANTICIPATED IMPACTS

Pursuant to a Stock Purchase Agreement, dated March 13, 2025,³ Crown Castle will execute a series of intracompany, pre-closing restructuring steps such that the small cell business segments of its operating subsidiaries will continue to operate through the Franchisee and its subsidiaries, CCS and CCNG. CCS and CCNG will become subsidiaries of Franchisee as part of the intracompany, pre-closing restructuring steps.

Crown Castle will then sell to Small Cells HoldCo, and Small Cells HoldCo will purchase from Crown Castle, all the ownership interests in CCF, and thus acquire the equity of what will then be CCF's wholly owned subsidiary CCS, and CCS's wholly owned subsidiary, CCNG (which three entities in the aggregate at closing will hold all of Crown Castle's small cells business).

As a result of the Small Cell Transaction, after closing, Crown Castle's small cell business, which was originally comingled among Crown Castle's operating subsidiaries, will instead be housed in CCF and its subsidiaries, which will be owned and controlled by Small Cells HoldCo. The enterprise value of the small cells business is approximately \$4.25 billion, subject to customary purchase price adjustments.

³ The Purchase Agreement is available at: <https://investor.crowncastle.com/static-files/3b910737-4f3d-4197-a8b4-893f83855c9f>.

Immediately after consummation of the Small Cell Transaction, the Franchisee will continue to operate its facilities and provide service to its customers at the same rates, terms, and conditions, ensuring a seamless transition of ownership without confusion or adverse impact to customers.

III. THE PROPOSED TRANSACTION WILL ENHANCE COMPETITION AND FURTHER THE PUBLIC INTEREST

The proposed Small Cell Transaction serves the public interest by facilitating the reorganization of Crown Castle's network business into discrete fiber network and small cell segments, resulting in more efficient, streamlined operations that focus on serving customers in their respective sectors. Small Cells HoldCo and its owners are managerially, technically, and financially well-qualified to complete the Small Cell Transaction and assume ownership and control of the small cells business. Small Cells HoldCo will call upon EQT's expertise as it acquires ownership of Crown Castle's small cell business, in addition to the experienced employees that have operated the small cells business under Crown Castle's ownership. As explained above, EQT has EUR 269 billion in assets under management in a variety of industries, including the telecommunications and digital infrastructure sectors. EQT also has deep experience overseeing U.S. domestic carriers with its current ownership of Lumos, a high-speed fiber internet provider in North Carolina, South Carolina, and Virginia, and its ownership of Segra prior to the sale of that business to Cox Communications in 2021. Thus, Small Cells HoldCo possesses substantial and valuable experience and will bring to bear its full managerial expertise and extensive industry relationships in directing the operations of Franchisee's small cell business segment.

Franchisee under Small Cells Holdco will continue to provide services to existing small cell customers without changes to the rates, terms, and conditions of service (subject to future changes in the ordinary course of business pursuant to applicable law and contract provisions).

The Small Cell Transaction will be implemented seamlessly and will not cause customer confusion or service interruptions.

Finally, the proposed Small Cell Transaction does not raise competition concerns as Small Cells HoldCo will operate Franchisee as an independent provider of small cell services following closing, competing (as it does today) with a large number of outsourced small cell providers as well as the mobile network operators' first-party small cell infrastructure. The small cells business will continue to face vigorous competition in each of the markets it serves.

In sum, the Small Cell Transaction will not have a detrimental effect on, or result in a material change in, the services provided to existing customers of the Franchisee. Franchisee will remain well qualified and will continue to operate within the City in a safe and professional manner.

IV. CONCLUSION

For the reasons stated above, Crown Castle Fiber LLC and Small Cells HoldCo Inc. respectfully request that the City consent to the transfer of control of Crown Castle Fiber LLC to Small Cells HoldCo Inc.

Respectfully submitted,



Russell M. Blau

Danielle Burt

Stephanie A. Roy

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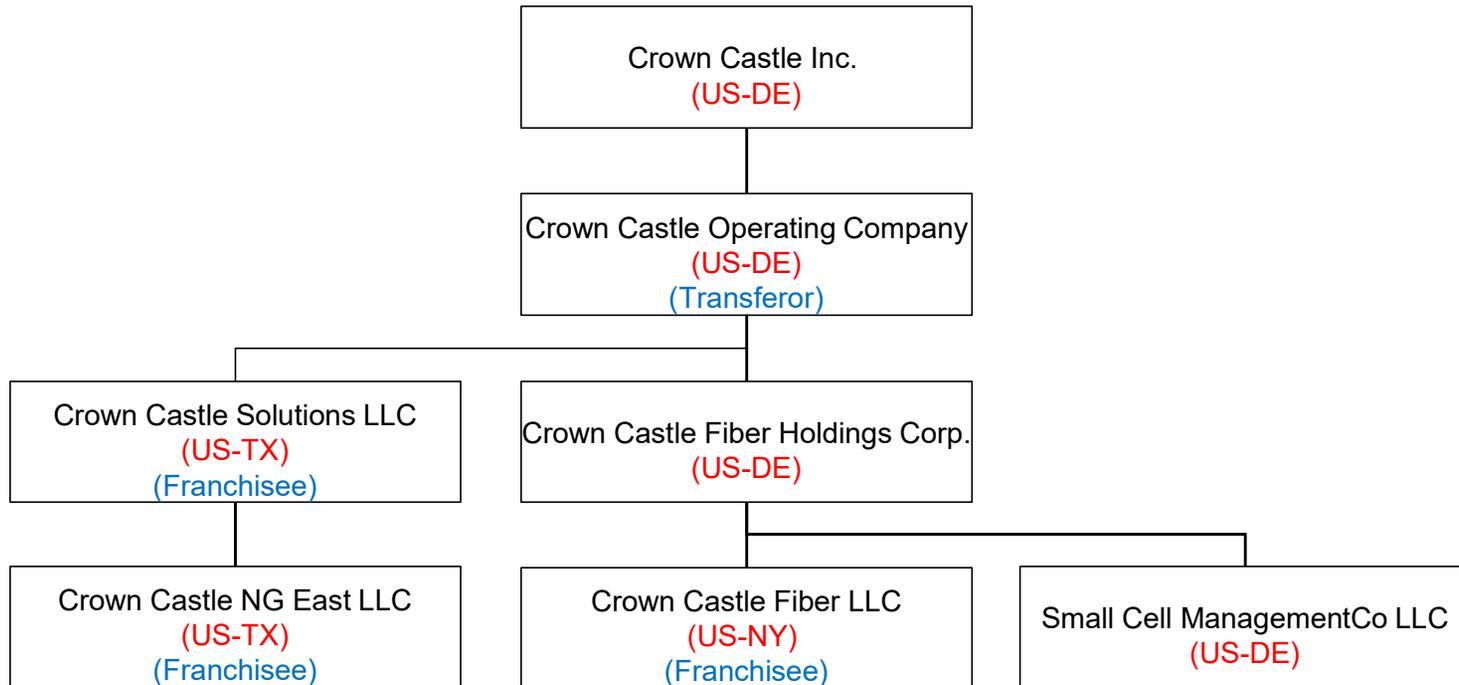
Counsel for Petitioners

Dated: May 28, 2025

EXHIBIT A

Pre- and Post-Transaction Organization Charts

CHART 1A: PRE-RESTRUCTURING, PRE-CLOSE CROWN CASTLE OWNERSHIP



→ Economic Ownership

All rights are voting and equity and 100% unless noted otherwise

CHART 1B: POST-RESTRUCTURING, PRE-CLOSE CROWN CASTLE OWNERSHIP

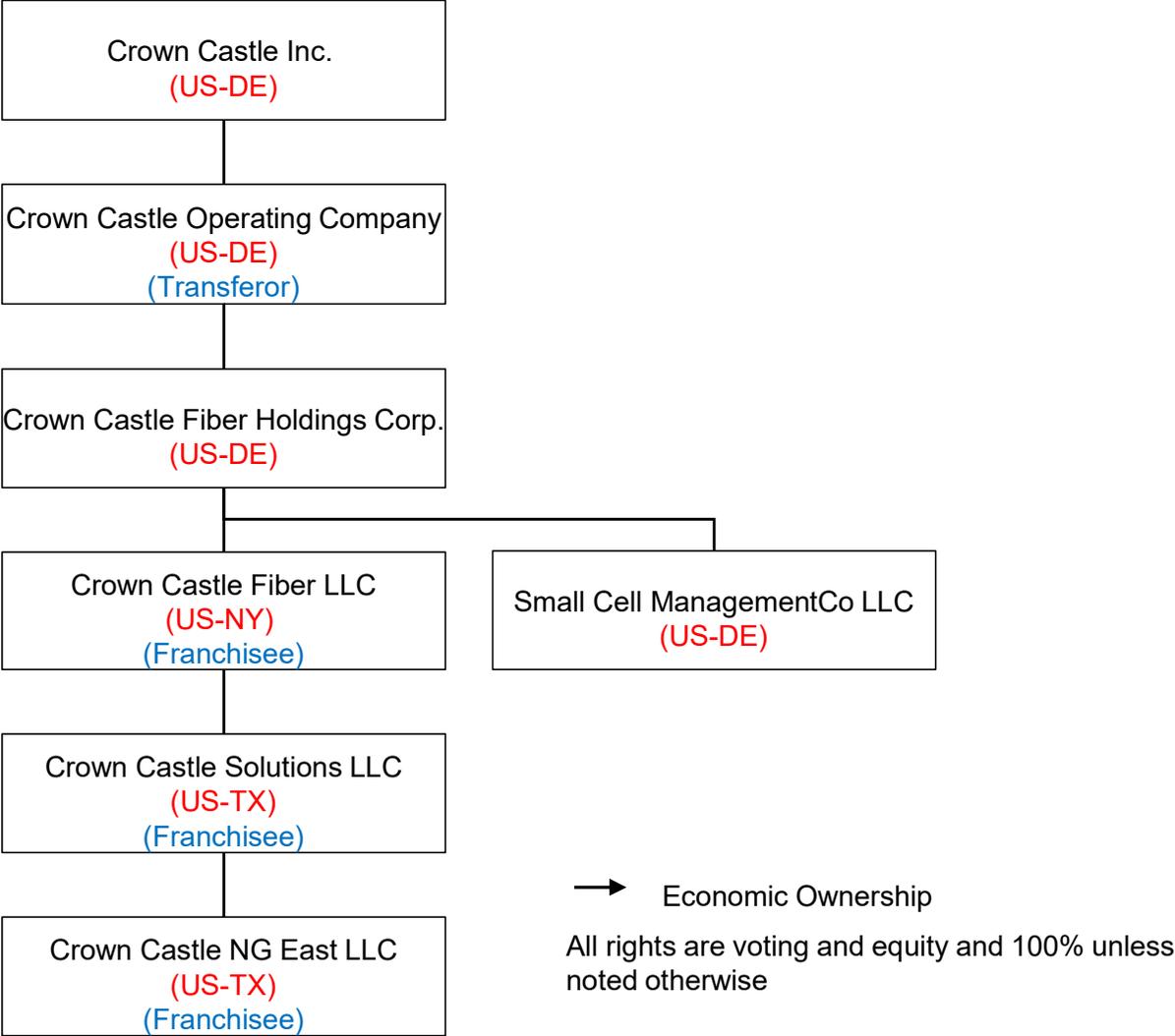
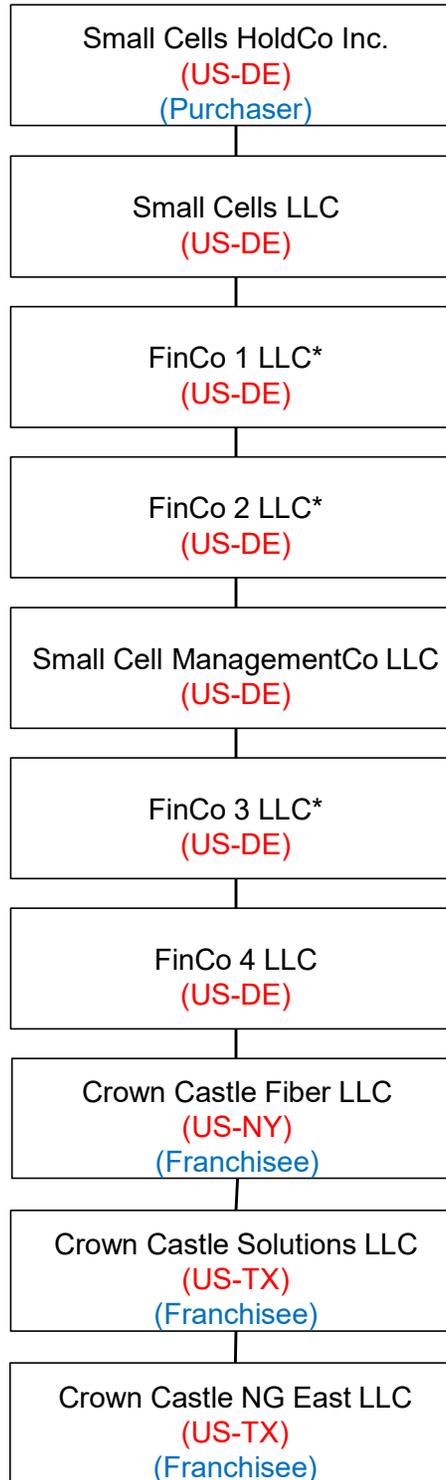


CHART 2: POST-CLOSE OWNERSHIP

(see Chart 3)

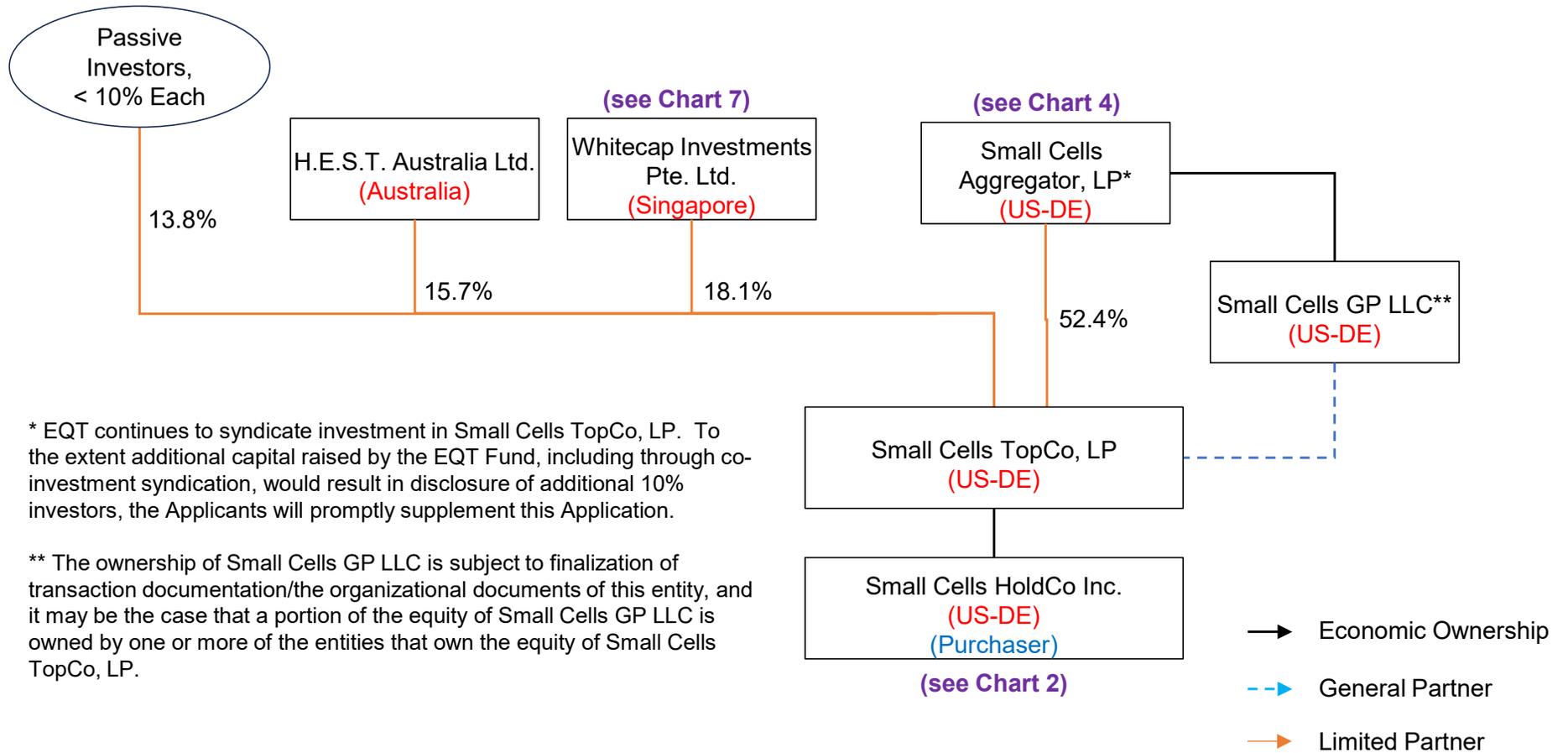


* These entities have not yet been formed.

→ Economic Ownership

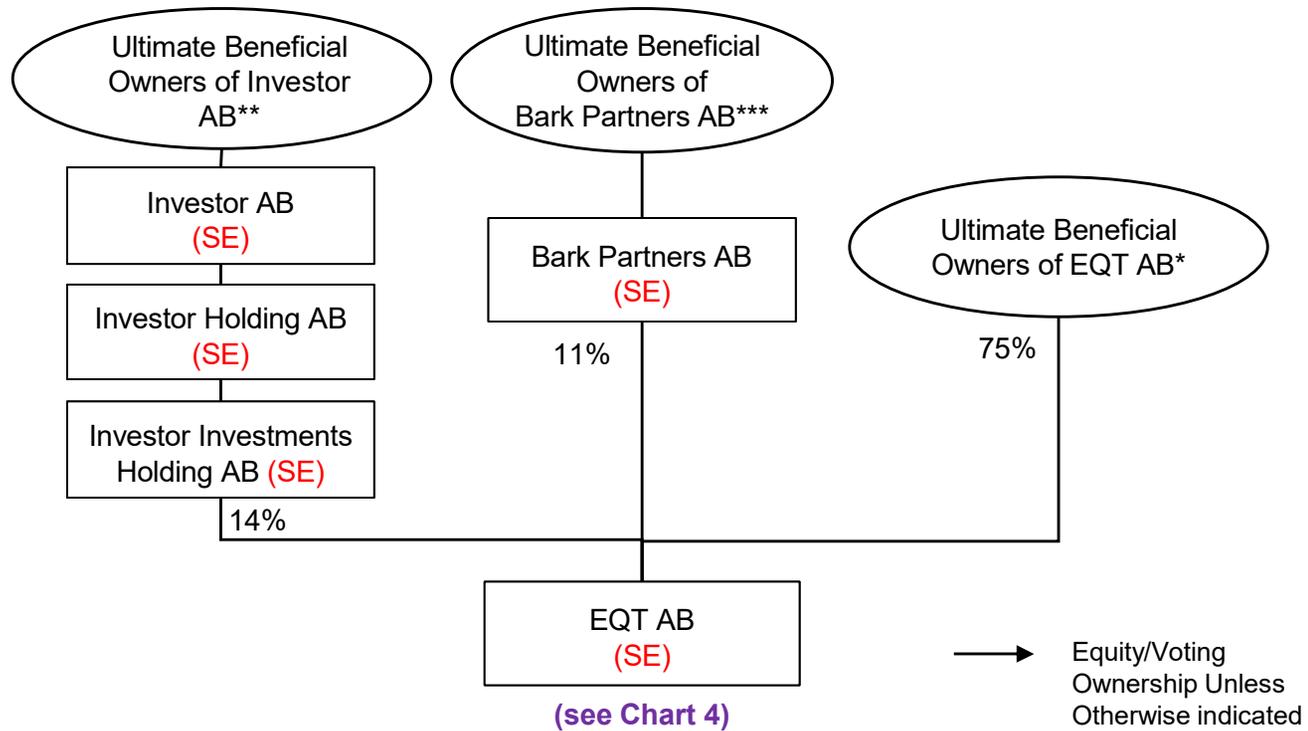
All rights are voting and equity and 100% unless noted otherwise

CHART 3: POST-CLOSE OWNERSHIP



All rights are voting and equity and 100% unless noted otherwise

CHART 5: EQT AB OWNERSHIP*



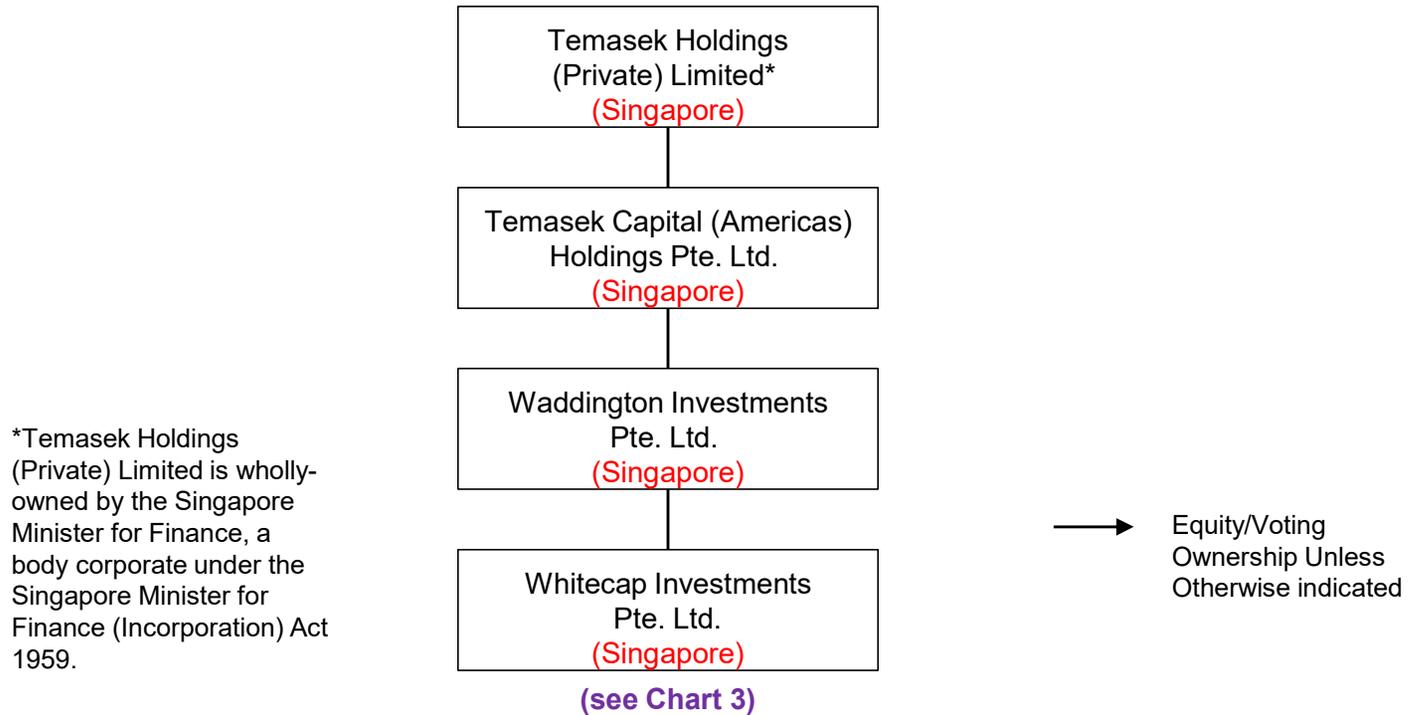
*No Other Ultimate Beneficial Owners of EQT AB have 10% equity/voting rights indirectly in EQT AB or Licensee

** Investor AB is publicly held; No Ultimate Beneficial Owners of Investor AB have 10% equity/voting rights indirectly in EQT AB or Licensee.

*** No Ultimate Beneficial Owners of Bark Partners AB have 10% equity/voting rights indirectly in EQT AB or Licensee.

All rights are voting and equity and 100% unless noted otherwise

CHART 7: TEMASEK OWNERSHIP



All rights are voting and equity and 100% unless noted otherwise

EXHIBIT B

CCI Financial Statements

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2024

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-16441



CROWN CASTLE INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

76-0470458
(I.R.S. Employer
Identification No.)

8020 Katy Freeway, Houston, Texas 77024-1908
(Address of principal executive offices) (Zip Code)
(713) 570-3000

(Registrant's telephone number, including area code)

Securities Registered Pursuant to
Section 12(b) of the Act

Trading Symbols

Name of Each Exchange
on Which Registered

Common Stock, \$0.01 par value

CCI

New York Stock Exchange

Securities Registered Pursuant to Section 12(g) of the Act: NONE.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of a "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant was approximately \$42.4 billion as of June 30, 2024, the last business day of the registrant's most recently completed second fiscal quarter, based on the New York Stock Exchange closing price on that day of \$97.70 per share.

Applicable Only to Corporate Registrants

As of March 12, 2025, there were 435,431,269 shares of common stock outstanding.

Documents Incorporated by Reference

The information required to be furnished pursuant to Part III of this Form 10-K will be set forth in, and incorporated by reference from, the registrant's definitive proxy statement for the annual meeting of stockholders ("2025 Proxy Statement"), which will be filed with the Securities and Exchange Commission not later than 120 days after the end of the fiscal year ended December 31, 2024.

Item 8. Financial Statements and Supplementary Data

Crown Castle Inc. and Subsidiaries
Index to Consolidated Financial Statements and Financial Statement Schedules

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| <u>Report of Independent Registered Public Accounting Firm (PCAOB ID 238)</u> | <u>57</u> |
| <u>Consolidated Balance Sheet as of December 31, 2024 and 2023</u> | <u>60</u> |
| <u>Consolidated Statement of Operations and Comprehensive Income (Loss) for each of the three years in the period ended December 31, 2024</u> | <u>61</u> |
| <u>Consolidated Statement of Cash Flows for each of the three years in the period ended December 31, 2024</u> | <u>62</u> |
| <u>Consolidated Statement of Equity (Deficit) for each of the three years in the period ended December 31, 2024</u> | <u>63</u> |
| <u>Notes to Consolidated Financial Statements</u> | <u>64</u> |
| <u>Schedule II - Valuation and Qualifying Accounts for the years ended December 31, 2024, 2023 and 2022</u> | <u>109</u> |
| <u>Schedule III - Schedule of Real Estate and Accumulated Depreciation for the years ended December 31, 2024, 2023 and 2022</u> | <u>110</u> |

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Crown Castle Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheet of Crown Castle Inc. and its subsidiaries (the “Company”) as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive income (loss), of equity (deficit) and of cash flows for each of the three years in the period ended December 31, 2024, including the related notes and financial statement schedules listed in the index appearing under Item 15(a)(2) (collectively referred to as the “consolidated financial statements”). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue Recognition - Towers Segment - Site Rental Revenues

As described in Notes 2 and 14 to the consolidated financial statements, the Company recognized \$4,266 million in site rental revenues from the Towers segment for the year ended December 31, 2024. The Company generates site rental revenues from its core business by providing tenants with access to its shared communications infrastructure via long-term tenant contracts in various forms, including lease, license, sublease and service agreements. Providing such access over the length of the tenant contract term represents the Company's sole performance obligation under its tenant contracts. Site rental revenues from the Company's tenant contracts are recognized on a straight-line, ratable basis over the fixed, non-cancelable term of the relevant tenant contract.

The principal considerations for our determination that performing procedures relating to revenue recognition for the site rental revenues from the Towers segment is a critical audit matter are a high degree of auditor effort in performing procedures and evaluating audit evidence related to revenue recognition for the site rental revenues from the Towers segment.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to revenue recognition for the site rental revenues from the Towers segment. These procedures also included, among others (i) testing management's identification of the contractual terms by obtaining and inspecting tenant contracts and other relevant source documents on a test basis and (ii) testing the appropriateness of the amount of revenue recognized based on contractual terms on a test basis.

Quantitative Goodwill Impairment Test – Fiber Reporting Unit

As described in Notes 2 and 5 to the consolidated financial statements, the Company's consolidated goodwill balance was \$5,127 million as of December 31, 2024. Management tests goodwill for impairment at least annually or whenever events or circumstances indicate the carrying amount may not be recoverable. The quantitative goodwill impairment test compares the estimated fair value of the reporting unit and the carrying value of the reporting unit. If the carrying amount of a reporting unit is greater than its fair value, an impairment loss shall be recognized in an amount equal to such excess, limited to the total amount of goodwill allocated to the reporting unit. Management performed the most recent annual goodwill impairment test in the fourth quarter of 2024. The quantitative impairment test indicated that the carrying amount of the Company's Fiber reporting unit exceeded its estimated fair value. As such, management recorded an impairment charge of \$4,958 million, which resulted in no goodwill remaining for the Fiber reporting unit. The means of estimating the fair value of the Company's reporting units is using discounted cash flow (DCF) models developed by management. Key assumptions and estimates used in the DCF models included projected future revenues, operating cash flows, capital expenditures (net of certain payments received from customers), an exit multiple and a discount rate.

The principal considerations for our determination that performing procedures relating to the quantitative goodwill impairment test of the Fiber reporting unit is a critical audit matter are (i) the significant judgment by management when developing the fair value estimate of the Fiber reporting unit; (ii) a high degree of auditor judgment, subjectivity, and effort in performing the procedures and evaluating management's significant assumptions related to the exit multiple and discount rate; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's quantitative goodwill impairment test, including controls over the valuation of the Fiber reporting unit. These procedures also included, among others (i) testing management's process for developing the fair value estimate of the Fiber reporting unit; (ii) evaluating the appropriateness of the DCF model used by management; (iii) testing the completeness and accuracy of underlying data used in the DCF model; and (iv) evaluating the reasonableness of management's significant

assumptions related to the exit multiple and discount rate. Evaluating management's assumption related to the exit multiple involved evaluating whether the assumption used by management was reasonable considering the consistency with external market and industry data. Professionals with specialized skill and knowledge were used to assist in the evaluation of (i) the appropriateness of the DCF model and (ii) the reasonableness of the exit multiple and discount rate assumptions.

/s/ PricewaterhouseCoopers LLP

Pittsburgh, Pennsylvania

March 14, 2025

We have served as the Company's auditor since 2011.

CROWN CASTLE INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(In millions of dollars, except par values)

| | December 31, | |
|---|--------------|-----------|
| | 2024 | 2023 |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 119 | \$ 105 |
| Restricted cash and cash equivalents | 171 | 171 |
| Receivables, net of allowance of \$22 and \$19, respectively | 478 | 481 |
| Prepaid expenses | 106 | 103 |
| Current portion of deferred site rental receivables | 176 | 116 |
| Other current assets | 40 | 56 |
| Total current assets | 1,090 | 1,032 |
| Deferred site rental receivables | 2,343 | 2,239 |
| Property and equipment, net | 15,495 | 15,666 |
| Operating lease right-of-use assets | 5,797 | 6,187 |
| Goodwill | 5,127 | 10,085 |
| Site rental contracts and tenant relationships, net | 2,727 | 3,122 |
| Other intangible assets, net | 54 | 57 |
| Other assets, net | 103 | 139 |
| Total assets | \$ 32,736 | \$ 38,527 |
| LIABILITIES AND EQUITY (DEFICIT) | | |
| Current liabilities: | | |
| Accounts payable | \$ 192 | \$ 252 |
| Accrued interest | 244 | 219 |
| Deferred revenues | 476 | 605 |
| Other accrued liabilities | 359 | 342 |
| Current maturities of debt and other obligations | 610 | 835 |
| Current portion of operating lease liabilities | 296 | 332 |
| Total current liabilities | 2,177 | 2,585 |
| Debt and other long-term obligations | 23,471 | 22,086 |
| Operating lease liabilities | 5,236 | 5,561 |
| Other long-term liabilities | 1,985 | 1,914 |
| Total liabilities | 32,869 | 32,146 |
| Commitments and contingencies (see note 12) | | |
| CCI stockholders' equity (deficit): | | |
| Common stock, \$0.01 par value; 1,200 shares authorized; shares issued and outstanding: December 31, 2024—435 and December 31, 2023—434 | 4 | 4 |
| Additional paid-in capital | 18,393 | 18,270 |
| Accumulated other comprehensive income (loss) | (5) | (4) |
| Dividends/distributions in excess of earnings | (18,525) | (11,889) |
| Total equity (deficit) | (133) | 6,381 |
| Total liabilities and equity (deficit) | \$ 32,736 | \$ 38,527 |

See accompanying notes to consolidated financial statements.

CROWN CASTLE INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(In millions of dollars, except per share amounts)

| | Years Ended December 31, | | |
|--|--------------------------|-----------------|-----------------|
| | 2024 | 2023 | 2022 |
| Net revenues: | | | |
| Site rental | \$ 6,358 | \$ 6,532 | \$ 6,289 |
| Services and other | 210 | 449 | 697 |
| Net revenues | <u>6,568</u> | <u>6,981</u> | <u>6,986</u> |
| Operating expenses: | | | |
| Costs of operations: ^(a) | | | |
| Site rental | 1,728 | 1,664 | 1,602 |
| Services and other | 119 | 316 | 466 |
| Selling, general and administrative | 706 | 759 | 750 |
| Asset write-down charges | 148 | 33 | 34 |
| Acquisition and integration costs | — | 1 | 2 |
| Depreciation, amortization and accretion | 1,738 | 1,754 | 1,707 |
| Restructuring charges | 109 | 85 | — |
| Goodwill impairment charges | 4,958 | — | — |
| Total operating expenses | <u>9,506</u> | <u>4,612</u> | <u>4,561</u> |
| Operating income (loss) | (2,938) | 2,369 | 2,425 |
| Interest expense and amortization of deferred financing costs, net | (932) | (850) | (699) |
| Gains (losses) on retirement of long-term obligations | — | — | (28) |
| Interest income | 19 | 15 | 3 |
| Other income (expense) | (28) | (6) | (10) |
| Income (loss) before income taxes | <u>(3,879)</u> | <u>1,528</u> | <u>1,691</u> |
| Benefit (provision) for income taxes | (24) | (26) | (16) |
| Net income (loss) | <u>\$ (3,903)</u> | <u>\$ 1,502</u> | <u>\$ 1,675</u> |
| Other comprehensive income (loss): | | | |
| Foreign currency translation adjustments | (1) | 1 | (1) |
| Total other comprehensive income (loss) | (1) | 1 | (1) |
| Comprehensive income (loss) | <u>\$ (3,904)</u> | <u>\$ 1,503</u> | <u>\$ 1,674</u> |
| Net income (loss), per common share: | | | |
| Net income (loss)—basic | <u>\$ (8.98)</u> | <u>\$ 3.46</u> | <u>\$ 3.87</u> |
| Net income (loss)—diluted | <u>\$ (8.98)</u> | <u>\$ 3.46</u> | <u>\$ 3.86</u> |
| Weighted-average common shares outstanding: | | | |
| Basic | 434 | 434 | 433 |
| Diluted | 434 | 434 | 434 |

(a) Exclusive of depreciation, amortization and accretion shown separately.

See accompanying notes to consolidated financial statements.

CROWN CASTLE INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(In millions of dollars)

| | Years Ended December 31, | | |
|--|--------------------------|----------------------|----------------------|
| | 2024 | 2023 | 2022 |
| Cash flows from operating activities: | | | |
| Net Income (loss) | \$ (3,903) | \$ 1,502 | \$ 1,675 |
| Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities: | | | |
| Depreciation, amortization and accretion | 1,738 | 1,754 | 1,707 |
| Goodwill impairment charges | 4,958 | — | — |
| (Gains) losses on retirement of long-term obligations | — | — | 28 |
| Amortization of deferred financing costs and other non-cash interest | 32 | 29 | 17 |
| Stock-based compensation expense, net | 131 | 157 | 156 |
| Asset write-down charges | 148 | 33 | 34 |
| Deferred income tax (benefit) provision | 4 | 8 | 3 |
| Restructuring charges, non-cash | 12 | 7 | — |
| Other non-cash adjustments, net | 23 | 7 | 5 |
| Changes in assets and liabilities, excluding the effects of acquisitions: | | | |
| Increase (decrease) in accrued interest | 25 | 36 | — |
| Increase (decrease) in accounts payable | (22) | (14) | (5) |
| Increase (decrease) in other liabilities | (91) | (265) | (281) |
| Decrease (increase) in receivables | 6 | 115 | (49) |
| Decrease (increase) in other assets | (118) | (243) | (412) |
| Net cash provided by (used for) operating activities | <u>2,943</u> | <u>3,126</u> | <u>2,878</u> |
| Cash flows from investing activities: | | | |
| Capital expenditures | (1,222) | (1,424) | (1,310) |
| Payments for acquisitions, net of cash acquired | (8) | (96) | (35) |
| Other investing activities, net | 10 | 1 | (7) |
| Net cash provided by (used for) investing activities | <u>(1,220)</u> | <u>(1,519)</u> | <u>(1,352)</u> |
| Cash flows from financing activities: | | | |
| Proceeds from issuance of long-term debt | 1,244 | 3,843 | 748 |
| Principal payments on debt and other long-term obligations | (99) | (79) | (74) |
| Purchases and redemptions of long-term debt | (750) | (750) | (1,274) |
| Borrowings under revolving credit facility | — | 3,613 | 3,495 |
| Payments under revolving credit facility | (670) | (4,248) | (2,855) |
| Net issuances (repayments) under commercial paper program | 1,341 | (1,241) | 976 |
| Payments for financing costs | (12) | (39) | (14) |
| Purchases of common stock | (33) | (30) | (65) |
| Dividends/distributions paid on common stock | (2,729) | (2,723) | (2,602) |
| Net cash provided by (used for) financing activities | <u>(1,708)</u> | <u>(1,654)</u> | <u>(1,665)</u> |
| Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents | 15 | (47) | (139) |
| Effect of exchange rate changes on cash | (1) | 1 | — |
| Cash and cash equivalents and restricted cash and cash equivalents at beginning of period | 281 | 327 | 466 |
| Cash and cash equivalents and restricted cash and cash equivalents at end of period | <u>\$ 295</u> | <u>\$ 281</u> | <u>\$ 327</u> |

See accompanying notes to consolidated financial statements.

CROWN CASTLE INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF EQUITY (DEFICIT)
(Amounts in millions)

| | Common Stock | | Additional Paid-In Capital | Accumulated Other Comprehensive Income (Loss) | Dividends/Distributions in Excess of Earnings | Total |
|---|--------------|--------------|-------------------------------|---|--|----------|
| | Shares | (\$0.01 Par) | | | | |
| Balance, December 31, 2021 | 432 | \$ 4 | \$ 18,011 | \$ (4) | \$ (9,753) | \$ 8,258 |
| Stock-based compensation related activity, net of forfeitures | 1 | — | 170 | — | — | 170 |
| Purchases and retirement of common stock | — | — | (65) | — | — | (65) |
| Other comprehensive income (loss) ^(a) | — | — | — | (1) | — | (1) |
| Common stock dividends/distributions | — | — | — | — | (2,588) | (2,588) |
| Net income (loss) | — | — | — | — | 1,675 | 1,675 |
| Balance, December 31, 2022 | 433 | 4 | 18,116 | (5) | (10,666) | 7,449 |
| Stock-based compensation related activity, net of forfeitures | 1 | — | 184 | — | — | 184 |
| Purchases and retirement of common stock | — | — | (30) | — | — | (30) |
| Other comprehensive income (loss) ^(a) | — | — | — | 1 | — | 1 |
| Common stock dividends/distributions | — | — | — | — | (2,725) | (2,725) |
| Net income (loss) | — | — | — | — | 1,502 | 1,502 |
| Balance, December 31, 2023 | 434 | 4 | 18,270 | (4) | (11,889) | 6,381 |
| Stock-based compensation related activity, net of forfeitures | 1 | — | 156 | — | — | 156 |
| Purchases and retirement of common stock | — | — | (33) | — | — | (33) |
| Other comprehensive income (loss) ^(a) | — | — | — | (1) | — | (1) |
| Common stock dividends/distributions | — | — | — | — | (2,733) | (2,733) |
| Net income (loss) | — | — | — | — | (3,903) | (3,903) |
| Balance, December 31, 2024 | 435 | \$ 4 | \$ 18,393 | \$ (5) | \$ (18,525) | \$ (133) |

(a) See the consolidated statement of operations and comprehensive income (loss) for the components of "total other comprehensive income (loss)."

See accompanying notes to consolidated financial statements.

1. Basis of Presentation

The consolidated financial statements include the accounts of Crown Castle Inc. and its predecessor, as applicable (together, "CCI"), and their subsidiaries, collectively referred to herein as the "Company." All significant intercompany balances and transactions have been eliminated in consolidation. As used herein, the term "including," and any variation thereof, means "including without limitation." The use of the word "or" herein is not exclusive. Unless the context suggests otherwise, references to "U.S." are to the United States of America and Puerto Rico, collectively.

The Company owns, operates and leases shared communications infrastructure that is geographically dispersed throughout the U.S., including (1) towers and other structures, such as rooftops (collectively, "towers"), and (2) fiber primarily supporting small cell networks ("small cells") and fiber solutions. The Company's towers, small cells and fiber assets are collectively referred to herein as "communications infrastructure," and the Company's customers on its communications infrastructure are referred to herein as "tenants."

The Company's core business is providing access, including space or capacity, to its shared communications infrastructure via long-term contracts in various forms, including lease, license, sublease and service agreements (collectively, "tenant contracts").

The Company's operating segments consist of (1) Towers and (2) Fiber. See note 14.

On March 13, 2025, the Company signed a definitive agreement ("Strategic Fiber Agreement") to sell its Fiber segment, together with certain supporting assets and personnel ("Fiber Business"), with Zayo Group Holdings Inc. ("Zayo") acquiring the fiber solutions business and EQT Active Core Infrastructure fund ("EQT") acquiring the small cell business ("Strategic Fiber Transaction"). The Fiber Business did not meet the criteria for assets held for sale as of December 31, 2024, and therefore remains presented as a component of continuing operations. As a result, this document, unless otherwise noted, does not contemplate the planned sale of the Fiber Business. In subsequent periods, the Fiber Business will be presented as a discontinued operation, and its net assets will be classified as held for sale and comparable prior periods will be recast to reflect this change. See note 17.

Approximately 54% of the Company's towers are leased or subleased or operated and managed under master leases, subleases, and other agreements with AT&T and T-Mobile (including those which T-Mobile assumed in its merger with Sprint). The Company has the option to purchase these towers at the end of their respective lease terms. The Company has no obligation to exercise such purchase options. See notes 4 and 13.

As part of the Company's effort to provide comprehensive communications infrastructure solutions, as an ancillary business, the Company also offers certain services primarily relating to its Towers segment. For the periods presented, such services predominately consisted of (1) site development services relating to existing or new tenant equipment installations, including: site acquisition, architectural and engineering, or zoning and permitting (collectively, "site development services") and (2) tenant equipment installation and subsequent augmentations (collectively, "installation services").

See note 16 to the Company's consolidated financial statements for a discussion of (1) the Company's July 2023 restructuring plan ("2023 Restructuring Plan"), which included discontinuing installation services as a Towers product offering and (2) the Company's June 2024 restructuring plan ("2024 Restructuring Plan," and together with the 2023 Restructuring Plan, "Restructuring Plans").

The Company operates as a REIT for U.S. federal income tax purposes. In addition, the Company has certain taxable REIT subsidiaries ("TRSs"). See note 9.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. Summary of Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and highly liquid investments with original maturities of three months or less.

Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents represents (1) the cash held in reserve by the indenture trustees pursuant to the indenture governing certain of the Company's debt instruments, (2) cash securing performance obligations such as letters of credit and (3) any other cash whose use is limited by contractual provisions. The restriction of rental cash receipts is a critical feature of certain of the Company's debt instruments due to the applicable indenture trustee's ability to utilize the restricted cash for the payment of (1) debt service costs, (2) ground rents, (3) real estate or personal property taxes, (4) insurance premiums related to towers, (5) other assessments by governmental authorities and potential environmental remediation costs or (6) a portion of advance rents from tenants. The restricted cash in excess of required reserve balances is subsequently released to the Company in accordance with the terms of the indentures. See note 15 for a reconciliation of cash and cash equivalents and restricted cash and cash equivalents.

Receivables Allowance

An allowance for credit losses is recorded as an offset to accounts receivable. The Company uses judgment in estimating this allowance and considers historical collections, current credit status, or contractual provisions. Additions to the allowance for credit losses are charged either to "Site rental costs of operations" or to "Services and other costs of operations," as appropriate, and deductions from the allowance are recorded when specific accounts receivable are written off as uncollectible.

Lease Accounting

General. The Company evaluates whether a contract meets the definition of a lease whenever a contract grants a party the right to control the use of an identified asset for a period of time in exchange for consideration. To the extent the identified asset is able to be shared among multiple parties, the Company has determined that one party does not have control of the identified asset and the contract is not considered a lease. The Company accounts for contracts that do not meet the definition of a lease under other relevant accounting guidance (such as ASC 606 for revenue from contracts with customers).

Lessee. For its Tower segment, the Company's lessee arrangements primarily consist of ground leases for land under towers. Ground leases for land are specific to each site, generally contain an initial term between five to 15 years and are renewable (and cancellable after a notice period) at the Company's option. The Company also enters into term ground leases, such as term easements, in which it prepays the entire term. For its Fiber segment, the Company's lessee arrangements primarily include leases of fiber assets to support the Company's small cells and fiber solutions.

The majority of the Company's lease agreements have certain termination rights that provide for cancellation after a notice period and multiple renewal options exercisable at the Company's option. The Company includes renewal option periods in its calculation of the estimated lease term when it determines the options are reasonably certain to be exercised. When such renewal options are deemed to be reasonably certain, the estimated lease term determined under ASC 842 will be greater than the non-cancelable term of the contractual arrangement. Although certain renewal periods are included in the estimated lease term, the Company would have the ability to terminate or elect to not renew a particular lease if business conditions warrant such a decision.

The Company classifies its lessee arrangements at inception as either operating leases or finance leases. A lease is classified as a finance lease if at least one of the following criteria is met: (1) the lease transfers ownership of the underlying asset to the lessee, (2) the lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise, (3) the lease term is for a major part of the remaining economic life of the underlying asset, (4) the present value of the sum of the lease payments equals or exceeds substantially all of the fair value of the underlying asset, or (5) the underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term. A lease is classified as an operating lease if none of the five criteria described above for finance lease classification is met.

Right-of-use ("ROU") assets associated with operating leases are included in "Operating lease right-of-use assets" on the Company's consolidated balance sheet. Current and long-term portions of lease liabilities related to operating leases are included in "Current portion of operating lease liabilities" and "Operating lease liabilities" on the Company's consolidated balance sheet, respectively. ROU assets represent the Company's right to use an underlying asset for the estimated lease term and lease liabilities represent the Company's present value of its future lease payments. In assessing its leases and determining its lease liability at lease commencement or upon modification, the Company is not able to readily determine the rate implicit for its lessee arrangements, and thus uses its incremental borrowing rate on a collateralized basis to determine the present value of the lease payments. The Company's ROU assets are measured as the balance of the lease liability plus any prepaid or accrued lease payments and any unamortized initial direct costs. For both the Towers and Fiber segments, operating lease expenses are recognized on a ratable basis, regardless of whether the payment terms require the Company to make payments annually, semi-

annually, quarterly, monthly, or for the entire term in advance. Certain of the Company's ground lease and fiber lease agreements contain fixed escalation clauses (such as fixed dollar or fixed percentage increases) or inflation-based escalation clauses (such as those tied to the change in consumer price index ("CPI")). If the payment terms include fixed escalators, upfront payments, or rent-free periods, the effect of such increases is recognized on a straight-line basis. The Company calculates the straight-line expense over the contract's estimated lease term, including any renewal option periods that the Company deems reasonably certain to be exercised.

Lease agreements may also contain provisions for a contingent payment based on (1) the revenues derived from the communications infrastructure located on the leased asset, (2) the change in CPI or (3) the usage of the leased asset. The Company's contingent payments are considered variable lease payments and are (1) not included in the initial measurement of the ROU asset or lease liability due to the uncertainty of the payment amount and (2) recorded as expense in the period such contingencies are resolved.

ROU assets associated with finance leases are included in "Property and equipment, net" on the Company's consolidated balance sheet. Lease liabilities associated with finance leases are included in "Current maturities of debt and other obligations" and "Debt and other long-term obligations" on the Company's consolidated balance sheet. For both its Towers and Fiber segments, the Company measures the lease liability for finance leases using the effective interest method. The initial lease liability is increased to reflect interest on the liability and decreased to reflect payments made during the period. Interest on the lease liability is determined each period during the lease term as the amount that results in a constant periodic discount rate on the remaining balance of the liability. The Company depreciates ROU assets for finance leases on a ratable basis over the applicable lease term.

The Company reviews the carrying value of its ROU assets for impairment, similar to its other long-lived assets, whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The Company could record impairments in the future if there are changes in (1) long-term market conditions, (2) expected future operating results or (3) the utility of the assets that negatively impact the fair value of its ROU assets.

Lessor: The Company's lessor arrangements primarily include tenant contracts for dedicated space (including dedicated fiber) on its shared communications infrastructure. The Company classifies its leases at inception as operating, direct financing or sales-type leases. A lease is classified as a sales-type lease if at least one of the following criteria is met: (1) the lease transfers ownership of the underlying asset to the lessee, (2) the lease grants the lessee an option to purchase the underlying asset that the lessee is reasonably certain to exercise, (3) the lease term is for a major part of the remaining economic life of the underlying asset, (4) the present value of the sum of the lease payments equals or exceeds substantially all of the fair value of the underlying assets or (5) the underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term. Furthermore, when none of the above criteria is met, a lease is classified as a direct financing lease if both of the following criteria are met: (1) the present value of the sum of the lease payments and any residual value guaranteed by the lessee, that is not already reflected in the lease payments, equals or exceeds the fair value of the underlying asset and (2) it is probable that the lessor will collect the lease payments plus any amount necessary to satisfy a residual value guarantee. A lease is classified as an operating lease if it does not qualify as a sales-type or direct financing lease. Currently, the Company classifies all of its lessor arrangements as operating leases.

Site rental revenues from the Company's lessor arrangements are recognized on a straight-line, ratable basis over the fixed, non-cancelable term of the relevant tenant contract, regardless of whether the payments from the tenant are received in equal monthly amounts during the life of a tenant contract. Certain of the Company's tenant contracts contain fixed escalation clauses (such as fixed-dollar or fixed-percentage increases) or inflation-based escalation clauses (such as those tied to the change in CPI). If the payment terms call for fixed escalators, upfront payments, or rent-free periods, the rental revenue is recognized on a straight-line basis over the fixed, non-cancelable term of the agreement. When calculating straight-line site rental revenues, the Company considers all fixed elements of tenant contractual escalation provisions.

Certain of the Company's arrangements with tenants in its Fiber segment contain both lease and non-lease components. In such circumstances, the Company has determined (1) the timing and pattern of transfer for the lease and non-lease component are the same and (2) the stand-alone lease component would be classified as an operating lease. As such, the Company has aggregated certain non-lease components with lease components and has determined that the lease components (generally dedicated fiber) represent the predominant component of the arrangement.

Property and Equipment

Property and equipment is stated at cost, net of accumulated depreciation. Property and equipment includes land owned through fee interests and perpetual easements, which have no definite life. Depreciation is computed utilizing the straight-line

method at rates based upon the estimated useful lives of the various classes of assets. Depreciation for the majority of communications infrastructure is computed with a useful life equal to the shorter of 20 years or the term of the underlying ground lease (where applicable and including optional renewal periods). Additions and permanent improvements to the Company's communications infrastructure are capitalized, while maintenance and repairs are expensed.

Labor and interest costs incurred directly related to the construction of certain property and equipment are capitalized during the construction phase of projects. For the years ended December 31, 2024, 2023 and 2022, the Company recorded \$298 million, \$299 million and \$265 million in capitalized labor costs, respectively. The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable.

Abandonments and write-offs of property and equipment are recorded to "Asset write-down charges" on the Company's consolidated statement of operations and comprehensive income (loss) and were \$146 million, \$40 million and \$39 million for the years ended December 31, 2024, 2023 and 2022, respectively. The increase in asset write-down charges from 2023 to 2024 is primarily driven by the cancellation of approximately 7,000 greenfield small cell nodes in the Company's contracted backlog that it mutually agreed to cancel following discussions with certain of its tenants. The Company wrote off property and equipment deemed to have no alternative future use, and as a result, recognized approximately \$106 million as "Asset write-down charges" on its consolidated statement of operations and comprehensive income (loss) for the year ended December 31, 2024.

Asset Retirement Obligations

Pursuant to its ground lease, leased facility and certain pole attachment agreements, the Company records obligations to perform asset retirement activities, including requirements to remove communications infrastructure or remediate the space on which certain of its communications infrastructure is located. The Company does not record an obligation for asset retirement activities related to its fiber, as a settlement date is indeterminable and therefore a reasonable estimation of fair value cannot be made. Asset retirement obligations are included in "Other long-term liabilities" on the Company's consolidated balance sheet. The liability accretes as a result of the passage of time and the related accretion expense is included in "Depreciation, amortization and accretion" on the Company's consolidated statement of operations and comprehensive income (loss). The associated asset retirement costs are capitalized as an additional carrying amount of the related long-lived asset and depreciated over the useful life of such asset.

Goodwill

Goodwill represents the excess of the purchase price for an acquired business over the allocated value of the related net assets. Management tests goodwill for impairment at least annually or whenever events or circumstances indicate the carrying amount may not be recoverable. The annual test begins with goodwill and all intangible assets being allocated to applicable reporting units. The Company's reporting units are the same as its operating segments (Towers and Fiber). The Company then performs a qualitative assessment to determine whether it is "more likely than not" that the fair value of the reporting unit is less than its carrying amount. If the Company concludes it is "more likely than not" that the fair value of a reporting unit is less than its carrying amount, it is necessary to perform a quantitative goodwill impairment test. The quantitative goodwill impairment test compares the estimated fair value of the reporting unit and the carrying value of the reporting unit. If the carrying amount of a reporting unit is greater than its fair value, an impairment loss shall be recognized in an amount equal to such excess, limited to the total amount of goodwill allocated to the reporting unit. The Company performed its most recent annual goodwill impairment test during the fourth quarter of 2024, which resulted in an impairment of \$5.0 billion for the year ended December 31, 2024 to its Fiber reporting unit. With respect to the Towers reporting unit, there was no indication of impairment following the quantitative assessment, as the estimated fair value was well in excess of the corresponding carrying value. See note 5 to the Company's consolidated financial statements.

Intangible Assets

Intangible assets are included in "Site rental contracts and tenant relationships, net" and "Other intangible assets, net" on the Company's consolidated balance sheet and predominately consist of the estimated fair value of site rental contracts and tenant relationships or other contractual rights, such as trademarks, that are recorded in conjunction with acquisitions. Site rental contracts and tenant relationships intangible assets are comprised of (1) the current term of the existing leases, (2) the high rate of tenant retention, and (3) any associated relationships that are expected to generate value following the expiration of all renewal periods under existing leases.

The useful lives of intangible assets are estimated based on the period over which the intangible asset is expected to benefit the Company and gives consideration to the expected useful life of other assets to which the useful life may relate. Amortization expense for intangible assets is computed using the straight-line method over the estimated useful life of each of the intangible assets. The useful lives of site rental contracts and tenant relationships intangible assets are limited by the maximum depreciable life of the communications infrastructure (20 years), as a result of the interdependency of the communications infrastructure and the site rental contracts and tenant relationships. In contrast, the site rental contracts and tenant relationships are estimated to provide economic benefits for several decades because of the low rate of tenant cancellations and high rate of tenant retention experienced to date. Thus, while site rental contracts and tenant relationships intangible assets are valued based upon the fair value of the site rental contracts and tenant relationships, which includes assumptions regarding both (1) tenants' exercise of optional renewals contained in the acquired leases and (2) renewals of the acquired leases past the contractual term including exercisable options, site rental contracts and tenant relationships intangible assets are amortized over a period not to exceed 20 years.

The carrying value of other intangible assets with finite useful lives will be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. The Company has a dual grouping policy for purposes of determining the unit of account for testing impairment of site rental contracts and tenant relationships intangible assets. First, the Company pools site rental contracts and tenant relationships intangible assets with the related communications infrastructure assets into portfolio groups for purposes of determining the unit of account for impairment testing. Second and separately, the Company pools the site rental contracts and tenant relationships by significant tenant or by tenant grouping for individually insignificant tenants, as appropriate. If the sum of the associated estimated future cash flows (undiscounted) from an asset is less than its carrying amount, an impairment loss may be recognized. Measurement of an impairment loss would be based on the fair value of the asset.

Deferred Credits

Deferred credits are included in "Deferred revenues" and "Other long-term liabilities" on the Company's consolidated balance sheet and consist of the estimated fair value of below-market tenant leases for contractual interests with tenants on acquired communications infrastructure that are amortized to site rental revenues.

Fair value for these deferred credits represents the difference between (1) the stated contractual payments to be made pursuant to the in-place lease and (2) management's estimate of fair market lease rates for each corresponding lease. Deferred credits are measured over a period equal to the estimated remaining economic lease term considering renewal provisions or economics associated with those renewal provisions, to the extent applicable. Deferred credits are amortized over their respected estimated lease terms at the time of acquisition, the most recent of which took place in 2017.

Deferred Financing Costs

Third-party costs incurred to obtain financing, with the exception of costs incurred related to revolving lines of credit, are deferred and are included as a direct deduction from the carrying amount of the related debt liability in "Debt and other long-term obligations" on the Company's consolidated balance sheet and are amortized using the effective interest yield methodology to "Interest expense and amortization of deferred financing costs, net" on the Company's consolidated statement of operations and comprehensive income (loss) over the term of the related debt liability. Third party costs incurred to obtain financing through a revolving line of credit are deferred and are included in "Other assets, net" on the Company's consolidated balance sheet and are amortized using the effective interest yield methodology to "Interest expense and amortization of deferred financing costs, net" on the Company's consolidated statement of operations and comprehensive income (loss) over the term of the 2016 Credit Agreement (as defined in note 7).

Revenue Recognition

The Company generates site rental revenues from its core business by providing tenants with access, including space or capacity, to its shared communications infrastructure via long-term tenant contracts in various forms, including lease, license, sublease and service agreements. Typically, providing such access over the length of the tenant contract term represents the Company's sole performance obligation under its tenant contracts.

Site Rental Revenues. Site rental revenues from the Company's tenant contracts are recognized on a straight-line, ratable basis over the fixed, non-cancelable term of the relevant tenant contract, which generally ranges between five to 15 years for wireless tenants and between one to 20 years for fiber solutions tenants (including from organizations with high-bandwidth and multi-location demands), regardless of whether the payments from the tenant are received in equal monthly amounts during the life of the tenant contract. Certain of the Company's tenant contracts contain (1) fixed escalation clauses (such as fixed dollar or

fixed percentage increases) or inflation-based escalation clauses (such as those tied to the CPI), (2) multiple renewal periods exercisable at the tenant's option and (3) only limited termination rights at the applicable tenant's option through the current term. If the payment terms call for fixed escalators, upfront payments, or rent-free periods, the revenue is recognized on a straight-line basis over the fixed, non-cancelable term of the tenant contract. When calculating straight-line rental revenues, the Company considers all fixed elements of tenant contractual escalation provisions, even if such escalation provisions contain a variable element in addition to a minimum. The Company's assets related to straight-line site rental revenues are recorded within "Current portion of deferred site rental receivables" and "Deferred site rental receivables" on the Company's consolidated balance sheet. Amounts billed or received prior to being earned are deferred and reflected in "Deferred revenues" and "Other long-term liabilities" on the Company's consolidated balance sheet. Amounts to which the Company has an unconditional right to payment, which are related to both satisfied or partially satisfied performance obligations, are recorded within "Receivables, net" on the Company's consolidated balance sheet.

Payments Associated with Sprint Cancellations. For the years ended December 31, 2024 and December 31, 2023, site rental revenues include \$5 million and \$170 million, respectively, of payments in the Company's Fiber segment to satisfy the remaining rental obligations of certain canceled Sprint leases as a result of the T-Mobile US, Inc. and Sprint network consolidation. In connection with such canceled Sprint leases, the Company also recognized \$59 million of accelerated prepaid rent amortization in the Company's Fiber segment for the year ended December 31, 2023 that did not recur in the year ended December 31, 2024.

Services and Other Revenues. As part of the Company's effort to provide comprehensive communications infrastructure solutions, as an ancillary business, the Company offers certain services primarily relating to its Towers segment. For the periods presented, such services predominately consisted of (1) pre-construction site development services and (2) installation services. See note 16 to the Company's consolidated financial statements for a discussion of the Company's July 2023 restructuring plan, which included discontinuing installation services as a Towers product offering. Upon contract commencement, the Company assesses its services to tenants and identifies performance obligations for each promise to provide a distinct service.

The Company may have multiple performance obligations for site development services, which primarily include: structural analysis, zoning, permitting and construction drawings. For each of these performance obligations, services revenues are recognized at completion of the applicable performance obligation, which represents the point at which the Company believes it has transferred goods or services to the tenant. The services revenue recognized is based on an allocation of the transaction price among the performance obligations in a respective tenant contract based on estimated standalone selling price. The volume and mix of site development services may vary among tenant contracts and may include a combination of some or all of the above performance obligations. Amounts are billed per contractual milestones, with payments generally due within 45 to 90 days, and generally do not contain variable-consideration provisions.

The transaction price for the Company's tower installation services consists of amounts for (1) permanent improvements to the Company's towers that represent a lease component and (2) the performance of the service. Amounts under the Company's tower installation service agreements that represent a lease component are recognized as site rental revenues on a straight-line basis over the length of the associated estimated lease term. For the performance of the installation service, the Company has one performance obligation, which is satisfied at the time of the applicable installation or augmentation and recognized as services and other revenues on the Company's consolidated statement of operations and comprehensive income (loss). Since performance obligations are typically satisfied prior to receiving payment from tenants, the unconditional right to payment is recorded within "Receivables, net" on the Company's consolidated balance sheet. Generally, the services the Company provides to its tenants have a duration of one year or less.

Additional Information on Revenues. As of January 1, 2024 and December 31, 2024, \$2.1 billion and \$2.0 billion of unrecognized revenues, respectively, were reported in "Deferred revenues" and "Other long-term liabilities" on the Company's consolidated balance sheet. During the year ended December 31, 2024, approximately \$490 million of the January 1, 2024 unrecognized revenues balance was recognized as revenues. As of January 1, 2023, \$2.3 billion of unrecognized revenues were reported in "Deferred revenues" and "Other long-term liabilities" on the Company's consolidated balance sheet. During the year ended December 31, 2023, approximately \$631 million of the January 1, 2023 unrecognized revenues balance was recognized as revenues.

See note 3 for further discussion regarding the Company's revenues.

Costs of Operations

Approximately 40% of the Company's site rental costs of operations expenses consist of Towers ground lease expenses, and the remainder includes fiber access expenses, repairs and maintenance expenses, employee compensation or related benefit costs, property taxes, or utilities. Generally, the ground leases for land are specific to each site and are for an initial term of between five to 15 years and are renewable for pre-determined periods. The Company also enters into ground leases, such as term easements, in which it prepays the entire term in advance. Fiber access expenses primarily consist of leases of fiber assets and other access agreements to facilitate the Company's communications infrastructure.

Ground lease and fiber access expenses are recognized on a ratable basis, regardless of whether the payment terms require the Company to make payments annually, semi-annually, quarterly, monthly, or for the entire term in advance. Certain of the Company's ground lease and fiber access agreements contain fixed escalation clauses (such as fixed dollar or fixed percentage increases) or inflation-based escalation clauses (such as those tied to the change in CPI). If the payment terms include fixed escalators, upfront payments, or rent-free periods, the effect of such increases is recognized on a straight-line basis. When calculating straight-line ground lease and fiber access expenses, the Company considers all fixed elements of contractual escalation provisions, even if such escalation provisions contain a variable element in addition to a minimum. The Company's liability related to straight-line expense is included in "Operating lease right-of-use assets" on the Company's consolidated balance sheet. The Company's assets related to prepaid agreements is included in "Prepaid expenses" and "Operating lease right-of-use assets" on the Company's consolidated balance sheet.

Services and other costs of operations predominately consist of third-party service providers such as contractors and professional services firms and, to a lesser extent, internal labor costs, associated with the Company's site development and installation services. See note 16 to the Company's consolidated financial statements for a discussion of the Company's July 2023 restructuring plan, which included discontinuing installation services as a Towers product offering. The Company's costs incurred prior to the satisfaction of associated performance obligations of \$31 million and \$44 million as of December 31, 2024 and 2023, respectively, are included in "Other current assets" on the Company's consolidated balance sheet.

Acquisitions and Integration Costs

Direct or incremental costs related to a potential or completed business combination transaction are expensed as incurred. Such costs are predominately comprised of severance, retention bonuses payable to employees of an acquired enterprise, temporary employees to assist with the integration of the acquired operations, fees paid for services (such as consulting, accounting, legal, or engineering reviews), and any other costs directly associated with the transaction. These business combination costs are included in "Acquisition and integration costs" on the Company's consolidated statement of operations and comprehensive income (loss). For those transactions accounted for as asset acquisitions, these costs are capitalized as part of the purchase price.

Stock-based Compensation Expense, Net

Restricted Stock Units. The Company records stock-based compensation expense for unvested restricted stock units ("RSUs") for which the requisite service is expected to be rendered. The cumulative effect of a change in the estimated number of RSUs for which the requisite service is expected to be or has been rendered is recognized in the period of the change in the estimate. To the extent that the requisite service is rendered, compensation cost for accounting purposes is not reversed; rather, it is recognized regardless of whether or not the awards vest. A discussion of the Company's valuation techniques and related assumptions and estimates used to measure the Company's stock-based compensation expense is as follows:

Valuation. The fair value of RSUs without market conditions is determined based on the number of shares relating to such RSUs and the quoted price of the Company's common stock at the date of grant. The Company estimates the fair value of RSUs with market conditions granted using a Monte Carlo simulation. The Company's determination of the fair value of RSUs with market conditions on the date of grant is affected by its common stock price as well as assumptions regarding a number of highly complex or subjective variables. The determination of fair value using a Monte Carlo simulation requires the input of subjective assumptions, and other reasonable assumptions could provide differing results.

Amortization Method. The Company amortizes the fair value of all RSUs on a straight-line basis for each separately vesting tranche of the award (graded vesting schedule) over the requisite service periods.

Expected Volatility. The Company estimates the volatility of its common stock at the date of grant based on the historical volatility of its common stock.

Expected Dividend Rate. The expected dividend rate at the date of grant is based on the then-current dividend yield.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

Risk-Free Rate. The Company bases the risk-free rate on the implied yield currently available on U.S. Treasury issues with an equivalent remaining term equal to the expected life of the award.

Forfeitures. The Company uses historical award forfeiture data and management's judgment about the future employee turnover rates to estimate the number of shares for which the requisite service period will not be rendered.

Interest Expense and Amortization of Deferred Financing Costs, Net

The components of interest expense and amortization of deferred financing costs, net are as follows:

| | Years Ended December 31, | | |
|--|--------------------------|--------|--------|
| | 2024 | 2023 | 2022 |
| Interest expense on debt obligations | \$ 920 | \$ 836 | \$ 685 |
| Amortization of deferred financing costs and adjustments on long-term debt | 32 | 29 | 26 |
| Capitalized interest | (20) | (15) | (12) |
| Total | \$ 932 | \$ 850 | \$ 699 |

The Company amortizes deferred financing costs, discounts and premiums over the estimated term of the related borrowing using the effective interest yield method. Deferred financing costs and discounts are generally presented as a direct reduction to the related debt obligation on the Company's consolidated balance sheet.

Assets Held for Sale and Discontinued Operations

We classify an asset as held for sale when the following criteria are met: (1) management with proper authority has approved and committed to a plan to sell, (2) the asset is available for immediate sale, (3) an active program to locate a buyer has commenced at a price that is reasonable in relation to its current fair value, (4) the sale of the asset is probable (5) transfer of the asset is expected to occur within one year, except in certain circumstances such as extended regulatory approval, and (6) it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Assets classified as held for sale are recorded at the lower of carrying value or fair value, less costs to sell and are no longer depreciated.

Further, we classify the balances and results related to a disposal in discontinued operations if all of the following criteria are met: (1) the operations and cash flows of the disposal group can be clearly distinguished from the rest of the company, (2) the disposal group meets the criteria to be classified as held for sale and (3) the disposal represents a strategic shift that has or will have a major effect on our operations and financial results. For businesses classified as discontinued operations, the associated balances included in the consolidated balance sheet and consolidated statement of operations and comprehensive income (loss) are reclassified from their historical presentation to assets and liabilities of discontinued operations on the consolidated balance sheet and to discontinued operations on the consolidated statement of operations and comprehensive income (loss), respectively, for all periods presented. The gains or losses associated with the discontinued operation are also recorded in discontinued operations on the consolidated statement of operations and comprehensive income (loss).

Income Taxes

The Company operates as a REIT for U.S. federal income tax purposes. As a REIT, the Company is generally entitled to a deduction for dividends that it pays and therefore is not subject to U.S. federal corporate income tax on its net taxable income that is currently distributed to its stockholders. The Company may be subject to certain federal, state, local and foreign taxes on its income, including (1) taxes on any undistributed income and (2) taxes related to the TRSs. In addition, the Company could, under certain circumstances, be required to pay an excise or penalty tax, which could be significant in amount, in order to utilize one or more relief provisions under the Internal Revenue Code of 1986, as amended ("Code"), to maintain qualification for taxation as a REIT.

Additionally, the Company has included in TRSs certain other assets and operations. Those TRS assets and operations will continue to be subject, as applicable, to federal and state corporate income taxes or to foreign taxes in the jurisdictions in which such assets and operations are located. The Company's foreign assets and operations (including its tower operations in Puerto Rico) are subject to foreign income taxes in the jurisdictions in which such assets and operations are located, regardless of whether they are included in a TRS or not. For certain acquisitions by the REIT, the Company will be subject to a federal corporate level tax rate (currently 21%) on any gain recognized from the sale of assets occurring within a specified period (generally 5 years) after the transfer date up to the amount of the built in gain that existed on the transfer date, which is based upon the fair market value of those assets in excess of the Company's tax basis on the transfer date. This gain can be offset by any remaining federal net operating loss carryforwards ("NOLs").

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

For the Company's TRSs, the Company accounts for income taxes using an asset and liability approach, which requires the recognition of deferred income tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements or tax returns. Deferred income tax assets and liabilities are determined based on the temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates. A valuation allowance is provided on deferred tax assets if it is determined that it is "more likely than not" that the asset will not be realized. The Company records a valuation allowance against deferred tax assets when it is "more likely than not" that some portion or all of the deferred tax asset will not be realized. The Company reviews the recoverability of deferred tax assets each quarter and based upon projections of future taxable income, reversing deferred tax liabilities or other known events that are expected to affect future taxable income, records a valuation allowance for assets that do not meet the "more likely than not" realization threshold. Valuation allowances may be reversed if related deferred tax assets are deemed realizable based upon changes in facts and circumstances that impact the recoverability of the asset.

The Company recognizes a tax position if it is "more likely than not" that it will be sustained upon examination. The tax position is measured at the largest amount that is greater than 50 percent likely of being realized upon ultimate settlement. The Company reports penalties and tax-related interest expense as a component of the benefit (provision) for income taxes. As of December 31, 2024 and 2023, the Company has not recorded any material penalties related to its income tax positions. See note 9.

Per Share Information

Basic net income (loss), per common share, excludes dilution and is computed by dividing net income (loss) by the weighted-average number of common shares outstanding during the period. For the years ended December 31, 2024, 2023 and 2022, diluted net income (loss), per common share, is computed by dividing net income (loss) by the weighted-average number of common shares outstanding during the period, plus any potential dilutive common share equivalents, including shares issuable upon the vesting of RSUs as determined under the treasury stock method.

A reconciliation of the numerators and denominators of the basic and diluted per share computations is shown in the table below.

| | Years Ended December 31, | | |
|--|--------------------------|----------|----------|
| | 2024 | 2023 | 2022 |
| Net income (loss) | \$ (3,903) | \$ 1,502 | \$ 1,675 |
| Weighted-average number of common shares outstanding (in millions): | | | |
| Basic weighted-average number of common stock outstanding | 434 | 434 | 433 |
| Effect of assumed dilution from potential issuance of common shares relating to RSUs | — | — | 1 |
| Diluted weighted-average number of common shares outstanding | 434 | 434 | 434 |
| Net income (loss), per common share: | | | |
| Basic | \$ (8.98) | \$ 3.46 | \$ 3.87 |
| Diluted | \$ (8.98) | \$ 3.46 | \$ 3.86 |
| Dividends/distributions declared per share of common stock | \$ 6.26 | \$ 6.26 | \$ 5.98 |

Fair Values

The Company's assets and liabilities recorded at fair value are categorized based upon a fair value hierarchy that ranks the quality and reliability of the information used to determine fair value. The three levels of the fair value hierarchy are (1) Level 1 — quoted prices (unadjusted) in active and accessible markets, (2) Level 2 — observable prices that are based on inputs not quoted in active markets but corroborated by market data, and (3) Level 3 — unobservable inputs and are not corroborated by market data. The Company evaluates fair value hierarchy level classifications quarterly, and transfers between levels are effective at the end of the quarterly period.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

The fair values of cash and cash equivalents and restricted cash and cash equivalents approximate the carrying values. The Company determines the fair value of its debt securities based on indicative, non-binding quotes from brokers. Quotes from brokers require judgment and are based on the brokers' interpretation of market information, including implied credit spreads for similar borrowings on recent trades or bid/ask prices or quotes from active markets if available. There were no changes since December 31, 2023 in the Company's valuation techniques used to measure fair values. See note 8 for a further discussion of fair values.

Recently Adopted Accounting Pronouncements

In November 2023, the Financial Accounting Standards Board ("FASB") issued new guidance, which became effective starting with the Company's 2024 Form 10-K, that is designed to improve reportable segment disclosure requirements, primarily through enhanced disclosure of significant segment expenses. The Company adopted the guidance as of the effective date (i.e. for fiscal years beginning after December 15, 2023). The new guidance also expands interim segment disclosure requirements and requires disclosure of the position and title of the Company's chief operating decision-maker. The Company adopted the new segment guidance using a retrospective approach for each prior reporting period presented. The adoption of the new guidance did not have a material impact on the Company's consolidated financial statement but resulted in expanded disclosure, primarily within its segment reporting footnote. See note 14 to the Company's consolidated financial statements.

Recent Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued new guidance that enhances the transparency and decision usefulness of income tax disclosures, primarily through changes to the rate reconciliation and income taxes paid disclosures. The guidance will be effective for the Company's fiscal year ending December 31, 2025, and can be applied prospectively or retrospectively, with early adoption permitted. The Company is currently evaluating the effect of the guidance, including the impact on its financial statement disclosures.

In November 2024, the FASB issued new guidance which requires disclosure of disaggregated information about certain income statement expense line items in the notes to the financial statements for both annual and interim periods. The guidance will be effective for the Company's fiscal year ending December 31, 2027, and can be applied prospectively or retrospectively, with early adoption permitted. The Company is currently evaluating the effect of the guidance, including the impact on its financial statement disclosures.

3. Revenues

The following table is a summary of the contracted amounts owed to the Company by tenants pursuant to tenant contracts in effect as of December 31, 2024. As of December 31, 2024, the weighted-average remaining term of tenant contracts was approximately six years, exclusive of renewals exercisable at the tenant's option.

| | Years Ending December 31, | | | | | Thereafter | Total |
|-----------------------------------|---------------------------|----------|----------|----------|----------|------------|-----------|
| | 2025 | 2026 | 2027 | 2028 | 2029 | | |
| Contracted amounts ^(a) | \$ 5,056 | \$ 4,882 | \$ 4,733 | \$ 4,474 | \$ 3,661 | \$ 13,126 | \$ 35,932 |

(a) Based on the nature of the contract, tenant contracts are accounted for pursuant to relevant lease accounting (ASC 842) or revenue accounting (ASC 606) guidance. Excludes amounts related to services, as those contracts generally have a duration of one year or less.

See notes 2 and 13 for further discussion regarding the Company's lessor arrangements and note 14 for further information regarding the Company's operating segments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

4. Property and Equipment

The major classes of property and equipment are summarized in the table below.

| | Estimated Useful Lives | As of December 31, | |
|---|------------------------|--------------------|-----------|
| | | 2024 | 2023 |
| Land ^(a) | — | \$ 2,537 | \$ 2,442 |
| Buildings | 40 years | 213 | 209 |
| Communications infrastructure assets | 1-20 years | 26,519 | 25,479 |
| Information technology assets and other | 2-7 years | 725 | 681 |
| Construction in process | — | 1,045 | 1,132 |
| Total gross property and equipment | | 31,039 | 29,943 |
| Less: accumulated depreciation | | (15,544) | (14,279) |
| Total property and equipment, net | | \$ 15,495 | \$ 15,664 |

(a) Includes land owned through fee interests and perpetual easements.

For each of the years ended December 31, 2024 and December 31, 2023, depreciation expense was \$1.3 billion, while depreciation expense for the year ended December 31, 2022 was \$1.2 billion.

22% of the Company's towers are leased or subleased or operated and managed under a master lease or other related agreements with AT&T for a weighted-average initial term of approximately 28 years, weighted based on towers site rental gross margin. The Company has the option to purchase the leased and subleased towers from AT&T at the end of the respective lease or sublease terms for aggregate option payments of approximately \$4.2 billion, which payments, if such option is exercised, would be due between 2032 and 2048.

32% of the Company's towers are leased or subleased or operated and managed under master leases, subleases, or other agreements with T-Mobile (including those which T-Mobile assumed in its merger with Sprint). Approximately half of such towers have an initial term of 32 years (through May 2037), and the Company has the option to purchase in 2037 all (but not less than all) of such leased and subleased towers from T-Mobile for approximately \$2.3 billion. The remainder of such towers have a weighted-average initial term of approximately 28 years, weighted based on towers site rental gross margin, and the Company has the option to purchase such towers from T-Mobile at the end of the respective terms for aggregate option payments of approximately \$2.0 billion, which payments, if such option is exercised, would be due between 2035 and 2049. In addition, another 1% of the Company's towers under master leases, subleases, or other agreements with T-Mobile are subject to a lease and sublease or other related arrangements with AT&T. The Company has the option to purchase these towers from AT&T at the end of their respective lease terms for aggregate option payments of up to approximately \$385 million as of December 31, 2024, which payments, if such option is exercised, would be due prior to 2032 (less than \$12 million would be due before 2029).

See note 13 for further discussion of finance leases recorded as "Property and equipment, net" on the Company's consolidated balance sheet.

5. Goodwill and Intangible Assets

Goodwill

For the year ended December 31, 2024, the Company recorded an impairment charge of approximately \$5.0 billion related to the goodwill associated with its Fiber segment, which represents a reporting unit for purposes of evaluating goodwill, which resulted in no goodwill remaining for the Fiber reporting unit.

Management performed its annual goodwill impairment test in the fourth quarter of 2024. The means of estimating the fair value of the Company's reporting units is using discounted cash flow ("DCF") models developed by management. Key assumptions and estimates used in the DCF models included projected future revenues, operating cash flows, capital expenditures (net of certain payments received from customers), an exit multiple and a discount rate. With respect to the Towers reporting unit, there was no indication of impairment following the quantitative assessment, as the estimated fair value was well in excess of the corresponding carrying amount.

The quantitative impairment test indicated that the carrying amount of the Company's Fiber reporting unit exceeded its estimated fair value. The impairment was due to a number of factors, one of which was a reduction in management's assumptions for long-term revenue growth as actual demand, particularly related to small cells, has continued to be lower than previous expectations. In the face of this reduced demand, and consistent with the recently concluded operating review of the Fiber business, management implemented operational and strategic changes targeted at reducing future capital investment in the Fiber business by focusing primarily on colocation opportunities which require less capital expenditures than new-build opportunities. Although this more targeted strategy is focused on higher-return projects, the lower capital investment is expected to result in lower overall revenues and operating cash flows in the Fiber business. Following implementation of these changes, and consistent with the ongoing developments surrounding the Company's strategic review of its Fiber business, during the fourth quarter of 2024, management incorporated the anticipated impact of these changes in expectations into its long-term forecasts, which decreased the estimated fair value of the Fiber reporting unit. Additionally, management's expectations regarding the terminal value of the projections decreased due to several factors, including lower operating cash flows forecasted by management in the terminal year as well as lower exit multiples derived from industry research firms' outlook reports, which management uses in its DCF models. Finally, changes in the macroeconomic environment, including elevated interest rates, resulted in an increase in the discount rate used in the valuation model, which had a negative impact on estimated fair value.

The impairment charges for the Fiber reporting unit are recorded in "Goodwill impairment charges" on the Company's consolidated statement of operations and comprehensive income (loss).

The change in the carrying value of goodwill for the years ended December 31, 2024 and 2023 is as follows:

| | Towers | Fiber | Total |
|---------------------------------|-----------------|--------------|-----------------|
| Balance as of December 31, 2023 | \$ 5,127 | \$ 4,958 | \$ 10,085 |
| Impairment | — | (4,958) | (4,958) |
| Balance as of December 31, 2024 | <u>\$ 5,127</u> | <u>\$ —</u> | <u>\$ 5,127</u> |

Intangible Assets

The following is a summary of the Company's intangible assets.

| | As of December 31, 2024 | | | As of December 31, 2023 | | |
|--|--------------------------------|---------------------------------|-----------------------|--------------------------------|---------------------------------|-----------------------|
| | Gross Carrying Value | Accumulated Amortization | Net Book Value | Gross Carrying Value | Accumulated Amortization | Net Book Value |
| Site rental contracts and tenant relationships | \$ 7,879 | \$ (5,152) | \$ 2,727 | \$ 7,880 | \$ (4,758) | \$ 3,122 |
| Other intangible assets | 113 | (59) | 54 | 113 | (56) | 57 |
| Total | <u>\$ 7,992</u> | <u>\$ (5,211)</u> | <u>\$ 2,781</u> | <u>\$ 7,993</u> | <u>\$ (4,814)</u> | <u>\$ 3,179</u> |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

Amortization expense related to intangible assets is classified as "Depreciation, amortization and accretion" on the Company's consolidated statement of operations and comprehensive income (loss) and was \$397 million, \$447 million, and \$446 million for the years ended December 31, 2024, 2023 and 2022, respectively.

The estimated annual amortization expense related to intangible assets for the years ending December 31, 2025 to 2029 is as follows:

| | Years Ending December 31, | | | | |
|-------------------------------|---------------------------|--------|--------|--------|--------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| Estimated annual amortization | \$ 375 | \$ 371 | \$ 288 | \$ 284 | \$ 284 |

6. Other Liabilities

Other long-term liabilities

The following is a summary of the components of "Other long-term liabilities" as presented on the Company's consolidated balance sheet. See also note 2.

| | As of December 31, | |
|---------------------------------|--------------------|-----------------|
| | 2024 | 2023 |
| Deferred rental revenues | \$ 1,356 | \$ 1,310 |
| Deferred credits, net | 174 | 216 |
| Asset retirement obligation | 395 | 355 |
| Deferred income tax liabilities | 31 | 26 |
| Other long-term liabilities | 29 | 7 |
| Total | <u>\$ 1,985</u> | <u>\$ 1,914</u> |

Pursuant to its ground lease, leased facility, and certain pole attachment agreements, the Company has the obligation to perform certain asset retirement activities, including requirements upon contract termination to remove communications infrastructure or remediate the space on which its communications infrastructure is located. The changes in the carrying amount of the Company's asset retirement obligations were as follows:

| | Years Ending December 31, | |
|----------------------|---------------------------|---------------|
| | 2024 | 2023 |
| Balance, January 1 | \$ 355 | \$ 327 |
| Additions | 14 | 6 |
| Accretion expense | 27 | 24 |
| Settlements | (1) | (2) |
| Balance, December 31 | <u>\$ 395</u> | <u>\$ 355</u> |

As of December 31, 2024, the estimated undiscounted future cash outlay for asset retirement obligations was approximately \$1.2 billion. See note 2.

For the years ended December 31, 2024, 2023 and 2022, the Company recognized \$42 million, \$45 million and \$49 million, respectively, in "Site rental revenues" related to the amortization of below-market tenant leases. The estimated annual amounts related to below-market tenant leases expected to be amortized into site rental revenues for the years ending December 31, 2025 to 2029 are as follows:

| | Years Ending December 31, | | | | |
|----------------------------|---------------------------|-------|-------|-------|-------|
| | 2025 | 2026 | 2027 | 2028 | 2029 |
| Below-market tenant leases | \$ 34 | \$ 25 | \$ 20 | \$ 18 | \$ 16 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

Other accrued liabilities

Other accrued liabilities included accrued payroll and other accrued compensation of \$148 million and \$140 million as of December 31, 2024 and 2023, respectively.

7. Debt and Other Obligations

The table below sets forth the Company's debt and other obligations as of December 31, 2024.

| | Original Issue Date | Contractual Maturity Date | Outstanding Balance as of December 31, | | Stated Interest Rate as of December 31, |
|--|--------------------------|---------------------------|--|--------------------|---|
| | | | 2024 | 2023 | 2024 ^(a) |
| Secured Notes, Series 2009-1, Class A-2 | July 2009 | Aug. 2029 | 32 | 40 | 9.0 % |
| Tower Revenue Notes, Series 2015-2 | May 2015 | May 2045 ^(b) | 700 | 698 | 3.7 % |
| Tower Revenue Notes, Series 2018-2 | July 2018 | July 2048 ^(b) | 747 | 746 | 4.2 % |
| Installment purchase liabilities and finance leases | Various ^(c) | Various ^(c) | 299 ^(d) | 270 ^(d) | Various ^(c) |
| Total secured debt | | | 1,778 | 1,754 | |
| 2016 Revolver | Jan. 2016 | July 2027 | — ^(e) | 670 | N/A ^(f) |
| 2016 Term Loan A | Jan. 2016 | July 2027 | 1,117 | 1,162 | 5.6 % ^(f) |
| Commercial Paper Notes | Various ^(g) | Various ^(g) | 1,341 | — | 5.0 % |
| 3.200% Senior Notes | Aug. 2017 | Sept. 2024 | — ^(h) | 749 | N/A |
| 1.350% Senior Notes | June 2020 | July 2025 | 499 | 498 | 1.4 % |
| 4.450% Senior Notes | Feb. 2016 | Feb. 2026 | 899 | 898 | 4.5 % |
| 3.700% Senior Notes | May 2016 | June 2026 | 749 | 748 | 3.7 % |
| 1.050% Senior Notes | Feb. 2021 | July 2026 | 997 | 994 | 1.1 % |
| 4.000% Senior Notes | Feb. 2017 | Mar. 2027 | 498 | 498 | 4.0 % |
| 2.900% Senior Notes | Mar. 2022 | Mar. 2027 | 746 | 744 | 2.9 % |
| 3.650% Senior Notes | Aug. 2017 | Sept. 2027 | 997 | 997 | 3.7 % |
| 5.000% Senior Notes | Jan. 2023 | Jan. 2028 | 993 | 991 | 5.0 % |
| 3.800% Senior Notes | Jan. 2018 | Feb. 2028 | 996 | 995 | 3.8 % |
| 4.800% Senior Notes | Apr. 2023 | Sept. 2028 | 595 | 594 | 4.8 % |
| 4.300% Senior Notes | Feb. 2019 | Feb. 2029 | 596 | 595 | 4.3 % |
| 5.600% Senior Notes | Dec. 2023 | June 2029 | 742 | 740 | 5.6 % |
| 4.900% Senior Notes | Aug. 2024 ⁽ⁱ⁾ | Sept. 2029 ⁽ⁱ⁾ | 544 | — | 4.9 % |
| 3.100% Senior Notes | Aug. 2019 | Nov. 2029 | 547 | 546 | 3.1 % |
| 3.300% Senior Notes | Apr. 2020 | July 2030 | 742 | 741 | 3.3 % |
| 2.250% Senior Notes | June 2020 | Jan. 2031 | 1,093 | 1,091 | 2.3 % |
| 2.100% Senior Notes | Feb. 2021 | Apr. 2031 | 991 | 990 | 2.1 % |
| 2.500% Senior Notes | June 2021 | July 2031 | 744 | 743 | 2.5 % |
| 5.100% Senior Notes | Apr. 2023 | May 2033 | 743 | 743 | 5.1 % |
| 5.800% Senior Notes | Dec. 2023 | Mar. 2034 | 742 | 740 | 5.8 % |
| 5.200% Senior Notes | Aug. 2024 ⁽ⁱ⁾ | Sept. 2034 ⁽ⁱ⁾ | 689 | — | 5.2 % |
| 2.900% Senior Notes | Feb. 2021 | Apr. 2041 | 1,235 | 1,234 | 2.9 % |
| 4.750% Senior Notes | May 2017 | May 2047 | 345 | 344 | 4.8 % |
| 5.200% Senior Notes | Feb. 2019 | Feb. 2049 | 396 | 396 | 5.2 % |
| 4.000% Senior Notes | Aug. 2019 | Nov. 2049 | 346 | 346 | 4.0 % |
| 4.150% Senior Notes | Apr. 2020 | July 2050 | 490 | 490 | 4.2 % |
| 3.250% Senior Notes | June 2020 | Jan. 2051 | 891 | 890 | 3.3 % |
| Total unsecured debt | | | 22,303 | 21,167 | |
| Total debt and other obligations | | | 24,081 | 22,921 | |
| Less: current maturities of debt and other obligations | | | 610 | 835 | |
| Non-current portion of debt and other long-term obligations | | | \$ 23,471 | \$ 22,086 | |

(a) Represents the weighted-average stated interest rate, as applicable.

(b) If the Tower Revenue Notes, Series 2015-2 and Series 2018-2 (collectively, "Tower Revenue Notes") are not paid in full on or prior to an applicable anticipated repayment date, then Excess Cash Flow (as defined in the indenture governing the terms of such notes) of the issuers of such notes will be used to repay principal of the applicable series and class of the Tower Revenue Notes, and additional interest (of an additional approximately 5% per annum) will accrue on the respective Tower Revenue Notes. As of December 31, 2024, the Tower Revenue Notes, Series 2015-2 and 2018-2 have principal amounts of \$700 million and \$750 million, with anticipated repayment dates in 2025 and 2028, respectively.

(c) The Company's installment purchases primarily relate to land and bear interest rates up to 8% and mature in periods ranging from less than one year to approximately 20 years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

- (d) For the years ended December 31, 2024 and December 31, 2023, reflects \$35 million and \$18 million, respectively, in finance lease obligations (primarily related to vehicles).
- (e) As of December 31, 2024, the undrawn availability under the senior unsecured revolving credit facility ("2016 Revolver") was \$7.0 billion.
- (f) Both the 2016 Revolver and senior unsecured term loan A facility ("2016 Term Loan A" and, collectively, "2016 Credit Facility") bear interest, at the Company's option, at either (1) Term SOFR plus (i) a credit spread adjustment of 0.10% per annum and (ii) a credit spread ranging from 0.875% to 1.750% per annum or (2) an alternate base rate plus a credit spread ranging from 0.000% to 0.750% per annum, in each case, with the applicable credit spread based on the Company's senior unsecured debt rating. The Company pays a commitment fee ranging from 0.080% to 0.300%, based on the Company's senior unsecured debt rating, per annum on the undrawn available amount under the 2016 Revolver. See further discussion below regarding potential adjustments to such percentages.
- (g) The maturities of the Commercial Paper Notes, as defined below, when outstanding, may vary but may not exceed 397 days from the date of issue. There were no Commercial Paper Notes issued or outstanding during the period that had original maturities greater than three months.
- (h) In September 2024, the Company repaid in full the 3.200% senior unsecured notes on the contractual maturity date.
- (i) See "Bonds—Senior Notes" below for further discussion of senior unsecured notes issued during 2024.

The credit agreement governing the Company's 2016 Credit Facility ("2016 Credit Agreement") contains financial maintenance covenants. The Company is currently in compliance with these financial maintenance covenants. In addition, certain of the Company's debt agreements also contain restrictive covenants that place restrictions on CCI or its subsidiaries and may limit the Company's ability to, among other things, incur additional debt and liens, purchase the Company's securities, make capital expenditures, dispose of assets, undertake transactions with affiliates, make other investments, pay dividends or distribute excess cash flow.

Bank Debt

2016 Credit Facility. In January 2016, the Company established the 2016 Credit Facility, which was originally comprised of (1) a \$2.5 billion 2016 Revolver maturing in January 2021, (2) a \$2.0 billion 2016 Term Loan A maturing in January 2021 and (3) a \$1.0 billion senior unsecured 364-day revolving credit facility ("364-Day Facility") maturing in January 2017. The Company used the net proceeds from the 2016 Credit Facility (1) to repay the then outstanding senior credit facility originally established in January 2012 and (2) for general corporate purposes. In February 2016, the Company used a portion of the net proceeds from the February 2016 issuance of \$1.5 billion aggregate principal amount of senior unsecured notes offering to repay in full all outstanding borrowings under the then outstanding 364-Day Facility.

In February 2017, the Company entered into an amendment to the 2016 Credit Facility to (1) incur additional term loans in an aggregate principal amount of \$500 million and (2) extend the maturity of both the 2016 Term Loan A and the 2016 Revolver to January 2022.

In August 2017, the Company entered into an amendment to the 2016 Credit Facility to (1) increase commitments on the 2016 Revolver to \$3.5 billion, and (2) extend the maturity of the 2016 Credit Facility to August 2022.

In June 2018, the Company entered into an amendment to the 2016 Credit Facility to (1) increase commitments on the 2016 Revolver to \$4.25 billion, and (2) extend the maturity of the 2016 Credit Facility to June 2023.

In June 2019, the Company entered into an amendment to the 2016 Credit Facility to (1) increase commitments on the 2016 Revolver to \$5.0 billion, and (2) extend the maturity of the 2016 Credit Facility to June 2024.

In June 2021, the Company entered into an amendment to the 2016 Credit Agreement that provided for, among other things, (1) the extension of the maturity date of the 2016 Credit Facility to June 2026, (2) reductions to the interest rate spread ("Spread") and unused commitment fee ("Commitment Fee") percentage upon meeting specified annual sustainability targets ("Targets") and increases to the Spread and Commitment Fee percentage upon the failure to meet specified annual sustainability thresholds ("Thresholds") and (3) the inclusion of "hardwired" LIBOR transition provisions consistent with those published by the Alternative Reference Rate Committee. The Spread and Commitment Fee are subject to an upward adjustment of up to 0.05% and 0.01%, respectively, if the Company fails to achieve the Thresholds. The Spread and Commitment Fee are subject to a downward adjustment of up to 0.05% and 0.01%, respectively, if the Company achieves the Targets. In January of the years 2022 through 2025, the Company submitted the required documentation and received confirmation from its administrative agent that all Targets were met as of the respective prior fiscal year ends, and, as such, the Spread and Commitment Fee percentage reductions were applied in January 2022 and maintained for 2023, 2024 and 2025.

In July 2022, the Company entered into an amendment to the 2016 Credit Agreement that provided for, among other things, (1) the extension of the maturity date of the 2016 Credit Facility to July 2027, (2) an increase to the commitments on the 2016 Revolver to \$7.0 billion, (3) certain modifications to the specified sustainability metric and (4) the replacement of the LIBOR pricing benchmark with a Term SOFR pricing benchmark.

Commercial Paper Program. In April 2019, the Company established a commercial paper program ("CP Program"), pursuant to which the Company may issue short-term, unsecured commercial paper notes ("Commercial Paper Notes"). Commercial Paper Notes may be issued, repaid and re-issued from time to time, with an aggregate principal amount of Commercial Paper Notes outstanding under the CP Program at any time originally not to exceed \$1.0 billion. The net proceeds of the Commercial Paper Notes are expected to be used for general corporate purposes. The maturities of the Commercial Paper Notes, when outstanding, may vary but may not exceed 397 days from the date of issue. There were no Commercial Paper Notes issued or outstanding during the period that had original maturities greater than three months. The Commercial Paper Notes are issued under customary terms in the commercial paper market and are issued at a discount from par or, alternatively, can be issued at par and bear varying interest rates on a fixed or floating basis. At any point in time, the Company intends to maintain available commitments under its 2016 Revolver in an amount at least equal to the amount of Commercial Paper Notes outstanding. While any outstanding commercial paper issuances generally have short-term maturities, the Company classifies the outstanding issuances as long-term based on its ability and intent to refinance the outstanding issuances on a long-term basis.

In March 2022, the Company increased the size of the CP Program to permit the issuance of Commercial Paper Notes in an aggregate principal amount not to exceed \$2.0 billion at any time outstanding. As of December 31, 2024, the Company had net issuances of \$1.3 billion under the CP Program.

Securitized Debt

The Tower Revenue Notes and the Secured Notes, Series 2009-1, Class A-2 ("2009 Securitized Notes") (collectively, "Securitized Debt") are obligations of special purpose entities and their direct and indirect subsidiaries (each an "issuer"), all of which are wholly-owned, indirect subsidiaries of CCI. The Tower Revenue Notes and 2009 Securitized Notes are governed by separate indentures. The 2015 Tower Revenue Notes and 2018 Tower Revenue Notes (each as defined below) are governed by one indenture and consist of multiple series of notes, each with its own anticipated repayment date.

In May 2015, the Company issued \$1.0 billion aggregate principal amount of Senior Secured Tower Revenue Notes ("2015 Tower Revenue Notes"), which were issued pursuant to the existing indenture and have similar terms and security as the Company's then outstanding Tower Revenue Notes. The 2015 Tower Revenue Notes originally consisted of (1) \$300 million aggregate principal amount of 3.222% senior secured tower revenue notes with an anticipated repayment date of May 2022 and a final maturity date of May 2042 ("Series 2015-1 Notes") and (2) \$700 million aggregate principal amount of 3.663% senior secured tower revenue notes with an anticipated repayment date of May 2025 and a final maturity date of May 2045 ("Series 2015-2 Notes"). The Company primarily used the net proceeds of the 2015 Tower Revenue Notes, together with proceeds received from the Company's sale of the formerly 77.6% owned subsidiary that operated towers in Australia ("CCAL"), to (1) repay \$250 million aggregate principal amount of previously outstanding August 2010 Tower Revenue Notes, (2) repay all of the then outstanding WCP Secured Wireless Site Contracts Revenue Notes, Series 2010-1 ("WCP Securitized Notes"), (3) repay portions of outstanding borrowings under the 2012 Credit Facility and (4) pay related fees and expenses. In June 2021, the Company used a portion of the net proceeds from the 2.500% senior unsecured notes offering due July 2031 to repay in whole the Series 2015-1 Notes.

In July 2018, the Company issued \$1.0 billion aggregate principal amount of Senior Secured Tower Revenue Notes ("2018 Tower Revenue Notes"), which were issued pursuant to the existing indenture and have similar terms and security as the Company's then outstanding Tower Revenue Notes. The 2018 Tower Revenue Notes originally consisted of (1) \$250 million aggregate principal amount of 3.720% senior secured tower revenue notes with an anticipated repayment date of July 2023 and a final maturity of July 2043 ("Series 2018-1 Notes") and (2) \$750 million aggregate principal amount of 4.241% senior secured tower revenue notes with an anticipated repayment date of July 2028 and a final maturity of July 2048 ("Series 2018-2 Notes"). The Company used the net proceeds of the 2018 Tower Revenue Notes, together with cash on hand, to repay all of the previously outstanding Tower Revenue Notes, Series 2010-6 and to pay related fees and expenses. In addition to the 2018 Tower Revenue Notes described above, in connection with Exchange Act risk retention requirements ("Risk Retention Rules"), an indirect subsidiary of the Company issued and a majority-owned affiliate of the Company purchased approximately \$53 million of the Senior Secured Tower Revenue Notes, Series 2018-1, Class R-2028 to retain an eligible horizontal residual interest (as defined in the Risk Retention Rules) in an amount equal to at least 5% of the fair value of the 2018 Tower Revenue Notes. In March 2022, the Company prepaid the Series 2018-1 Notes.

The Securitized Debt is paid solely from the cash flows generated by the operation of the towers held directly and indirectly by the issuers of the respective Securitized Debt. The Securitized Debt is secured by, among other things, (1) a security interest in substantially all of the applicable issuers' assignable personal property, (2) a pledge of the equity interests in each applicable issuer and (3) a security interest in the applicable issuers' leases with tenants to lease tower space (space

licenses). The governing instruments of two indirect subsidiaries ("Crown Atlantic" and "Crown GT") of the issuers of the Tower Revenue Notes generally prevent them from issuing debt and granting liens on their assets without the approval of a subsidiary of Verizon Communications. Consequently, while distributions paid by Crown Atlantic and Crown GT will service the Tower Revenue Notes, the Tower Revenue Notes are not obligations of, nor are the Tower Revenue Notes secured by the cash flows or any other assets of, Crown Atlantic and Crown GT. As of December 31, 2024, the Securitized Debt was collateralized with personal property and equipment with an aggregate net book value of approximately \$667 million, exclusive of Crown Atlantic and Crown GT personal property and equipment.

The excess cash flows from the issuers of the Securitized Debt, after the payment of principal, interest, reserves, expenses and management fees, are distributed to the Company in accordance with the terms of the indentures. If the Debt Service Coverage Ratio ("DSCR") (as defined in the applicable governing loan agreement) as of the end of any calendar quarter falls to a certain level, then all excess cash flow of the issuers of the applicable debt instrument will be deposited into a reserve account instead of being released to the Company. The funds in the reserve account will not be released to the Company until the DSCR exceeds a certain level for two consecutive calendar quarters. If the DSCR falls below a certain level as of the end of any calendar quarter, then all cash on deposit in the reserve account along with future excess cash flows of the issuers will be applied to prepay the debt with applicable prepayment consideration.

The Company may repay the Securitized Debt in whole or in part at any time, provided in each case that such prepayment is accompanied by any applicable prepayment consideration. The Securitized Debt has covenants and restrictions customary for rated securitizations, including provisions prohibiting the issuers from incurring additional indebtedness or further encumbering their assets. The Company is currently in compliance with these financial maintenance covenants.

Bonds—Senior Notes

In August 2024, the Company issued \$550 million aggregate principal amount of 4.900% senior unsecured notes due 2029 and \$700 million aggregate principal amount of 5.200% senior unsecured notes due 2034 (collectively, "August 2024 Senior Notes"). The Company used the net proceeds from the August 2024 Senior Notes offering to repay a portion of the outstanding indebtedness under the CP Program and pay related fees and expenses.

In December 2023, the Company issued \$750 million aggregate principal amount of 5.600% senior unsecured notes due June 2029 and \$750 million aggregate principal amount of 5.800% senior unsecured notes due March 2034 (collectively, "December 2023 Senior Notes"). The Company used the net proceeds from the December 2023 Senior Notes offering to repay a portion of the outstanding indebtedness under its commercial paper program and pay related fees and expenses.

In April 2023, the Company issued \$600 million aggregate principal amount of 4.800% senior unsecured notes due September 2028 and \$750 million aggregate principal amount of 5.100% senior unsecured notes due May 2033 (collectively, "April 2023 Senior Notes"). The Company used the net proceeds from the April 2023 Senior Notes offering to repay a portion of the outstanding indebtedness under the 2016 Revolver and pay related fees and expenses.

In January 2023, the Company issued \$1.0 billion aggregate principal amount of 5.000% senior unsecured notes due January 2028 ("January 2023 Senior Notes"). The Company used the net proceeds from the January 2023 Senior Notes offering to repay a portion of the outstanding indebtedness under the 2016 Revolver and pay related fees and expenses.

In March 2022, the Company issued \$750 million aggregate principal amount of 2.900% senior unsecured notes due March 2027 ("March 2022 Senior Notes"). The Company used the net proceeds from the March 2022 Senior Notes offering to repay a portion of the outstanding indebtedness under the CP Program and pay related fees and expenses.

Each of the outstanding senior notes listed in the table above (collectively, "Senior Notes") are senior unsecured obligations of the Company and rank equally with all of the Company's existing and future senior unsecured indebtedness, including obligations under the 2016 Credit Facility, and senior to all of the Company's future subordinated indebtedness. The Senior Notes are structurally subordinated to all existing and future liabilities and obligations of the Company's subsidiaries. The Company's subsidiaries are not guarantors of the Senior Notes.

The Company may redeem any of the Senior Notes in whole or in part at any time at a price equal to 100% of the principal amount to be redeemed, plus a make whole premium, if applicable, and accrued and unpaid interest, if any, to the date of redemption.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

Previously Outstanding Indebtedness

Bonds—Senior Notes. In September 2024, the Company repaid in full the previously outstanding 3.200% senior unsecured notes due September 2024.

Scheduled Principal Payments and Final Maturities

The following are the scheduled principal payments and final maturities of the total debt and other long-term obligations of the Company outstanding as of December 31, 2024, which do not consider the principal payments that will commence following the anticipated repayment dates on the Tower Revenue Notes. If the Tower Revenue Notes are not paid in full on or prior to their respective anticipated repayment dates, as applicable, then the Excess Cash Flow (as defined in the indenture) of the issuers of such notes will be used to repay principal of the applicable series and class of the Tower Revenue Notes and additional interest (of an additional approximately 5% per annum) will accrue on the Tower Revenue Notes.

| | Years Ending December 31, | | | | | Thereafter | Total Cash Obligations | Unamortized Adjustments, Net | Total Debt and Other Obligations Outstanding |
|---|---------------------------|----------|----------|----------|----------|------------|------------------------|------------------------------|--|
| | 2025 | 2026 | 2027 | 2028 | 2029 | | | | |
| Scheduled principal payments and final maturities | \$ 1,951 ^(a) | \$ 2,787 | \$ 3,258 | \$ 2,635 | \$ 2,478 | \$ 11,130 | \$ 24,239 | \$ (158) | \$ 24,081 |

(a) Predominately consists of outstanding indebtedness under the CP Program and the 1.350% senior unsecured notes due July 2025.

Purchases and Redemptions of Long-Term Debt

The following is a summary of the purchases, payments and redemptions of long-term debt during the years ended December 31, 2024, 2023 and 2022.

| | Principal Amount | Cash Paid ^(a) | Gains (losses) ^(b) |
|------------------------------------|------------------------------|--------------------------|-------------------------------|
| | | | |
| 3.200% Senior Unsecured Notes | 750 | 750 | — |
| Total | \$ 750 | \$ 750 | \$ — |
| | Year Ended December 31, 2023 | | |
| 3.150% Senior Unsecured Notes | 750 | 750 | — |
| Total | \$ 750 | \$ 750 | \$ — |
| | Year Ended December 31, 2022 | | |
| Tower Revenue Notes, Series 2018-1 | \$ 250 | \$ 252 | \$ (3) |
| 3.849% Secured Notes | 1,000 | 1,022 | (23) |
| 2016 Revolver | — | — | (2) |
| Total | \$ 1,250 | \$ 1,274 | \$ (28) |

(a) Exclusive of accrued interest.

(b) Inclusive of the write-off of the respective deferred financing costs.

8. Fair Value Disclosures

The following table shows the estimated fair values of the Company's financial instruments, along with the carrying amounts of the related assets (liabilities). See also note 2.

| | Level in Fair Value Hierarchy | December 31, 2024 | | December 31, 2023 | |
|---|-------------------------------|-------------------|------------|-------------------|------------|
| | | Carrying Amount | Fair Value | Carrying Amount | Fair Value |
| Assets: | | | | | |
| Cash and cash equivalents | 1 | \$ 119 | \$ 119 | \$ 105 | \$ 105 |
| Restricted cash and cash equivalents, current and non-current | 1 | 176 | 176 | 176 | 176 |
| Liabilities: | | | | | |
| Total debt and other obligations | 2 | 24,081 | 22,398 | 22,921 | 21,201 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

9. Income Taxes

Income (loss) before income taxes by geographic area is summarized in the table below.

| | Years Ended December 31, | | |
|------------------------|--------------------------|-----------------|-----------------|
| | 2024 | 2023 | 2022 |
| Domestic | \$ (3,904) | \$ 1,499 | \$ 1,661 |
| Foreign ^(a) | 25 | 29 | 30 |
| Total | \$ (3,879) | \$ 1,528 | \$ 1,691 |

(a) Inclusive of income (loss) before income taxes from Puerto Rico.

The benefit (provision) for income taxes consists of the following:

| | Years Ended December 31, | | |
|--------------------------------------|--------------------------|----------------|----------------|
| | 2024 | 2023 | 2022 |
| Current: | | | |
| Federal | \$ (9) | \$ (7) | \$ (6) |
| Foreign | (6) | (9) | (9) |
| State | (5) | (2) | 2 |
| Total current | (20) | (18) | (13) |
| Deferred: | | | |
| Federal | 1 | — | — |
| Foreign | (5) | (8) | (3) |
| Total deferred | (4) | (8) | (3) |
| Total tax benefit (provision) | \$ (24) | \$ (26) | \$ (16) |

A reconciliation between the benefit (provision) for income taxes and the amount computed by applying the federal statutory income tax rate to the income (loss) before income taxes is as follows:

| | Years Ended December 31, | | |
|--|--------------------------|----------------|----------------|
| | 2024 | 2023 | 2022 |
| Benefit (provision) for income taxes at statutory rate | \$ 815 | \$ (321) | \$ (355) |
| Tax adjustment related to REIT operations | (822) | 313 | 349 |
| Valuation allowances | (1) | — | (1) |
| State tax (provision) benefit, net of federal | (5) | (2) | 2 |
| Foreign tax | (11) | (16) | (11) |
| Total | \$ (24) | \$ (26) | \$ (16) |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

The components of the net deferred income tax assets and liabilities are as follows:

| | December 31, | |
|---|--------------|--------|
| | 2024 | 2023 |
| Deferred income tax liabilities: | | |
| Property and equipment | \$ 11 | \$ 10 |
| Deferred site rental receivables | 7 | 9 |
| Site rental contracts and tenant relationships, net | 29 | 29 |
| Total deferred income tax liabilities | 47 | 48 |
| Deferred income tax assets: | | |
| Other intangible assets, net | 29 | 29 |
| Net operating loss carryforwards ^(a) | 1 | 5 |
| Straight-line rent expense liability | 5 | 5 |
| Accrued liabilities | 5 | 5 |
| Other | 6 | 5 |
| Valuation allowances | (3) | (2) |
| Total deferred income tax assets, net | 43 | 47 |
| Net deferred income tax assets (liabilities) | \$ (4) | \$ (1) |

(a) Balance results from the Company's foreign NOLs. Due to the Company's REIT status, no federal or state NOLs result in the Company recording a deferred income tax asset. See further discussion surrounding the Company's NOL balances below.

The Company operates as a REIT for U.S. federal income tax purposes.

The components of the net deferred income tax assets (liabilities) are as follows:

| Classification | December 31, 2024 | | | December 31, 2023 | | |
|----------------|-------------------|---------------------|--------|-------------------|---------------------|--------|
| | Gross | Valuation Allowance | Net | Gross | Valuation Allowance | Net |
| Federal | \$ 28 | \$ (2) | \$ 26 | \$ 26 | \$ (1) | \$ 25 |
| State | 1 | — | 1 | 1 | — | 1 |
| Foreign | (30) | (1) | (31) | (26) | (1) | (27) |
| Total | \$ (1) | \$ (3) | \$ (4) | \$ 1 | \$ (2) | \$ (1) |

The Company recorded valuation allowances totaling \$3 million and \$2 million, as of December 31, 2024 and 2023 respectively, related to certain deferred tax assets as management believes that it is not "more likely than not" that the Company will realize the assets.

At December 31, 2024, the Company had U.S. federal and state NOLs of approximately \$1.5 billion and \$0.4 billion, respectively, which are available to offset future taxable income. These amounts include approximately \$237 million of losses related to stock-based compensation. As footnoted above, the Company's federal and state NOLs are valued at a tax rate of 0% for deferred income tax purposes due to the Company's REIT status. As a result, any expirations of these NOLs will not have any impact on the Company's Consolidated Balance Sheet or the Consolidated Statement of Operations and Comprehensive Income (Loss). The Company also has foreign NOLs of \$3 million. If not utilized, the Company's U.S. federal NOLs expire starting in 2025 and ending in 2036, the remaining state NOLs expire starting in 2025 and ending in 2043, and the foreign NOLs start expiring in 2028 and ending in 2036. The federal NOLs potentially expiring in 2025 are \$128 million, and the state NOLs potentially expiring in 2025 are \$52 million. The utilization of the NOLs is subject to certain limitations. The Company's U.S. federal and state income tax returns generally remain open to examination by taxing authorities until three years after the applicable NOLs have been used or expired.

As of December 31, 2024, there were no unrecognized tax benefits that would impact the effective tax rate, if recognized.

From time to time, the Company is subject to examinations by various tax authorities in jurisdictions in which the Company has business operations. At this time, the Company is not subject to an Internal Revenue Service examination.

The Company regularly assesses the likelihood of additional assessments in each of the tax jurisdictions in which it has business operations. The Company has no uncertain tax positions as of December 31, 2024. Additionally, the Company does

not believe any such additional assessments arising from examinations or audits will have a material effect on the Company's financial statements.

As of December 31, 2024, the Company's deferred tax assets are included in "Other assets, net" and the Company's deferred tax liabilities are included in "Other long-term liabilities" on the Company's consolidated balance sheet.

10. Equity

2021 "At-the-Market" Stock Offering Program

The Company previously maintained an "at-the-market" stock offering program through which it had the right to issue and sell shares of its common stock having an aggregate gross sales price of up to \$750 million ("2021 ATM Program"). The Company terminated its previously outstanding 2021 ATM Program in March 2024 with the entire gross sales price of \$750 million remaining unsold.

2024 "At-the-Market" Stock Offering Program

In March 2024, the Company established a new "at-the-market" stock offering program through which it may issue and sell shares of its common stock having an aggregate gross sales price of up to \$750 million ("2024 ATM Program"). Sales under the 2024 ATM Program may be made by means of ordinary brokers' transactions on the New York Stock Exchange ("NYSE") or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or, subject to the Company's specific instructions, at negotiated prices. The Company intends to use the net proceeds from any sales under the 2024 ATM Program for general corporate purposes, which may include (1) the funding of future acquisitions or investments or (2) the repayment or repurchase of any outstanding indebtedness. The Company has not sold any shares of common stock under the 2024 ATM Program.

During the year ended December 31, 2024, the following dividends/distributions were declared or paid:

| Equity Type | Declaration Date | Record Date | Payment Date | Dividends Per Share | Aggregate Payment Amount ^(a) |
|--------------|-------------------|--------------------|--------------------|---------------------|---|
| Common Stock | February 21, 2024 | March 15, 2024 | March 28, 2024 | \$ 1.565 | \$ 683 |
| Common Stock | May 22, 2024 | June 14, 2024 | June 28, 2024 | \$ 1.565 | \$ 684 |
| Common Stock | August 7, 2024 | September 13, 2024 | September 30, 2024 | \$ 1.565 | \$ 683 |
| Common Stock | November 6, 2024 | December 13, 2024 | December 31, 2024 | \$ 1.565 | \$ 682 |

(a) Inclusive of dividends accrued for holders of unvested RSUs, which will be paid when and if the RSUs vest.

See also note 17 for a discussion of the Company's common stock dividend declared in March 2025.

Tax Treatment of Dividends

The following table summarizes, for income tax purposes, the nature of dividends paid during 2024 on the Company's common stock.

| Equity Type | Payment Date | Cash Distribution (per share) | Ordinary Taxable Dividend (per share) | Qualified Taxable Dividend (per share) | Section 199A Dividend (per share) | Non-Taxable Distribution (per share) |
|--------------|--------------------|-------------------------------|---------------------------------------|--|-----------------------------------|--------------------------------------|
| Common Stock | March 28, 2024 | \$ 1.565000 | \$ 0.884582 | \$ 0.018596 | \$ 0.865986 | \$ 0.680418 |
| Common Stock | June 28, 2024 | \$ 1.565000 | \$ 0.884582 | \$ 0.018596 | \$ 0.865986 | \$ 0.680418 |
| Common Stock | September 30, 2024 | \$ 1.565000 | \$ 0.884582 | \$ 0.018596 | \$ 0.865986 | \$ 0.680418 |
| Common Stock | December 31, 2024 | \$ 1.565000 | \$ 0.884582 | \$ 0.018596 | \$ 0.865986 | \$ 0.680418 |

(a) Qualified taxable dividend and section 199A dividend amounts are included in ordinary taxable dividend amounts.

Purchases of the Company's Common Stock

During the years ended December 31, 2024, 2023 and 2022, the Company purchased 0.3 million, 0.2 million and 0.4 million shares of its common stock, respectively, utilizing \$33 million, \$30 million and \$65 million in cash, respectively. The shares of common stock purchased relate to shares withheld in connection with the payment of withholding taxes upon vesting of RSUs.

11. Stock-based Compensation

Stock Compensation Plans

Pursuant to stockholder approved plans, the Company has granted stock-based awards to certain employees, consultants or non-employee directors of the Company and its subsidiaries or affiliates. Following the stockholder approval of the 2022 Long-Term Incentive Plan ("2022 LTIP"), no further awards can be made under the 2013 Long-Term Incentive Plan ("2013 LTIP"). As of December 31, 2024, the Company had approximately 0.4 million and 0.1 million shares available for issuance under existing and future awards, respectively, pursuant to the 2013 LTIP and approximately 2.2 million and 11.9 million shares available for issuance under existing and future awards, respectively, pursuant to the 2022 LTIP.

Restricted Stock Units

The Company issues RSUs to certain executives and employees. Each RSU represents a contingent right to receive one share of the Company's common stock subject to satisfaction of the applicable vesting terms. The RSUs granted to certain executives and employees include (1) annual awards that contain only service-based conditions, (2) annual performance awards that vest subject to the achievement of certain stock performance-based metrics (as further described below), (3) annual performance awards that vest subject to the achievement of the Company's performance related to its average return on invested capital (as further described below), (4) new hire, promotional or relocation awards that generally contain only service-based vesting conditions and (5) other awards related to specific business initiatives or compensation objectives including retention and merger integration. Generally, such awards vest over periods of approximately three years.

The following is a summary of the RSU activity during the year ended December 31, 2024.

| | RSUs |
|--------------------------------------|----------------------|
| | <i>(In millions)</i> |
| Outstanding at the beginning of year | 3 |
| Granted | 1 |
| Vested | (1) |
| Forfeited | — |
| Outstanding at end of year | 3 |

The Company granted approximately 1.4 million RSUs to its executives and certain other employees for the year ended December 31, 2024, approximately 1.6 million RSUs for the year ended December 31, 2023 and approximately 0.9 million RSUs for the year ended December 31, 2022. The weighted-average grant-date fair value per share of the grants for the years ended December 31, 2024, 2023 and 2022 was \$107.98, \$126.56 and \$146.52 per share, respectively. The weighted-average requisite service period for the RSUs granted during 2024 was approximately 2.2 years.

Of the approximately 1.4 million RSUs granted during the year ended December 31, 2024, (1) approximately 1.2 million RSUs were granted to the Company's executive and certain other employees and generally were subject to time-based vesting conditions, vesting over a three-year period (2) approximately 0.1 million RSUs were granted to the Company's executives and certain other employees and may vest on the third anniversary of the grant date based upon the Company's total stockholder return compared to that of the companies in the Standard & Poor's 500 Index and (3) approximately 0.1 million RSUs were granted to the Company's executives and certain other employees and may vest on the third anniversary of the grant date based upon the Company's average return on invested capital (defined as Adjusted EBITDA (as defined in the Restricted Stock Unit Agreement for 2022 Long-Term Incentive Plan (effective August 1, 2022)) less cash taxes paid, divided by the Company's historical gross investment in (a) property and equipment (excluding the impact of construction in process), (b) site rental contracts and tenant relationships and (c) goodwill) over a three-year performance period. Certain RSU agreements contain provisions that result in forfeiture by the employee of any unvested shares in the event that the Company's common stock does not achieve certain market performance targets. To the extent that the requisite service is rendered, compensation cost for accounting purposes is not reversed; rather, it is recognized regardless of whether or not the market performance target is achieved.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

The following table summarizes the assumptions used in the Monte Carlo simulation to determine the grant-date fair value for the RSUs with market conditions granted during the years ended December 31, 2024, 2023 and 2022.

| | Years Ended December 31, | | |
|------------------------|--------------------------|-------|-------|
| | 2024 | 2023 | 2022 |
| Risk-free rate | 4.4 % | 4.5 % | 1.7 % |
| Expected volatility | 27 % | 27 % | 31 % |
| Expected dividend rate | 5.5 % | 4.6 % | 3.0 % |

The Company recognized aggregate stock-based compensation expense related to RSUs of \$111 million, \$139 million and \$134 million for the years ended December 31, 2024, 2023 and 2022, respectively. The aggregate unrecognized compensation (net of estimated forfeitures) related to RSUs at December 31, 2024 is \$71 million and is estimated to be recognized over a weighted-average period of less than one year.

The following table is a summary of the RSUs vested during the years ended December 31, 2024, 2023 and 2022.

| Years Ended December 31, | Total Shares Vested | Fair Value on Vesting Date |
|--------------------------|--------------------------------|----------------------------|
| | <i>(In millions of shares)</i> | |
| 2024 | 1 | \$ 102 |
| 2023 | 1 | 92 |
| 2022 | 1 | 187 |

Stock-based Compensation Expense, Net

The following table discloses the components of stock-based compensation expense, net.

| | Years Ended December 31, | | |
|--|--------------------------|---------------|---------------|
| | 2024 | 2023 | 2022 |
| Stock-based compensation expense, net: | | | |
| Site rental costs of operations | \$ 19 | \$ 19 | \$ 18 |
| Services and other costs of operations | 6 | 10 | 10 |
| Selling, general and administrative expenses | 106 | 128 | 128 |
| Total stock-based compensation expense, net | <u>\$ 131</u> | <u>\$ 157</u> | <u>\$ 156</u> |

12. Commitments and Contingencies

Other Matters

The Company is involved in various claims, assessments, lawsuits or proceedings arising in the ordinary course of business. While there are uncertainties inherent in the ultimate outcome of such matters and it is impossible to presently determine the ultimate costs or losses that may be incurred, if any, management believes the adverse resolution of such uncertainties and the incurrence of such costs should not have a material adverse effect on the Company's consolidated financial position or results of operations. The Company and certain of its subsidiaries are also contingently liable for commitments or performance guarantees arising in the ordinary course of business, including certain letters of credit or surety bonds.

See note 13 for a discussion of operating lease commitments. In addition, as mentioned in note 4, the Company has the option to purchase approximately 54% of its towers at the end of their respective lease terms. The Company has no obligation to exercise such purchase options.

13. Leases

Lesser Tenant Leases

See note 3 for further information regarding the contractual amounts owed to the Company pursuant to tenant contracts in effect as of December 31, 2024 and other information.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

Lessee Operating Leases

The components of the Company's operating lease expense are as follows:

| | Years Ended December 31, | | |
|--|--------------------------|---------------|---------------|
| | 2024 | 2023 | 2022 |
| Lease cost: | | | |
| Operating lease expense ^(a) | \$ 706 | \$ 708 | \$ 660 |
| Variable lease expense ^(b) | 209 | 205 | 175 |
| Total lease expense ^(c) | <u>\$ 915</u> | <u>\$ 913</u> | <u>\$ 835</u> |

(a) Represents the Company's operating lease expense related to its ROU assets.

(b) Represents the Company's expense related to contingent payments for operating leases (such as payments based on revenues derived from the communications infrastructure located on the leased asset). Such contingencies are recognized as expense in the period they are resolved.

(c) Excludes those direct operating expenses accounted for pursuant to accounting guidance outside the scope of ASC 842.

Lessee Finance Leases

The vast majority of the Company's finance leases are related to the towers subject to prepaid master lease agreements with AT&T and T-Mobile (including those which T-Mobile assumed in its merger with Sprint), and are recorded as "Property and equipment, net" on the consolidated balance sheet. See note 4 for further discussion of the Company's prepaid master lease agreements.

The components of the Company's finance leases are as follows:

| | As of December 31, 2024 | | | As of December 31, 2023 | | |
|-----------------------|-------------------------|--------------------------|-----------------|-------------------------|--------------------------|-----------------|
| | Gross Carrying Value | Accumulated Amortization | Net Book Value | Gross Carrying Value | Accumulated Amortization | Net Book Value |
| Master Prepaid Leases | \$ 4,234 | \$ (3,007) | \$ 1,227 | \$ 4,243 | \$ (2,832) | \$ 1,411 |
| Finance Leases | 86 | (48) | 38 | 71 | (49) | 22 |
| Total | <u>\$ 4,320</u> | <u>\$ (3,055)</u> | <u>\$ 1,265</u> | <u>\$ 4,314</u> | <u>\$ (2,881)</u> | <u>\$ 1,433</u> |

For the year ended December 31, 2024, the Company recorded \$191 million to "Depreciation, amortization and accretion" related to finance leases and recorded \$182 million in each of the years ended December 31, 2023 and December 31, 2022.

Other Lessee Information

As of December 31, 2024, the Company's weighted-average remaining lease term and weighted-average discount rate for operating leases were 15 years and 4.9%, respectively.

The following table is a summary of the Company's maturities of operating lease liabilities as of December 31, 2024:

| | Years Ending December 31, | | | | | Thereafter | Total undiscounted lease payments | Less: Imputed interest | Total operating lease liabilities |
|---------------------------------|---------------------------|--------|--------|--------|--------|------------|-----------------------------------|------------------------|-----------------------------------|
| | 2025 | 2026 | 2027 | 2028 | 2029 | | | | |
| Operating leases ^(a) | \$ 558 | \$ 551 | \$ 547 | \$ 543 | \$ 538 | \$ 5,682 | \$ 8,419 | \$ (2,887) | \$ 5,532 |

(a) Excludes the Company's contingent payments for operating leases (such as payments based on revenues derived from the communications infrastructure located on the leased asset) as such arrangements are excluded from the Company's operating lease liability. Such contingencies are recognized as expense in the period they are resolved.

14. Operating Segments and Concentrations of Credit Risk

Reportable Segments

The Company's operating segments, which are also its reportable segments, consist of (1) Towers and (2) Fiber. The Towers segment provides access, including space or capacity, to the Company's more than 40,000 towers geographically dispersed throughout the U.S. The Towers segment also reflects certain ancillary services relating to the Company's towers, predominately consisting of site development services and installation services. See note 16 to the Company's consolidated financial statements for a discussion of the Company's 2023 Restructuring Plan, which included discontinuing installation services as a Towers product offering and note 17 for a discussion of the sale of the Fiber segment which is expected to close in the first half of 2026. The Fiber segment provides access, including space or capacity, to the Company's approximately (1)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

105,000 small cells either currently generating revenue or under contract and (2) 90,000 route miles of fiber primarily supporting small cells and fiber solutions geographically dispersed throughout the U.S.

The Company's President and Chief Executive Officer functions as the chief operating decision maker ("CODM"). The measurement of profit or loss primarily used by the CODM to evaluate the performance of the Company's operating segments is segment operating profit (loss). The CODM uses segment operating profit (loss) to evaluate budget-to-actual variances to assist in deciding whether to (1) reinvest capital into the Company's operating segments by constructing new assets, acquire new assets or land interests (which primarily relate to land assets under towers), or make improvements and structural enhancements to our existing infrastructure, (2) return cash generated to stockholders in the form of dividends, (3) purchase shares of our common stock, or (4) repurchase, repay, or redeem the Company's debt. The CODM also uses segment operating profit (loss) in the evaluation of pricing of new projects and new tenant agreements. Additionally, the Company CODM reviews segment adjusted site rental gross margin and segment adjusted services and other gross margin. The CODM uses segment adjusted site rental gross margin and segment adjusted services and other gross margin to (1) evaluate the economic productivity of the Company's operating segments, (2) identify underlying business trends that are impacting the Company's segment performance, (3) assist in making resource allocation decisions and (4) aid in the preparation of the annual operating budget for the Company's operating segments.

The Company defines segment operating profit (loss) as segment site rental revenues plus segment services and other revenues, less segment site rental costs of operations, segment services and other costs of operations, and segment selling, general and administrative expenses, each of which excludes stock-based compensation, net, and prepaid lease purchase price adjustments, which are recorded in the respective consolidated figures. The Company defines segment adjusted site rental gross margin as segment site rental revenues less segment site rental costs of operations, excluding stock-based compensation expense, net and amortization of prepaid lease purchase price adjustments recorded in consolidated site rental costs of operations. The Company defines segment adjusted services and other gross margin as segment services and other revenues less segment services and other costs of operations, excluding stock-based compensation expense, net recorded in consolidated services and other costs of operations. All of these measurements are exclusive of depreciation, amortization and accretion, which are shown separately.

Costs that are directly attributable to Towers and Fiber are assigned to those respective segments. Additionally, certain costs are shared across segments and are reflected in the Company's segment measures through allocations that management believes to be reasonable. The "Other Non-Segment Items" column, which does not meet the criteria to be classified as a reportable segment, (1) represents amounts excluded from specific segments, such as restructuring charges (credits), asset write-down charges, goodwill impairment, acquisition and integration costs, depreciation, amortization and accretion, amortization of prepaid lease purchase price adjustments, interest expense and amortization of deferred financing costs, net, gains (losses) on retirement of long-term obligations, interest income, other income (expense), stock-based compensation expense, net and certain selling, general and administrative expenses, and (2) reconciles segment operating profit (loss) to income (loss) before income taxes, as the amounts are not utilized in assessing each segment's performance. The "Other Non-Segment Items" total assets balance includes corporate assets such as cash and cash equivalents and restricted cash and cash equivalents which have not been allocated to specific segments. For both the Towers and Fiber segments, other segment costs of operations primarily consists of (1) utilities, (2) property taxes, (3) third-party costs related to ancillary services performed and (4) various other insignificant expenses. Other segment selling, general and administrative expenses primarily contains an allocation of corporate facilities expense relating to employees operating for each respective segment and external selling costs in the Fiber segment. There are no significant revenues resulting from transactions between the Company's operating segments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

2024 Segment Results and Significant Segment Expenses

| | Year Ended December 31, 2024 | | | |
|--|------------------------------|-----------|-------------------------|------------|
| | Towers | Fiber | Other Non-Segment Items | Total |
| Segment site rental revenues | \$ 4,266 | \$ 2,092 | | \$ 6,358 |
| Segment services and other revenues | 192 | 18 | | 210 |
| Segment revenues | 4,458 | 2,110 | | 6,568 |
| Segment site rental costs of operations | 959 | 734 | | 1,693 |
| Segment services and other costs of operations | 101 | 12 | | 113 |
| Segment costs of operations ^{(a)(b)} | 1,060 | 746 | | 1,806 |
| Segment adjusted site rental gross margin | 3,307 | 1,358 | | 4,665 |
| Segment adjusted services and other gross margin | 91 | 6 | | 97 |
| Segment selling, general and administrative expenses ^(b) | 76 | 176 | | 252 |
| Segment operating profit (loss) | 3,322 | 1,188 | | 4,510 |
| Other selling, general and administrative expenses ^(b) | | | \$ 348 | 348 |
| Stock-based compensation expense, net | | | 131 | 131 |
| Depreciation, amortization and accretion | | | 1,738 | 1,738 |
| Restructuring charges | | | 109 | 109 |
| Interest expense and amortization of deferred financing costs, net | | | 932 | 932 |
| Goodwill impairment | | | 4,958 | 4,958 |
| Other (income) expenses to reconcile to income (loss) before income taxes ^(c) | | | 173 | 173 |
| Income (loss) before income taxes | | | | \$ (3,879) |
| Capital expenditures | \$ 133 | \$ 1,045 | \$ 44 | \$ 1,222 |
| Total assets (at year end) | \$ 20,814 | \$ 11,283 | \$ 639 | \$ 32,736 |
| Total goodwill (at year end) | \$ 5,127 | \$ — | \$ — | \$ 5,127 |

| | Year Ended December 31, 2024 | | | |
|---|------------------------------|--------|-------------------------|----------|
| | Towers | Fiber | Other Non-Segment Items | Total |
| Segment costs of operations: | | | | |
| Lease expense | \$ 745 | \$ 369 | \$ — | \$ 1,114 |
| Employee compensation expense | 90 | 95 | — | 185 |
| Repairs and maintenance expense | 54 | 120 | — | 174 |
| Other segment costs of operations expense | 171 | 162 | — | 333 |
| Total segment costs of operations ^{(a)(b)} | 1,060 | 746 | — | 1,806 |
| Segment selling, general and administrative expenses: | | | | |
| Employee compensation expense | 63 | 102 | 160 | 325 |
| Other segment selling, general and administrative expenses | 13 | 74 | 188 | 275 |
| Total segment selling, general and administrative expenses ^(b) | \$ 76 | \$ 176 | \$ 348 | \$ 600 |

(a) Exclusive of depreciation, amortization and accretion shown separately.

(b) Segment costs of operations for the year ended December 31, 2024 excludes (1) stock-based compensation expense, net of \$25 million and (2) prepaid lease purchase price adjustments of \$16 million. For the year ended December 31, 2024, segment selling, general and administrative expenses and other selling, general and administrative expenses exclude stock-based compensation expense, net of \$106 million.

(c) See consolidated statement of operations and comprehensive income (loss) for further information.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

2023 Segment Results and Significant Segment Expenses

| | Year Ended December 31, 2023 | | | |
|--|-------------------------------------|--------------|--------------------------------|-----------------|
| | Towers | Fiber | Other Non-Segment Items | Total |
| Segment site rental revenues | \$ 4,313 | \$ 2,219 | | \$ 6,532 |
| Segment services and other revenues | 421 | 28 | | 449 |
| Segment revenues | 4,734 | 2,247 | | 6,981 |
| Segment site rental costs of operations | 943 | 686 | | 1,629 |
| Segment services and other costs of operations | 294 | 12 | | 306 |
| Segment costs of operations ^{(a)(b)} | 1,237 | 698 | | 1,935 |
| Segment adjusted site rental gross margin | 3,370 | 1,533 | | 4,903 |
| Segment adjusted services and other gross margin | 127 | 16 | | 143 |
| Segment selling, general and administrative expenses ^(b) | 104 | 194 | | 298 |
| Segment operating profit (loss) | 3,393 | 1,355 | | 4,748 |
| Other selling, general and administrative expenses ^(b) | | | \$ 333 | 333 |
| Stock-based compensation expense, net | | | 157 | 157 |
| Depreciation, amortization and accretion | | | 1,754 | 1,754 |
| Restructuring charges | | | 85 | 85 |
| Interest expense and amortization of deferred financing costs, net | | | 850 | 850 |
| Other (income) expenses to reconcile to income (loss) before income taxes ^(c) | | | 41 | 41 |
| Income (loss) before income taxes | | | | <u>\$ 1,528</u> |
| Capital expenditures | \$ 194 | \$ 1,175 | \$ 55 | \$ 1,424 |
| Total assets (at year end) | \$ 21,550 | \$ 16,308 | \$ 669 | \$ 38,527 |
| Total goodwill (at year end) | \$ 5,127 | \$ 4,958 | \$ — | \$ 10,085 |

| | Year Ended December 31, 2023 | | | |
|---|-------------------------------------|--------------|--------------------------------|--------------|
| | Towers | Fiber | Other Non-Segment Items | Total |
| Segment costs of operations: | | | | |
| Lease expense | \$ 732 | \$ 347 | \$ — | \$ 1,079 |
| Employee compensation expense | 122 | 98 | — | 220 |
| Repairs and maintenance expense | 58 | 107 | — | 165 |
| Other segment costs of operations expense | 325 | 146 | — | 471 |
| Total segment costs of operations ^{(a)(b)} | 1,237 | 698 | — | 1,935 |
| Segment selling, general and administrative expenses: | | | | |
| Employee compensation expense | 82 | 117 | 171 | 370 |
| Other segment selling, general and administrative expenses | 22 | 77 | 162 | 261 |
| Total segment selling, general and administrative expenses ^(b) | \$ 104 | \$ 194 | \$ 333 | \$ 631 |

(a) Exclusive of depreciation, amortization and accretion shown separately.

(b) Segment costs of operations for the year ended December 31, 2023 excludes (1) stock-based compensation expense, net of \$29 million and (2) prepaid lease purchase price adjustments of \$16 million. For the year ended December 31, 2023, segment selling, general and administrative expenses and other selling, general and administrative expenses exclude stock-based compensation expense, net of \$128 million.

(c) See consolidated statement of operations and comprehensive income (loss) for further information.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

2022 Segment Results and Significant Segment Expenses

| | Year Ended December 31, 2022 | | | |
|--|-------------------------------------|--------------|--------------------------------|--------------|
| | Towers | Fiber | Other Non-Segment Items | Total |
| Segment site rental revenues | \$ 4,322 | \$ 1,967 | | \$ 6,289 |
| Segment services and other revenues | 685 | 12 | | 697 |
| Segment revenues | 5,007 | 1,979 | | 6,986 |
| Segment site rental costs of operations | 918 | 650 | | 1,568 |
| Segment services and other costs of operations | 447 | 9 | | 456 |
| Segment costs of operations ^{(a)(b)} | 1,365 | 659 | | 2,024 |
| Segment adjusted site rental gross margin | 3,404 | 1,317 | | 4,721 |
| Segment adjusted services and other gross margin | 238 | 3 | | 241 |
| Segment selling, general and administrative expenses ^(b) | 115 | 190 | | 305 |
| Segment operating profit (loss) | 3,527 | 1,130 | | 4,657 |
| Other selling, general and administrative expenses ^(b) | | | \$ 317 | 317 |
| Stock-based compensation expense, net | | | 156 | 156 |
| Depreciation, amortization and accretion | | | 1,707 | 1,707 |
| Interest expense and amortization of deferred financing costs, net | | | 699 | 699 |
| Other (income) expenses to reconcile to income (loss) before income taxes ^(c) | | | 87 | 87 |
| Income (loss) before income taxes | | | | \$ 1,691 |
| Capital expenditures | \$ 185 | \$ 1,058 | \$ 67 | \$ 1,310 |
| Total assets (at year end) | \$ 22,210 | \$ 16,010 | \$ 701 | \$ 38,921 |
| Total goodwill (at year end) | \$ 5,127 | \$ 4,958 | \$ — | \$ 10,085 |

| | Year Ended December 31, 2022 | | | |
|---|-------------------------------------|--------------|--------------------------------|--------------|
| | Towers | Fiber | Other Non-Segment Items | Total |
| Segment costs of operations: | | | | |
| Lease expense | \$ 707 | \$ 321 | \$ — | \$ 1,028 |
| Employee compensation expense | 159 | 100 | — | 259 |
| Repairs and maintenance expense | 56 | 97 | — | 153 |
| Other segment costs of operations expense | 443 | 141 | — | 584 |
| Total segment costs of operations ^{(a)(b)} | 1,365 | 659 | — | 2,024 |
| Segment selling, general and administrative expenses: | | | | |
| Employee compensation expense | 93 | 118 | 183 | 394 |
| Other segment selling, general and administrative expenses | 22 | 72 | 134 | 228 |
| Total segment selling, general and administrative expenses ^(b) | \$ 115 | \$ 190 | \$ 317 | \$ 622 |

(a) Exclusive of depreciation, amortization and accretion shown separately.

(b) Segment costs of operations for the year ended December 31, 2022 excludes (1) stock-based compensation expense, net of \$28 million and (2) prepaid lease purchase price adjustments of \$16 million. For the year ended December 31, 2022, segment selling, general and administrative expenses and other selling, general and administrative expenses exclude stock-based compensation expense, net of \$128 million.

(c) See consolidated statement of operations and comprehensive income (loss) for further information.

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(Tabular dollars in millions, except per share amounts)

Major Tenants

The following table summarizes the percentage of the consolidated revenues for those tenants accounting for more than 10% of the Company's consolidated revenues.

| | Years Ended December 31, | | |
|------------------|--------------------------|------|------|
| | 2024 | 2023 | 2022 |
| T-Mobile | 35 % | 38 % | 38 % |
| AT&T | 19 % | 19 % | 18 % |
| Verizon Wireless | 19 % | 19 % | 18 % |
| Total | 73 % | 76 % | 74 % |

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash and cash equivalents, restricted cash and cash equivalents and trade receivables. The Company mitigates its risk with respect to cash and cash equivalents by maintaining such deposits at high credit quality financial institutions and monitoring the credit ratings of those institutions. The Company's restricted cash and cash equivalents are predominately held and directed by a trustee (see note 2).

The Company derives the largest portion of its revenues from tenants in the wireless industry. The Company also has a concentration in its volume of business with T-Mobile, AT&T and Verizon Wireless or their agents that accounts for a significant portion of the Company's revenues, receivables and deferred site rental receivables. The Company mitigates its concentrations of credit risk with respect to trade receivables by actively monitoring the creditworthiness of its tenants, the use of tenant leases with contractually determinable payment terms or proactive management of past due balances.

15. Supplemental Cash Flow Information

The following table is a summary of the supplemental cash flow information during the years ended December 31, 2024, 2023 and 2022.

| | Years Ended December 31, | | |
|--|--------------------------|--------|--------|
| | 2024 | 2023 | 2022 |
| Supplemental disclosure of cash flow information: | | | |
| Cash payments related to operating lease liabilities ^(a) | \$ 566 | \$ 571 | \$ 560 |
| Interest paid | 895 | 800 | 684 |
| Income taxes paid | 17 | 18 | 10 |
| Supplemental disclosure of non-cash investing and financing activities: | | | |
| ROU assets recorded in exchange for operating lease liabilities | 4 | 12 | 191 |
| Increase (decrease) in accounts payable for purchases of property and equipment | (33) | 36 | (5) |
| Capitalized stock-based compensation | 23 | 29 | 21 |
| Purchase of property and equipment under finance leases and installment land purchases | 69 | 62 | 28 |

(a) Excludes the Company's contingent payments pursuant to operating leases, which are recorded as expense in the period such contingencies are resolved.

The reconciliation of cash and cash equivalents and restricted cash and cash equivalents reported within various lines on the consolidated balance sheet to amounts reported in the consolidated statement of cash flows is shown below.

| | As of December 31, | | |
|--|--------------------|--------|--------|
| | 2024 | 2023 | 2022 |
| Cash and cash equivalents | \$ 119 | \$ 105 | \$ 156 |
| Restricted cash and cash equivalents, current | 171 | 171 | 166 |
| Restricted cash and cash equivalents reported within other assets, net | 5 | 5 | 5 |
| Cash and cash equivalents and restricted cash and cash equivalents | \$ 295 | \$ 281 | \$ 327 |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

16. Restructuring

2023 Restructuring Plan

In July 2023, the Company initiated the 2023 Restructuring Plan as part of its efforts to reduce costs to better align the Company's operational needs with lower tower activity. The 2023 Restructuring Plan included reducing the Company's total employee headcount by approximately 15%, discontinuing installation services as a Towers product offering while continuing to offer site development services on Company towers, and consolidating office space.

The 2023 Restructuring Plan included charges related to the (1) employee headcount reduction, including severance, stock-based compensation and other one-time termination benefits and (2) office space consolidation, which included remaining obligations under facility leases and non-cash charges for accelerated depreciation. The actions associated with the 2023 Restructuring Plan were substantially completed and related charges were recorded by June 30, 2024. The payments for the employee headcount reduction were completed in 2024, while payments for the office space consolidation are expected to be completed in 2032. The following tables summarize the activities related to the 2023 Restructuring Plan for the years ended December 31, 2024 and 2023:

| | Year Ended December 31, | | | | | |
|--|------------------------------|----------------------------|-------------|------------------------------|----------------------------|--------------|
| | 2024 | | | 2023 | | |
| | Employee Headcount Reduction | Office Space Consolidation | Total | Employee Headcount Reduction | Office Space Consolidation | Total |
| Liability as of the beginning of the respective year | \$ 16 | \$ 12 | \$ 28 | \$ — | \$ — | \$ — |
| Charges (credits) | — | 9 | 9 | 63 | 22 | 85 |
| Payments | (14) | (12) | (26) | (46) | (4) | (50) |
| Non-cash items | — | (4) | (4) | (1) | (6) | (7) |
| Liability as of the end of the respective year | <u>\$ 2</u> | <u>\$ 5</u> | <u>\$ 7</u> | <u>\$ 16</u> | <u>\$ 12</u> | <u>\$ 28</u> |

2024 Restructuring Plan

In June 2024, the Company initiated the 2024 Restructuring Plan as part of its efforts to drive operational efficiencies and reduce operating costs and capital expenditures, with a primary focus on the Company's Fiber segment. As a result, the Company announced a reduction of the Company's total employee headcount by more than 10% and the closing of certain offices.

The 2024 Restructuring Plan includes charges related to the (1) employee headcount reduction, including severance, stock-based compensation and other one-time termination benefits and (2) office closures, which includes remaining obligations under facility leases and non-cash charges for accelerated depreciation. The actions associated with the 2024 Restructuring Plan were substantially completed and the related charges were recorded by December 31, 2024, while the payments are expected to be completed for the employee headcount reduction in 2025 and office closures in 2033. The Company may incur other charges or cash expenditures not currently contemplated due to unanticipated events that may occur, including in connection with the implementation of the 2024 Restructuring Plan.

The following table summarizes the activities related to the 2024 Restructuring Plan for the year ended December 31, 2024:

| | Year Ended December 31, 2024 | | |
|-----------------------------------|------------------------------|----------------------------|--------------|
| | Employee Headcount Reduction | Office Space Consolidation | Total |
| Liability as of December 31, 2023 | \$ — | \$ — | \$ — |
| Charges (credits) | 39 | 61 | 100 |
| Payments | (34) | (10) | (44) |
| Non-cash items | 4 | (12) | (8) |
| Liability as of December 31, 2024 | <u>\$ 9</u> | <u>\$ 39</u> | <u>\$ 48</u> |

As of December 31, 2024, the liability for restructuring charges is included in "Other accrued liabilities" and "Other long-term liabilities" on the consolidated balance sheet, and the corresponding expense is included in "Restructuring charges" on the consolidated statements of operations and comprehensive income (loss).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)
(Tabular dollars in millions, except per share amounts)

The Company does not allocate restructuring charges between its operating segments. If charges related to the Restructuring Plans were allocated to operating segments, for the year ended December 31, 2024, \$13 million and \$64 million of the aforementioned charge would have been allocated to the Company's Towers and Fiber segments, respectively, with the remaining \$32 million allocated to Other. Similarly, for the year ended December 31, 2023, \$44 million and \$18 million of the aforementioned charge would have been allocated to the Company's Towers and Fiber segment, respectively, with the remaining \$23 million allocated to Other.

17. Subsequent Events

Common Stock Dividend

On February 26, 2025, the Company's board of directors declared a quarterly cash dividend of \$1.565 per common share. The quarterly dividend will be payable on March 31, 2025, to common stockholders of record as of March 14, 2025.

Strategic Fiber Transaction

On March 13, 2025, the Company signed the Strategic Fiber Agreement to sell its Fiber Business, with Zayo acquiring the fiber solutions business and EQT acquiring the small cell business. Under the Strategic Fiber Agreement, the Company will receive \$8.5 billion in aggregate, subject to certain closing adjustments. The Fiber Business did not meet the criteria for assets held for sale as of December 31, 2024, and therefore remains presented as a component of continuing operations. In subsequent periods, the Fiber Business will be presented as a discontinued operation, and its net assets will be classified as held for sale and comparable prior periods will be recast to reflect this change. Upon classification as held for sale in the first quarter of 2025, the Company expects to recognize a loss of between \$700 million and \$800 million, inclusive of estimated transaction fees. This Strategic Fiber transaction is expected to close in the first half of 2026, subject to certain closing conditions and regulatory approvals.

EXHIBIT C

Crown Castle Key Management

Crown Castle Management Biographies

Daniel K. Schlanger – Director and Interim President and Chief Executive Officer

Daniel K. Schlanger was appointed interim President and Chief Executive Officer of Crown Castle in March 2025. He joined Crown Castle in April 2016 and most recently served as Executive Vice President and Chief Financial Officer—responsible for planning, implementing and managing Crown Castle’s corporate finance operations. Before joining Crown Castle, Dan served as Senior Vice President of Global Products at Exterran Corporation, where he was responsible for global product strategy development and implementation. From 2009 to 2015, Dan held various leadership roles with Exterran Holdings, Inc. and Exterran GP LLC. Before those roles, he was Senior Vice President and Chief Financial Officer of Exterran GP LLC and also served as a director of Exterran GP LLC’s board of directors from October 2006 through November 2015. Earlier in his career, he worked as an investment banker with Merrill Lynch & Co. where he focused on mergers and acquisitions and capital markets transactions in the energy sector. Dan holds a BS in economics from the Wharton School at the University of Pennsylvania.

Edward B. Adams, Jr. – Director and Executive Vice President and General Counsel

Teddy Adams was appointed Executive Vice President and General Counsel of Crown Castle in February 2023, and he is responsible for Crown Castle’s legal, tax and policy team. Prior to this role, Teddy served as the Senior Vice President of Legal. Since joining in 2016, he has focused on improving time and cost of building communications infrastructure by leading teams that interact with utilities and governmental entities as well as managing teams that resolve legal disputes. In those roles, Teddy had responsibility for Crown Castle’s government affairs and litigation teams and the groups providing legal support for real estate, utility, zoning and permitting issues. Prior to Crown Castle, he was a partner at the Norton Rose Fulbright law firm. Teddy holds a BA in Economics and Sociology from Rice University and a JD from Stanford Law.

Sunit S. Patel – Executive Vice President and Chief Financial Officer

Mr. Patel served on the Crown Castle Board of Directors from January 2024 to March 2025. He previously served as Chief Financial Officer of Ibotta Inc., a North American cashback rewards and mobile technology platform. Mr. Patel has more than 25 years of executive leadership, including 15 years as a public telecommunications company CFO. In 2000, Mr. Patel co-founded Looking Glass Networks Inc., a facilities-based provider of metropolitan telecommunication transport services and served as its CFO until 2003. From 2003 to 2018, Mr. Patel served as EVP and CFO of CenturyLink, now Lumen, a role he held for over 14 years at Level 3 prior to its 2017 merger with CenturyLink. From 2018 to 2020, Mr. Patel served as EVP, Merger and Integration at T-Mobile, where he led T-Mobile's strategic planning efforts to integrate its business with Sprint following the companies' \$26.5 billion merger. Mr. Patel holds a BS degree in Chemical Engineering and Economics from Rice University and is a Chartered Financial Analyst.

Christopher D. Levendos – Executive Vice President and Chief Operating Officer – Fiber

Chris Levendos was appointed Executive Vice President and Chief Operating Officer-Fiber, effective January 2024. Prior to this, Mr. Levendos served as Executive Vice President and Chief Operating Officer (overseeing both segments) from November 2023 to January 2024, Interim Executive Vice President and Chief Operating Officer – Towers from October 2023 to November 2023, and Executive Vice President and Chief Operating Officer-Fiber from December 2020 to

November 2023, responsible for the management of Crown Castle's small cell and fiber operations. Prior to this, he served as Vice President of Network Engineering and Operations. Mr. Levandos is a leading force in driving innovation in network deployment with more than 30 years of experience operating and leading large fiber network organizations, previously serving at Frontier, Google and Verizon. Beginning his career at Verizon as a field technician, Mr. Levandos progressed through a series of operational and engineering roles over 26 years concluding as the Region President for Verizon's New York City Operations. He holds a BA from SUNY-Plattsburgh, a MS degree from New York University and a MS degree from Stevens Institute of Technology. Mr. Levandos serves on the boards for the Regional Planning Association (RPA), the Association for a Better New York (ABNY), INCOMPAS and is a member of the President's Leadership Council at Stevens Institute of Technology.

Donald J. Reid – Secretary

Donald Reid is Crown Castle's Associate General Counsel and Corporate Secretary. He has been with Crown Castle since February 2000. Prior to joining Crown Castle, Donald was an associate at Haynes and Boone, LLP. Donald obtained his JD from Georgetown University Law Center and his BS in Accounting from Boston College.

Scott Zahorchak – Vice President – Tax

Scott Zahorchak is an experienced tax professional currently serving as Vice President of Tax at Crown Castle since April 2019. Previously, Scott held the position of Vice President of Taxes at Arconic from November 2016 to March 2019, and served as Director of International Tax at Alcoa from 2004 to October 2016. Early in their career, Scott worked at Ernst & Young LLP as a Senior Manager from September 1996 to December 2004. Scott holds a JD degree from Case Western Reserve University School of Law and BBA in Accounting from Kent State University.

Mike Manczka – Vice President – Operational Finance and Accounting

Mike Manczka is Crown Castle's Vice President – Operational Finance and Accounting. He has been with Crown Castle since November 2003. Previously, Mike was a senior audit manager at KPMG US. He obtained his BS in Economics from Allegheny College.

Robert S. Collins – Vice President and Corporate Controller

Robert Collins is Crown Castle's Vice President and Corporate Controller. He has been with Crown Castle since December 2016. Previously, Robert was Vice President and Controller of Alcoa, Inc. from February 2005 to December 2016. Robert also worked at PWC as a Director from March 2000 to January 2005 and Senior Manager from July 1991 to February 2000.. Robert obtained his Master of Science in Accounting and Finance and Bachelor of Commerce in General Business Administration and Management from the University of Virginia.

Kristoffer Hinson – Vice President – Corporate Finance and Treasurer

Kristoffer Hinson currently serves as Vice President of Corporate Finance and Treasurer at Crown Castle, overseeing Investor Relations, Strategic Planning, and Treasury functions since June 2023. Prior to this role, Kristoffer held various positions at ExxonMobil from August 2010 to July 2023, including Director of Investor Relations, where responsibility included leading the Investor Relations team for quarterly earnings calls and investor communications. Additional roles at ExxonMobil encompassed Managing Director of ExxonMobil Czech Republic, EAME Credit

Manager, and various treasury and financial analysis positions. Earlier professional experience included roles at Ford Motor Company as a Securitization Analyst and Production Analyst. Kristoffer holds an MBA from Harvard Business School and a BA in Economics from Harvard University.

Inge Pasman – Assistant Secretary

Inge Pasman is Crown Castle's Assistant Corporate Secretary and Senior Attorney. She has been with Crown Castle since 2016. Inge obtained her JD from University of Houston Law Center and her BS in English Language and Literature from Texas A&M University.

Sophie Truong – Assistant Secretary

Sophie Truong is Crown Castle's Assistant Corporate Secretary. She has been with Crown Castle as an attorney since November 2024. Prior to joining Crown Castle, Sophie was a corporate specialist at King & Spalding and Global Corporate Governance Manager at Getty Images. She obtained her JD from the University of Houston Law Center and BS in Psychology from the University of Houston.

Deborah Kelly - Tax Officer

Deborah Kelly is an experienced tax professional currently serving as Crown Castle's Tax Officer and Director Transactional Tax. She began with Crown Castle in September 2008 where she has served in various roles within income and transaction tax. Prior to joining Crown Castle, Deborah was with PWC where she focused on accounting for income tax. Deborah received her Master of Science in Taxation from Golden Gate University and Bachelor of Science in Business Administration Accounting from West Virginia University.

EXHIBIT D

Purchaser Bios

Small Cells HoldCo Inc. Biographies

Marni Walden – Director

Marni Walden is a seasoned executive with extensive leadership experience in the telecommunications industry, including nearly two decades at Verizon Communications. As Executive Vice President and President of Global Media and New Business at Verizon, she led initiatives spanning wireless, media, telematics, and emerging technologies. Her strategic direction was instrumental in Verizon's expansion into digital content and advertising, including the integration of AOL and Yahoo. Known for driving innovation and business transformation, Ms. Walden brings a forward-thinking approach to technology and operations. She currently serves on several corporate boards, including Draftkings, Tranformco, and Persado, contributing deep expertise in digital transformation and strategic growth. Marni has been an advisor to EQT since 2025.

Gerard Ainsztein – Director

Gerard Ainsztein is a senior executive with over 20 years of experience leading financial, operational, and strategic growth initiatives across the telecom, real estate, and financial services sectors. He served as Senior Vice President at American Tower Corporation, where he had full P&L responsibility for a \$2.5 billion business unit, delivering consistent EBITDA growth through both organic and acquisition strategies. Mr. Ainsztein has advised private equity firms on billion-dollar telecommunications investments and is recognized for his ability to scale businesses, streamline operations, and drive innovation. He remains active in community leadership and currently sits on multiple nonprofit boards focused on education and youth empowerment. Gerard has been an advisor to EQT since 2025.

Timothy G. Biltz – Director

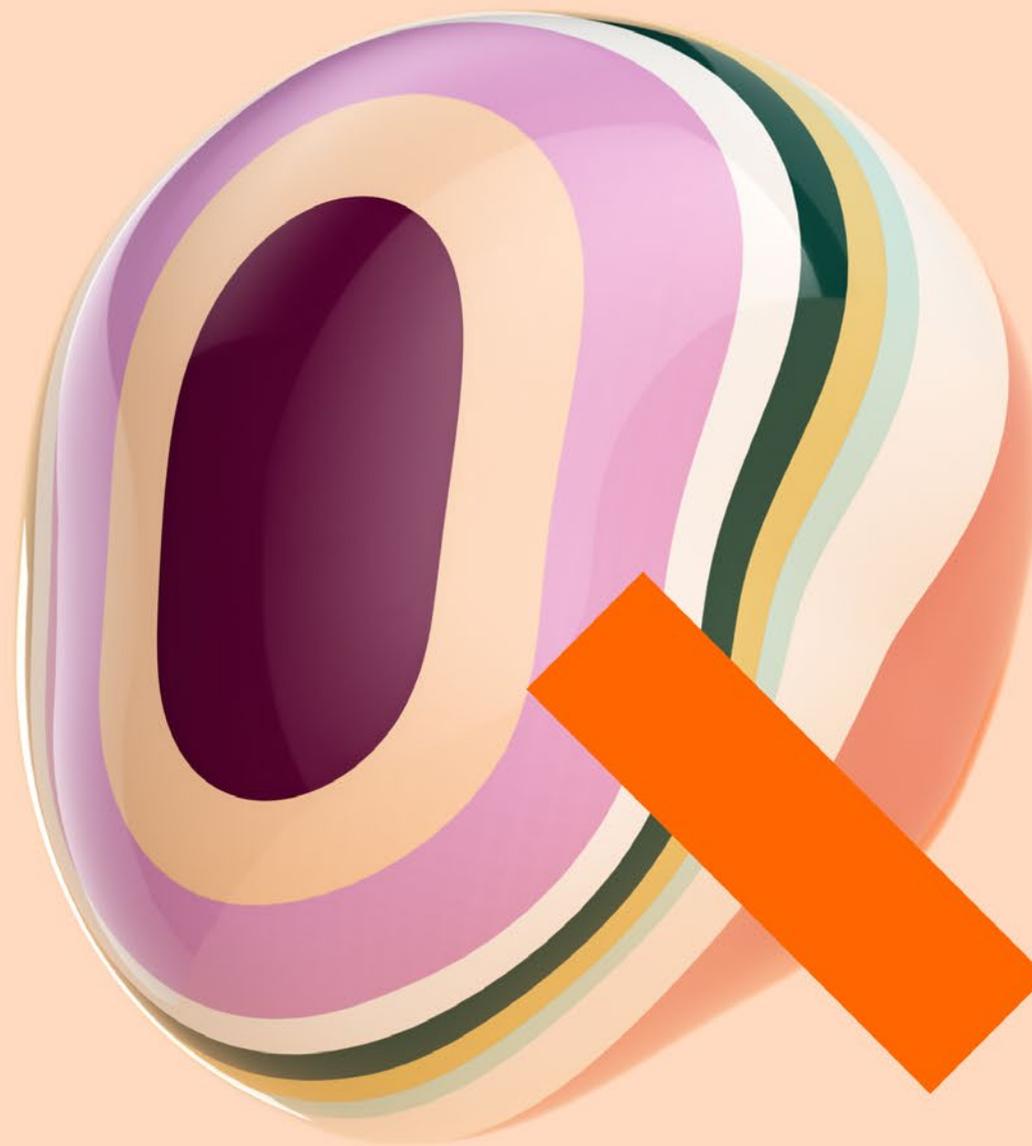
Timothy G. Biltz is an accomplished telecommunications executive with over three decades of leadership experience spanning infrastructure, wireless, and broadband services. Most recently, he served as Chief Executive Officer of Lumos Networks, where he led the company's transformation into a leading fiber-based network provider. Prior to that, Mr. Biltz held senior roles at companies including Electric Lightwave, McLeodUSA, and Vanguard Cellular Systems, where he drove strategic growth, operational efficiencies, and successful M&A activities. With a proven track record of delivering shareholder value, he currently serves on several corporate boards including Ntelos, Revol Wireless and Yap, and brings deep expertise in network deployment, digital infrastructure, and organizational strategy. Timothy has been an advisor to EQT since 2021.

EXHIBIT E

EQT Financial Statement

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Board of directors' report

The Board of directors and the CEO of EQT AB (publ) (reg. no. 556849-4180) with its registered office in Stockholm, Sweden submit the annual report and consolidated financial statements for the 2024 financial year.

REVENUES AND NET INCOME

As of 1 January 2024, EQT has, in accordance with IAS 8, changed accounting principles relating to IFRS Accounting Standards reported carried interest, see Note 26. The principles for Adjusted Revenue is unchanged compared to prior periods, whereby carried interest is only recognized after applying a valuation buffer (30-50%) on the unrealized part of the underlying fund valuations, see Note 4.

Total revenue for the period increased to EUR 2,652.6m (EUR 2,122.4m). Carried interest and investment income amounted to EUR 548.7m (156.3m). Adjusted total revenue amounted to EUR 2,354.8m (EUR 2,130.8m). In addition to the revenue adjustments (see Note 4), Adjusted total revenue has been adjusted with an item affecting comparability (see Note 4) relating to the revaluation of certain Multifamily investments made with the support of EQT's balance sheet, see section "Significant events during the year".

Impact on adjusted revenues from foreign exchange rate differences (using fixed foreign exchange rates), amounted to negative EUR 1.0m.

Total operating expenses during the year amounted to EUR 1,328.6m (EUR 1,391.4m).

EBITDA increased to EUR 1,324.0m (EUR 731.0m) corresponding to a margin of 49.9% (34.4%). Adjusted EBITDA amounted to EUR 1,358.7m (EUR 1,226.4m) corresponding to a margin of 57.7% (57.6%).

Impact on adjusted EBITDA from foreign exchange rate differences (using fixed foreign exchange rates), amounted to negative EUR 4.0m.

Depreciation and amortization amounted to EUR 71.2m (EUR 54.1m), primarily related to facility lease agreements and placement agent fees. Amortization of acquisition related intangible assets amounted to EUR 364.8m (EUR 364.1m) and relates to amortization of identified surplus values in performed acquisitions.

Net financial income and expenses amounted to EUR 11.2m (EUR -35.5m). In addition to the change in fair value of contingent considerations (earn-out) relating to Multifamily (see section "Significant events during the year") that is treated as an Item affecting comparability of EUR 15.7m this is primarily comprised of interest expenses of EUR -42.2m (EUR -42.2m) relating to the sustainability-linked bonds issued by EQT AB in April 2022 and May 2021, interest income as well as currency translation differences.

Income taxes amounted to EUR -122.9m (EUR -100.2m). The income tax expense included EUR 1.2m (EUR -m) of estimated Global Minimum Tax which was attributable to the EQT AB Group's earnings in Singapore, see section "Significant events during the year".

Net income for the period from continuing operations increased to EUR 776.3m (EUR 177.2m). Adjustment items affecting net income from continuing operations,

including tax effects, amounted to EUR 338.8m (EUR 842.2m). Adjusted net income for the period from continuing operations amounted to EUR 1,115.1m (EUR 1,019.4m).

Earnings per share for continuing operations before and after dilution amounted to EUR 0.656 (EUR 0.149) and EUR 0.656 (EUR 0.149), respectively. Adjusted earnings per share for continuing operations before and after dilution amounted to EUR 0.942 (EUR 0.860) and EUR 0.942 (EUR 0.859), respectively.

Adjustment items affecting EBITDA in 2024 (see Note 4) amounted to EUR 34.7m and relates to:

- Revenue adjustments, whereby carried interest is only recognized after applying a valuation buffer (30-50%) on the unrealized part of the underlying fund valuations.
- Non-cash adjustments, which relates to the part of the acquisition considerations subject to lock-up as well as the non-cash portion of equity incentive program cost. The part of the considerations subject to lock-up is treated as a personnel expense from an accounting perspective and recorded in the income statement over the lock-up period.
- Items affecting comparability, which in 2024 includes an adjustment of the associated cost and the revaluation of certain investments relating to US Multifamily (see section "Significant events during the year") as well as integration costs relating to previously performed acquisitions.

Adjustment items affecting EBITDA in 2023 (see Note 4) amounted to EUR 495.4m and relates to:

- Revenue adjustments, whereby carried interest is only recognized after applying a valuation buffer (30-50%) on the unrealized part of the underlying fund valuations.
- Non-cash adjustments which relates to the part of the acquisition considerations subject to lock-up as well as the non-cash portion of equity incentive program cost. The part of the considerations subject to lock-up is treated as a personnel expense from an accounting perspective and recorded in the income statement over the lock-up period.
- Items affecting comparability in 2023 include integration costs as a result of performed acquisitions.

CASH FLOW AND FINANCIAL POSITION

Goodwill and Other intangible assets amounted to EUR 5,163.8m (EUR 5,280.3m). The decrease of EUR 116.5m is mainly driven by amortization and exchange rate differences.

Property, plant and equipment amounted to EUR 251.8m (EUR 171.5m).

Current assets amounted to EUR 5,953.5m (EUR 5,042.0m). The increase is mainly driven by an increase in Financial investments including carried interest which increased by EUR 1,263.4m to EUR 4,302.3m (EUR 3,038.9m) primarily driven by increased investments from EQT AB Group into EQT funds, strategic investments to support new initiatives and fair value increase relating to carried interest, see Note 18.

Cash and cash equivalents at the end of the period amounted to EUR 1,024.0m (EUR 1,114.0m). Net debt amounted to EUR 976.0m (EUR 886.0m in net debt).

Equity increased to EUR 8,096.0m (EUR 7,415.8m). The increase is mainly explained by current period net income.

Non-current liabilities amounted to EUR 2,515.8m (EUR 2,472.9m).

Current liabilities amounted to EUR 869.3m (EUR 731.8m).

EXPECTATIONS FOR 2025

In 2025, EQT will continue fundraising for its flagship funds within certain strategies, including EQT Infrastructure VI and BPEA IX. EQT will also continue fundraising for newly launched strategies, such as EQT Healthcare Growth and EQT Transition Infrastructure.

EQT continues to build its private wealth platform by introducing new strategies, engaging with distributors and strengthening EQT's brand. During 2025, EQT expects to launch three additional evergreen vehicles, and thereby have five evergreen vehicles available for Private Wealth.

In 2025, EQT will continue to make thematic investments, and drive performance across the EQT funds' portfolio companies, while maintaining a rigorous focus on exits.

PERSONNEL

The number of full-time equivalent employees (FTE), at year-end 2024, amounted to 1,886 (1,777). New hires in 2024 were made to strengthen the capital raising platform as well as the investment teams to enable scalable future growth.

SIGNIFICANT EVENTS DURING THE YEAR

Significant events and transactions

Accounting standards

As of 1 January 2024, EQT accounts for the entire investment, including carried interest, as a financial instrument in accordance with IFRS 9 at fair value in the balance sheet. The fair value changes will continue to be presented as Carried interest and investment income in the consolidated income statement.

The impact of this change on historical periods is presented in Note 26.

In addition, EQT will (unchanged compared to prior periods) continue to report Adjusted Revenue whereby carried interest is only recognized after applying a valuation buffer (30–50%) on the unrealized part of the underlying fund valuations.

As a result, EQT will provide a highly transparent carried interest reporting including:

- The short-term impact of fund valuation changes (Reported Revenue according to IFRS Accounting Standards)
- The amount of carried interest expected to be converted to cash in a mid term perspective (Adjusted Revenue). See further in Note 4
- The actual cash flows relating to carried interest (realized (cash) carried interest)

EQT Exeter

EQT Exeter, which will operate under the EQT Real Estate brand going forward, will continue to focus primarily on industrial (logistics) real estate. The US Multifamily fund initiative has been discontinued, and the associated costs such as redundancies and the revaluations of certain investments made with the support of EQT's balance sheet – totaling approximately EUR 80m net of tax – are reported in the period as an item affecting comparability (see Note 4). EQT Real

Estate has also decided not to pursue further investments in the office and life sciences property sector for the time being.

Tax

During 2024 the Swedish Tax Agency issued draft decisions to EQT proposing to levy social security charges on carried interest distributions made to certain current and former EQT employees for certain historical periods and EQT funds. EQT and the relevant individuals have filed taxes in accordance with existing case law and any decision levying social security charges in this regard will be appealed and tried in court. This matter relates to historical periods and is not expected to have a material impact for EQT AB Group. For further information see section "Events after the reporting period".

Throughout 2024, the Global Minimum Tax (GMT) legislation and related OECD guidance have been subject to continuous development. Estimated tax expenses during the period associated with the GMT rules amounted to EUR 1.2m. In relative terms, this level of top-up tax is representative of the estimated impact of the GMT rules in the short to medium term, subject to further developments of the rules.

EQT applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Global Minimum Tax, as provided in the amendments to IAS 12 issued in May 2023.

Fundraising

During the period, EQT X closed at EUR 22bn in total commitments, of which EUR 21.7bn are fee-generating assets under management, hitting the hard cap. EQT's Private Capital strategies across the world have completed fundraises in 2024 that combine to more than EUR 30bn in total commitments.

EQT Infrastructure VI had fee-generating commitments of EUR 18.1bn. The fund is expected to reach its

target size upon its final close in the first quarter of 2025.

Balance sheet and liquidity

As previously communicated, EQT expects to execute share buyback programs twice a year to offset the dilution impact from EQT's Incentive Programs. EQT repurchased 4.2m shares during the year.

On 10 July 2024, EQT extended its existing EUR 1.5 billion sustainability-linked revolving credit facility (RCF) for 5 years, with two 1-year extension options. The RCF was originally signed on 21 December 2020 and increased to EUR 1.5 billion on 25 April 2022.

On 10 July 2024, S&P Global Ratings assigned EQT a credit rating of 'A-' with a stable outlook, reflecting EQT's operational strength and robust financial position. The rating complements the existing rating from Fitch (A-/ Stable).

INCENTIVE PROGRAMS

EQT 2019 Share program

The last grant of the EQT Share program (established in 2019) was done in March 2023. Each annual grant consisted of amounts to be converted to class C shares in EQT AB. All class C shares allotted are subject to a three-year holding period, with no vesting conditions, after which the class C shares are converted into ordinary shares. The class C shares carry the same economic rights as ordinary shares in the company and carry one-tenth (0.1) vote each. During 2019, a share issue of 8,663,490 class C shares was carried out and subsequently repurchased for the purpose of delivering class C shares within the scope of the share program. Participants were allotted a total of 1,595,067 class C shares during 2020–2023: 365,406 class C shares in 2020 (2019 grant), 348,106 class C shares in 2021 (2020 grant), 385,499 class C shares in 2022 (2021 grant), and 496,056 class C shares in 2023 (2022 grant).

EQT 2023 Share program

The EQT Share Program (established in 2023) consists of ordinary shares in EQT AB. The Program is divided into five separate annual grants, each subject to a one-year performance period and a three-year holding period. Depending on the achievement of certain performance targets during the performance year, an amount may be awarded which after the performance period is settled in the total number of outstanding shares in EQT AB that corresponds to the amount awarded. With certain limited exceptions, no vesting conditions apply during the three-year holding period. Based on the number of shares as of 31 December 2022, the maximum dilution for the EQT Share Program is one percent in total. EQT intends, over time, to repurchase shares to offset the dilution related to the EQT Share Program. Performance in relation to targets for Adjusted Revenue growth, Adjusted EBITDA margin and a sustainability assessment has resulted in a gross share grant level of EUR 44.0m, of which EUR 21.2m was cash cost. In relation to the 2023 grant, 631,547 ordinary shares were allotted to the participants in the beginning of 2024.

EQT 2023 Option program

The EQT Option Program (established in 2023) consists of options which upon exercise entitle the option holders to acquire ordinary shares in EQT AB. The Program is divided into five separate annual grants, each subject to a one-year performance period and a three-year holding period. Depending on the achievement of certain performance targets during the performance year, an amount may be awarded which after the performance period is settled in the number of options that corresponds to the amount awarded. With certain limited exceptions, no vesting conditions apply during the three-year holding period. The option exercise

period commences after the holding period. Based on the number of shares as of 31 December 2022, the maximum dilution for the EQT Option Program is four percent in total. EQT intends, over time, to repurchase shares to offset the dilution related to the EQT Option Program. Total grant level for EQT Option program recognized in 2024 was EUR 59.7m of which none was cash cost. In relation to the 2023 grant, 4,430,306 employee stock options were allotted to the participants in the beginning of 2024.

RELATED PARTIES

No significant related party transactions have occurred during the period.

EVENTS AFTER THE REPORTING PERIOD

In January 2025 the Swedish Tax Agency issued decisions to EQT levying social security charges on carried interest distributions to individuals. The decisions, which are in line with the draft decisions previously issued, have been appealed by EQT and will be tried in court. This matter relates to historical periods and is not expected to have a material impact on the EQT AB Group.

In February 2025, Per Franzén was appointed as new CEO and Managing Partner of EQT, effective as of the Annual Shareholders' Meeting on 27 May 2025. Christian Sinding will remain as CEO and Managing Partner during the transition period and thereafter become an Institutional Partner. Christian will Chair the EQT Council and continue to lead the Global Investment Forum and remain a member of several EQT fund Investment Committees.

PARENT COMPANY

The parent company's profit before tax amounted to SEK 5,053.6m (SEK 5,211.3m). The decrease is mainly explained by a timing effect of dividends from subsidiaries as well as currency translation differences.

THE SHARE

EQT AB's ordinary shares are listed on Nasdaq Stockholm in the Large Cap segment. As of 31 December 2024, there were 1,181,330,760 outstanding shares in EQT AB and EQT AB held 60,676,207 ordinary shares in treasury. Including shares held in treasury by EQT AB, there were 1,241,125,412 ordinary shares and 881,555 non-listed class C shares. Ordinary shares carry 1 vote per share and class C shares carry 0.1 vote per share. The quota value of the shares is SEK 0.1. See Note 14 for further information.

In addition to what is disclosed in Note 14 there are no restrictions on the transferability of shares due to statutory provisions, articles of association or, as far as EQT AB is aware, in shareholders agreements.

For information regarding changes in EQT's share capital and lock ups entered into, please refer to the heading "Events after the reporting period" and "Restrictions on transferability above".

SUSTAINABILITY

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, EQT has elected to prepare the statutory sustainability report separately from the Board of directors' report. The scope of the statutory sustainability report is given on page 111.

GUIDELINES FOR EXECUTIVE REMUNERATION (REMUNERATION POLICY)

The guidelines for executive remuneration approved by the Annual Shareholders' Meeting 2024 are presented in Note 7. During 2024, there were no deviations from the guidelines.

CORPORATE GOVERNANCE

EQT prepares its Corporate Governance Report as a separate document from the statutory annual report. Please see page 172.

PROPOSAL FOR THE DISTRIBUTION OF NET INCOME

The Board of directors proposes a dividend for 2024 of SEK 4.30 per share, to be paid out in two equal installments, SEK 2.15 with record date 30 May 2025, and SEK 2.15 with record date 1 December 2025. Should the Annual Shareholders' Meeting decide in favor of the proposal, payment of the dividend is expected to be made on 4 June 2025 and on 4 December 2025, respectively.

Holders of ordinary shares and Class C shares are equally entitled to dividend. The dividend will be based on the number of shares outstanding as of each record date.

Standing at the disposal (in SEK) of the annual shareholders' meeting, in accordance with the balance sheet of EQT AB:

| | |
|------------------------|-----------------------|
| Share premium reserve | 58,703,698,468 |
| Profit brought forward | 142,596,937 |
| Net income | 5,033,944,911 |
| Total | 63,880,240,316 |

The board proposes that, following approval of the balance sheet of EQT AB for the financial year 2024, the annual shareholders' meeting should distribute the earnings as follows:

| | |
|---------------------------|-----------------------------|
| Dividend to shareholders: | |
| SEK 4.30 per share | 5,079,722,268 ¹⁾ |
| Retained earnings | 58,800,518,048 |
| Total | 63,880,240,316 |

¹⁾ Based on the number of outstanding shares at 31 December 2024. The amount of the dividend may change up until each record date.

It is the Board's opinion that the proposed dividend is justifiable taking into consideration the demands that the nature, scope and risks of EQT's operations place on the size of EQT AB's and EQT AB Group's equity, and EQT AB's and EQT AB Group's consolidation needs, liquidity and financial position in general.

Consolidated income statement

Consolidated income statement

1 January – 31 December

| EUR m | Note | 2024 | 2023 restated |
|---|-----------|-----------------|-----------------|
| Management fees | 5 | 2,104.0 | 1,966.1 |
| Carried interest and investment income | 5, 18 | 548.7 | 156.3 |
| Total revenue | | 2,652.6 | 2,122.4 |
| Personnel expenses | 7 | -843.8 | -705.3 |
| Acquisition related personnel expenses | 7 | -228.0 | -436.4 |
| Other operating expenses | 6, 8 | -256.8 | -249.7 |
| Total operating expenses | | -1,328.6 | -1,391.4 |
| Operating profit before depreciation and amortization (EBITDA) | | 1,324.0 | 731.0 |
| Depreciation and amortization | 5, 11, 12 | -71.2 | -54.1 |
| Amortization of acquisition related intangible assets | | -364.8 | -364.1 |
| Operating profit (EBIT) | | 888.0 | 312.8 |
| Net financial income and expenses | 9 | 11.2 | -35.5 |
| whereof change in fair value of contingent consideration | | 15.7 | - |
| Profit before income tax (EBT) | | 899.2 | 277.4 |
| Income taxes | 10 | -122.9 | -100.2 |
| Net income for the period from continuing operations | | 776.3 | 177.2 |
| Net income for the period from discontinued operations | | - | -9.3 |
| Net income | | 776.3 | 167.9 |
| ATTRIBUTABLE TO: | | | |
| Owners of the parent company | | 776.3 | 167.9 |
| Non-controlling interests | | - | - |
| | | 776.3 | 167.9 |
| EARNINGS PER SHARE, EUR | 25 | | |
| before dilution | | 0.656 | 0.142 |
| of which continued operations | | 0.656 | 0.149 |
| after dilution | | 0.656 | 0.142 |
| of which continued operations | | 0.656 | 0.149 |
| AVERAGE NUMBER OF SHARES | | | |
| before dilution | | 1,183,153,914 | 1,185,754,323 |
| after dilution | | 1,184,166,399 | 1,186,434,306 |

Consolidated statement of comprehensive income

1 January – 31 December

| EUR m | 2024 | 2023 restated |
|--|----------------|---------------|
| Net income | 776.3 | 167.9 |
| Other comprehensive income | | |
| Items that are or may be reclassified subsequently to the income statement | | |
| Foreign operations – foreign currency translation differences net of tax | 309.1 | -229.7 |
| Other comprehensive income for the period | 309.1 | -229.7 |
| Total comprehensive income for the period | 1,085.4 | -61.8 |
| ATTRIBUTABLE TO: | | |
| Owners of the parent company | 1,085.4 | -61.8 |
| Non-controlling interests | - | - |
| | 1,085.4 | -61.8 |

Consolidated balance sheet

Consolidated balance sheet

| EUR m | Note | 31.12.2024 | 31.12.2023 restated |
|--|--------|-----------------|---------------------|
| Assets | | | |
| Non-current assets | | | |
| Goodwill | 11 | 2,222.0 | 2,132.6 |
| Other intangible assets | 11 | 2,941.7 | 3,147.7 |
| Property, plant and equipment | 12 | 251.8 | 171.5 |
| Other financial assets | 18 | 10.1 | 16.7 |
| Other non-current assets | 5 | 29.3 | 17.8 |
| Deferred tax assets | 10 | 72.7 | 92.1 |
| Total non-current assets | | 5,527.6 | 5,578.4 |
| Current assets | | | |
| Current tax assets | | 20.2 | 30.5 |
| Accounts receivable and other current assets | 13, 18 | 337.9 | 343.7 |
| Financial investments incl carried interest | 18 | 4,302.3 | 3,038.9 |
| Acquisition related prepaid personnel expenses | | 135.2 | 344.7 |
| Other prepaid expenses and accrued income | | 133.9 | 170.2 |
| Cash and cash equivalents | | 1,024.0 | 1,114.0 |
| Total current assets | | 5,953.5 | 5,042.0 |
| Total assets | | 11,481.1 | 10,620.4 |

| EUR m | Note | 31.12.2024 | 31.12.2023 restated |
|--|--------|-----------------|---------------------|
| Equity and liabilities | | | |
| Equity | | | |
| | 14 | | |
| Share capital | | 11.8 | 11.8 |
| Other paid in capital | | 5,593.2 | 5,593.2 |
| Reserves | | -140.8 | -450.0 |
| Retained earnings including net income | | 2,631.6 | 2,260.5 |
| Total equity attributable to owners of the parent company | | 8,096.0 | 7,415.8 |
| Non-controlling interest | | - | - |
| Total equity | | 8,096.0 | 7,415.8 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Interest-bearing liabilities | 15, 19 | 2,020.5 | 2,020.8 |
| Lease liabilities | 15, 19 | 161.3 | 91.2 |
| Deferred tax liabilities | 10 | 334.1 | 360.8 |
| Total non-current liabilities | | 2,515.8 | 2,472.9 |
| Current liabilities | | | |
| Lease liabilities | 15, 19 | 41.2 | 34.3 |
| Current tax liabilities | | 57.8 | 50.6 |
| Accounts payable | 18 | 7.7 | 12.2 |
| Other liabilities | 16 | 125.6 | 114.2 |
| Accrued expenses and prepaid income | 5, 17 | 637.0 | 520.5 |
| Total current liabilities | | 869.3 | 731.8 |
| Total liabilities | | 3,385.2 | 3,204.6 |
| Total equity and liabilities | | 11,481.1 | 10,620.4 |

Consolidated statement of changes in equity

Consolidated statement of changes in equity

| EUR m | Attributable to owners of the parent company | | | | | Non-controlling interest | Total equity |
|---|--|-----------------------|---------------------|-------------------|--------------|--------------------------|--------------|
| | Share capital | Other paid in capital | Translation reserve | Retained earnings | Total equity | | |
| Opening balance at 1.1.2024 | 11.8 | 5,593.2 | -450.0 | 2,260.5 | 7,415.8 | — | 7,415.8 |
| Total comprehensive income for the period | | | | | | | |
| Net income | | | | 776.3 | 776.3 | — | 776.3 |
| Other comprehensive income for the period | | | 309.1 | | 309.1 | — | 309.1 |
| Total comprehensive income for the period | — | — | 309.1 | 776.3 | 1,085.4 | — | 1,085.4 |
| Transactions with owners of the parent company | | | | | | | |
| Dividends | | | | -373.4 | -373.4 | — | -373.4 |
| Cancelling of C shares | -0.0 | | | 0.0 | — | — | — |
| Bonus issue | 0.0 | | | -0.0 | — | — | — |
| Equity incentive programs | | | | 86.1 | 86.1 | — | 86.1 |
| Repurchase of own shares and/or participations | | | | -117.9 | -117.9 | — | -117.9 |
| Total transactions with owners of the parent company | — | — | — | -405.2 | -405.2 | — | -405.2 |
| Closing balance at 31.12.2024 | 11.8 | 5,593.2 | -140.8 | 2,631.6 | 8,096.0 | — | 8,096.0 |

| EUR m | Attributable to owners of the parent company | | | | | Non-controlling interest | Total equity |
|---|--|-----------------------|---------------------|-------------------|--------------|--------------------------|--------------|
| | Share capital | Other paid in capital | Translation reserve | Retained earnings | Total equity | | |
| Opening balance at 1.1.2023 | 11.2 | 5,593.2 | -220.4 | 1,014.7 | 6,398.7 | — | 6,398.7 |
| Restatement | | | | 1,374.2 | 1,374.2 | | 1,374.2 |
| Restated opening balance at 1.1.2023 | 11.2 | 5,593.2 | -220.4 | 2,388.9 | 7,772.9 | — | 7,772.9 |
| Total comprehensive income for the period | | | | | | | |
| Net income | | | | 167.9 | 167.9 | — | 167.9 |
| Other comprehensive income for the period | | | -229.7 | | -229.7 | — | -229.7 |
| Total comprehensive income for the period | — | — | -229.7 | 167.9 | -61.8 | — | -61.8 |
| Transactions with owners of the parent company | | | | | | | |
| Dividends | | | | -298.5 | -298.5 | — | -298.5 |
| Share issue | 0.5 | — | | | 0.5 | — | 0.5 |
| Cancelling of C shares | -0.0 | | | 0.0 | — | — | — |
| Bonus issue | 0.0 | | | -0.0 | — | — | — |
| Equity incentive programs | | | | 40.6 | 40.6 | — | 40.6 |
| Repurchase of own shares and/or participations | | | | -38.0 | -38.0 | — | -38.0 |
| Total transactions with owners of the parent company | 0.5 | — | — | -295.8 | -295.3 | — | -295.3 |
| Restated closing balance at 31.12.2023 | 11.8 | 5,593.2 | -450.0 | 2,260.5 | 7,415.8 | — | 7,415.8 |

Consolidated statement of cash flows

Consolidated statement of cash flows

| EUR m | Note | 2024 | 2023 restated |
|---|------|--------------|---------------|
| Cash flows operating activities | 20 | | |
| Operating profit (EBIT), continuing operations | | 888.0 | 312.8 |
| Adjustments: | | | |
| Depreciation and amortization | | 436.0 | 418.2 |
| Changes in fair value | | -548.7 | -156.3 |
| Foreign currency translation differences | | 22.1 | -15.0 |
| Other non-cash adjustments | | 321.2 | 479.5 |
| Investments in financial investments incl carried interest | 18 | -865.0 | -208.3 |
| Proceeds from disposals of financial investments incl carried interest | 18 | 275.6 | 283.3 |
| Increase (-) /decrease (+) in accounts receivable and other receivables | | -30.4 | -121.5 |
| Increase (+) /decrease (-) in accounts payable and other payables | | 95.5 | 17.6 |
| Income taxes paid | | -130.3 | -105.3 |
| Net cash from operating activities | | 463.9 | 905.0 |
| Cash flows investing activities | | | |
| Investment in intangible assets | | - | -0.5 |
| Acquisition of property, plant and equipment | | -17.5 | -23.1 |
| Interest received | | 44.5 | 24.3 |
| Final earn-out divestment Credit | | - | 11.2 |
| Investment in non-current assets | | -28.7 | -11.0 |
| Net cash from (+) / used in (-) investing activities | | -1.7 | 0.9 |

| EUR m | Note | 2024 | 2023 restated |
|---|------|----------------|----------------|
| Cash flows financing activities | | | |
| Dividends paid | | -372.7 | -298.4 |
| Payment of lease liabilities | | -38.6 | -31.6 |
| Interest paid | | -44.7 | -47.7 |
| Share issues | | - | 0.5 |
| Purchase of own shares and/or participations | | -117.9 | -38.0 |
| Net cash from (+) / used in (-) financing activities | | -573.9 | -415.2 |
| Net increase (+) / decrease (-) in cash and cash equivalents | | -111.7 | 490.8 |
| Cash and cash equivalents at the beginning of the period | | 1,114.0 | 644.9 |
| Foreign currency translation differences | | 21.6 | -21.7 |
| Cash and cash equivalents at the end of the period | | 1,024.0 | 1,114.0 |

Notes

Note 1 General information

EQT AB (publ), reg. no. 556849-4180, is a company domiciled in Stockholm, Sweden with its ordinary shares listed on Nasdaq Stockholm. The visiting address is Regeringsgatan 25, 111 53 Stockholm, Sweden. The registered postal address is Box 16409, 103 27 Stockholm, Sweden.

The consolidated financial statements of the financial year ended as of 31 December 2024 comprise EQT AB ("the Company") and its direct and indirect subsidiaries, together referred to as the "EQT AB Group".

Note 2 Accounting policies

BASIS OF ACCOUNTING

Compliance with legislation and standards

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards published by the International Accounting Standards Board (IASB) as adopted by the EU as of 31 December 2024. Additional disclosure requirements in the Swedish Annual Accounts Act (1995:1554) have been applied in accordance with RFR 1 Complementary Accounting rules for groups issued by the Swedish Corporate Reporting Board.

EQT AB's consolidated financial statements were authorized for issue by the Board of directors and the

CEO on 12 March 2025. The consolidated financial statements are subject to approval by the annual shareholders' meeting on 27 May 2025.

ACCOUNTING POLICIES

The accounting policies applied in these consolidated financial statements are the same as those applied in the annual report 2023, except for the change in accounting policy regarding carried interest as described in Note 26.

Changes in IFRS Accounting Standards that were effective from 2024 have had no material effect on the EQT AB Group's financial statements.

Throughout 2024, the Global Minimum Tax (GMT) legislation and related OECD guidance have been subject to continuous development. Estimated tax expenses during the period associated with the GMT rules amounted to EUR 1.2m. In relative terms, this level of top-up tax is representative of the estimated impact of the GMT rules in the short to medium term, subject to developments of the rules. The EQT AB Group applies the exception to recognize and disclose information about deferred tax assets and liabilities related to Global Minimum Tax, as provided in the amendments to IAS 12 issued in May 2023.

Basis of measurement

Assets and liabilities are measured at historical cost, with the exception of financial investments which are measured at fair value.

Use of judgments and estimates in the financial statements

Preparation of financial statements requires the use of judgment and accounting estimates that affect the application of the EQT AB Group's accounting policies and the reported amounts of assets, liabilities, income

and expenses. Revisions of estimates are recognized prospectively.

The judgments, made by the management when applying IFRS Accounting Standards, which may have significant effects on the financial statements and estimates that may contribute to significant adjustments in the financial statements of the following financial year are described in Note 3 "Use of judgments and estimates".

STANDARDS ISSUED BUT NOT YET EFFECTIVE

IFRS 18 "Presentation and Disclosures in Financial Statements" will replace IAS 1 "Presentation of Financial Statements" and applies for annual reporting periods beginning on or after 1 January 2027. EQT does currently not plan to apply the standard early. The main effects of IFRS 18 concern the structure of the income statement, the disclosure of management-defined performance measures (MPMs), and increased guidance on aggregation and disaggregation in the primary financial statements and the notes.

EQT's preliminary view is that the application of IFRS 18 will not lead to any significant changes in the group's financial statements. It is expected that the more noticeable items in the income statement will remain within the operating category and that the subtotals within the operating category may also remain. This is based on EQT being expected to have investing in financial investments including carried interest as a specified main business activity. On a more detailed level, some amounts may move from the current net financial items into the operating category and remaining net financial items will be split into an investing and a financing category. EQT will continue to analyse the above aspects and the other potential effects of IFRS 18.

Other new or revised standards and interpretations issued by the IASB and the IFRS Interpretations Committee but not yet effective, are expected to have an immaterial impact on the EQT AB Group's financial statements in the future periods of initial application.

BASIS OF CONSOLIDATION AND BUSINESS COMBINATIONS

Subsidiaries and control

– Control

Subsidiaries are entities controlled directly or indirectly by EQT AB. The EQT AB Group controls an entity when it has power over the entity and is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

From an IFRS 10 perspective EQT AB Group is considered an investment entity.

In accordance with IFRS 10 an investment entity is an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both and evaluate the performance of its investments on a fair value basis. As an investment entity EQT AB Group is exempt from consolidating subsidiaries that are investments and measures them at fair value through profit or loss instead. Subsidiaries that serve in a supporting function such as investment services continue to be consolidated in accordance with IFRS 10 and those that are not providing investment services will be recognized at fair value instead of being consolidated.

– Unconsolidated structured entities

According to IFRS 10 "Consolidation", an investor that has control over only specified and ring-fenced assets and liabilities within an entity, should, for consolidation purposes, treat portions of the entity as a deemed separate entity (silo). The specified assets of one silo

Note 2 cont.

are not available to meet obligations of other parts of the entity, including in the event of insolvency. Each silo's assets are the only source of payment for specified obligations of the silo. Silos that are not directly or indirectly controlled by EQT AB are not considered to be subsidiaries and are accordingly not consolidated. Such silos of structured entities are normally accounted for as financial investments measured at fair value through profit or loss. See Note 3 for further information of significant judgments used.

— Funds

Each EQT fund, being composed of one or more Limited Partnerships (or the equivalent) is managed by a general partner and/or a manager (jointly "Fund Manager"). The Fund Manager is normally a direct or indirect subsidiary of EQT AB. The authority and powers of the Fund Manager are defined in the Limited Partnership Agreement (or similar).

Determining whether or not a Fund Manager should consolidate its managed funds is based on judgments of whether the Fund Manager is acting as a principal or an agent to the fund for accounting purposes. The assessment of the EQT AB Group's expected level of return is based on the funds' performance, i.e. the variable returns. Should a fund generate variable return EQT AB Group would be entitled to between two and seven percent of the variable return, which is not considered to meet the control criterion in IFRS 10 on link between power and return. Instead, EQT AB Group is considered to be an agent in relation to the fund investors, for accounting purposes and, accordingly the funds are not consolidated.

REVENUE

The EQT AB Group's revenue is generated from fund management services, carried interest and investment income.

The parties of agreements of fund management services comprise the EQT AB Group and the fund.

For fund management services there is only one single performance obligation for each fund and its investors. The performance obligation comprises identifying and evaluating investment and divestment opportunities, providing support on structuring, fund management and monitoring and reporting on an ongoing basis over the life of each fund. The different activities are considered interrelated and part of the same obligation to perform fund management services.

The following describes the different types of revenues.

Management fees

The performance obligation of the EQT AB Group is to manage and support the funds, through the Fund Managers, on an ongoing basis.

To manage and support on an ongoing basis represents a series of distinct services that increments on an ongoing basis and together is treated as one single performance obligation. Management fees are recognized over time over the life of each fund.

The management fee is based on agreements over the life of each fund, generally with the term of 10–12 years occasionally subject to one or more 12 months' extension periods.

The fee charged is normally based on commitments until the termination of the commitment period and thereafter based on the total cost of investments not yet realized or written off. If any investments remain after the term date management fees are charged on the total acquisition cost of such investments but at a lower rate for each six-month period until the agreed extension period expires.

Typically the fees during the commitment and divestment period are payable half-yearly in advance and adjusted in the following half-year period, should

any triggering events have occurred. Examples of triggering events include launch of a successor fund, commencement of the divestment period/end of commitment period and multiple closings in funds in fund-raising.

Carried interest and investment income

Carried interest and investment income consists primarily of changes in fair value of the EQT AB Group's underlying fund investments. Changes in fair value are recognized in the income statement. For further information on accounting policies for financial instruments, see Note 2 "Financial instruments" as well as Note 5 "Revenue".

Cost of obtaining a contract

The EQT AB Group, on a selective basis, makes use of placement agents or other local representatives/agents in certain jurisdictions, where its own personnel is not authorized to market the funds. The fee is capitalized as a non-current asset representing cost of obtaining contract. The cost of obtaining the contracts is expected to be recovered over the fund commitment period. The benefit of the cost is primarily considered to be attributable to the period when the fund investments are carried out. Therefore, the useful life of the asset is the commitment period which is expected to be between three to six years. The asset is amortized on a straight-line basis.

FINANCIAL INCOME AND FINANCIAL EXPENSES

Financial income comprises primarily translation gains. Financial income also comprises interest on bank balances. Financial expense comprises translation losses and interest on interest-bearing liabilities and finance lease liabilities. Other financial income and expenses are insignificant.

FINANCIAL INSTRUMENTS

The EQT AB Group's financial assets consist of financial investments, including carried interest, accounts receivable and other receivables and cash and cash equivalents. Financial liabilities comprise accounts payable, short and long-term interest-bearing liabilities and other financial liabilities.

Cash and cash equivalents consist of on-demand deposits with credit institutions.

Recognition and initial measurement

Accounts receivable are initially recognized when issued. All other financial assets and financial liabilities are initially recognized when the EQT AB Group becomes a party to the contractual provisions of the instrument.

Financial assets (other than accounts receivable) and financial liabilities are initially measured at fair value plus, for assets or liabilities not subsequently measured at fair value through the income statement, transaction costs that are directly attributable to their acquisition or issue. Accounts receivable are initially measured at the transaction price.

Classification and subsequent measurement of financial assets and financial liabilities

— Financial assets

A financial asset is initially classified into one of three measurement categories. The classification depends on how the asset is managed (business model) and the characteristics of the asset's contractual cash flows. The measurement categories for financial assets are as follows:

- Fair value through profit or loss (FVPL)
- Fair value through other comprehensive income (FVOCI)
- Amortized cost (AC)

Note 2 cont.

Financial assets are measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to realize the cash flows from the financial assets by holding the financial assets and collecting its contractual cash flows over the life of the assets and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at amortized cost include accounts receivable, other long-term as well as short-term receivables and cash and cash equivalents.

Financial assets are measured at FVOCI if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to realize the cash flows from the financial assets both by collecting the contractual cash flows and selling financial assets and
- The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The EQT AB Group does currently not have any financial assets measured at FVOCI.

A financial asset shall be measured at FVPL unless it is measured at amortized cost or at FVOCI.

Financial assets measured at FVPL currently include Financial investments incl carried interest.

– Financial liabilities

Financial liabilities are either measured at amortized cost or at FVPL. All of the EQT AB Group's financial liabilities are measured at amortized cost using the effective interest rate method.

Impairment of financial assets

A loss allowance is recognized to reflect the expected credit losses on financial assets not recognized at FVPL. For accounts receivable and contract assets, the loss allowance is measured at an amount equal to the expected losses under the entire lifetime of the accounts receivable and the contract assets. For other receivables and bank balances the loss allowance is measured at an amount equal to the 12 month expected credit losses, as long as there has been no significant increase in credit risk since initial recognition.

The 12 month expected credit losses are the portion of the expected credit losses that result from default events that are possible within 12 months after the reporting date or a shorter period if the expected life of the instrument is less than 12 months. If there is a significant increase in credit risk, a loss reserve is instead recognized to reflect the expected credit losses under the entire lifetime of the asset.

Credit losses are measured as the present value of all cash shortfalls, i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the EQT AB Group expects to receive. Expected credit losses are discounted using the effective interest rate of the asset.

The loss allowance is deducted from the gross carrying amount of the assets in the balance sheet.

Impairment of financial assets measured at amortized cost are reversed if the expected losses decrease.

Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value and subsequently at the higher of i) the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of IFRS 15 "Revenue from Contracts with Customers", and ii) the amount of the expected credit loss allowance determined in accordance with IFRS 9 "Financial Instruments".

Fair value measurement

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which EQT AB Group has access at that date.

When appropriate, the EQT AB Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, the EQT AB Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

INTANGIBLE ASSETS

Goodwill

As from the acquisition date, goodwill acquired in a business combination is allocated to each cash-generating unit (CGU) or group of cash-generating units of

the EQT AB Group expected to benefit from the synergies of the combination. Goodwill is measured at cost less accumulated impairment losses. Impairment test is undertaken annually in the fourth quarter or more frequently if events or changes in circumstances indicate potential impairment loss, see below. Expenditures for internally generated goodwill are recognized in the income statement as expenses when incurred.

Other intangible assets

Other intangible assets constitutes acquired customer contracts, investor relationships, licenses and trademarks and are accounted for at cost less accumulated amortization and any accumulated impairment losses.

IMPAIRMENT

At each reporting date, the EQT AB Group reviews its assets to determine whether there is any indication of impairment.

Impairment of Property, plant and equipment, right-of-use assets and Intangible assets

Impairment tests are performed as soon as any indications of impairment losses arise for individual assets or cash-generating units.

Goodwill, the recoverable amount is estimated at least annually, irrespective of any indication of impairment or not.

If an asset does not generate largely independent cash inflows and its fair value less cost of disposal cannot be used, the assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

In assessing value in use, the estimated future cash flows after tax are discounted to their present value using an after tax discount rate that reflects current market assessments of the time value of money and the

Note 2 cont.

risks specific to the asset or cash-generating unit. An impairment loss is recognized if the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the income statement. Any impairment loss to be recognized for a cash-generating unit is allocated primarily to goodwill and secondly pro rata to other assets of the cash-generating unit.

EQUITY

Purchase of treasury shares

Acquisitions of treasury shares are recognized as a reduction of equity. Proceeds from the sale of treasury shares are recognized as an increase in equity. Any transaction costs are recognized directly in equity.

EMPLOYEE BENEFITS

Short-term employee benefits

Short-term employee benefits are estimated and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the EQT AB Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Defined contribution plans comprise the pension-plans in which the EQT AB Group's obligation is limited to the fees the EQT AB Group undertakes to pay. In that case, the size of the employee's pension depends on the fees paid by the EQT AB Group to the plan or to an insurance company and the return on capital invested. Consequently, it is the employee who carries the actuarial risk (the compensation will be lower than expected) and the investment risk (that the invested assets will be insufficient to provide the expected benefits). Obligations for

contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

Defined benefit plans are plans for post-employment benefits other than defined contribution plans, where the employer is obligated to pay future pensions to the retiree on a certain benefit level.

Termination benefits

Termination benefits are expensed at the earliest of:

- When the EQT AB Group can no longer withdraw the offer of those benefits and
 - When the EQT AB Group recognizes costs for a restructuring program including the terminations.
- Benefits expected to be settled within 12 months of the reporting date are recognized as current liabilities. Benefits not expected to be settled within 12 months of the reporting date are recognized at present value as long-term liabilities.

Share-based payments

The share incentive program with separate annual grants during five years is recognized as an equity-settled share-based payment. In each tranche, participants may earn a bonus during an initial performance year, for the sole purpose of investing in shares in EQT AB following said performance year. The shares cannot be sold during the following three-year period. No vesting conditions apply during this period. The expense is for each tranche recognized over the initial performance year, with a corresponding amount recognized directly in equity. Expense for social security charges is recognized in an equivalent manner, with a corresponding entry as a liability.

During 2023, in addition to the share program, an employee stock option plan was implemented with an annual grant for the years 2023–2027, the options are

granted free of charge, where the first performance year was 2023 with a subsequent three-year holding period.

Like the share program, it is classified as an equity settled plan and an expense is recognised for the performance period of one year except for new hires and future leaders employed during the year, who have a service requirement also during the holding period.

Note 3 Use of judgments and estimates

The management of the EQT AB Group makes estimates and assumptions concerning the future as well as exercises judgment in applying the accounting principles when preparing financial statements. Estimates and judgments are continually evaluated and the assessments are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results. The sources of estimation uncertainty in the assessments given below refer to those that entail a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the following financial year, together with significant judgments in the application of the EQT AB Group's accounting policies.

FINANCIAL INVESTMENTS INCLUDING CARRIED INTEREST (MEASUREMENT ESTIMATES)

Carried interest and investment income consist primarily of changes in fair value of the EQT AB Group's fund investments. Determining the fair value for the investments require subjective assessment with varying degrees of judgement regarding e.g. liquidity, pricing assumptions, the current economic and competitive environment and the risks affecting the specific finan-

cial asset. EQT AB Group's measurement of fair value of the fund investments is based on the net asset value, i.e. as if all underlying investments were realized at the current fair value as of such date, which consists of each fund's estimation of fair value of the fund's underlying investments. These estimations of fair value are based on each fund's judgment about the assumptions to reflect what market participants would use in pricing the asset. The valuation techniques applied by the funds for valuing the financial investments are applied consistently, and only change if deemed necessary to reflect a representative fair value.

The carrying amount of financial investments, including carried interest at 31 December 2024 was EUR 4,302.3 (EUR 3,038.9m), see Note 18.

CARRIED INTEREST (JUDGEMENT IN APPLYING ACCOUNTING POLICIES)

EQT accounts for the entire investment in Special Limited Partners (SLP) including carried interest, as a financial instrument in accordance with IFRS 9 at fair value through profit or loss. The investment in SLP is a contract which gives the right to receive cash without a requirement for other performance than making the investment, and therefore meets the definition of a financial instrument. The fair value changes are presented as Carried interest and investment income in the consolidated income statement.

UNCONSOLIDATED STRUCTURED ENTITIES (JUDGEMENT IN APPLYING ACCOUNTING POLICIES)

According to IFRS 10 "Consolidation", an investor that has control over only specified and ring-fenced assets and liabilities within a structured entity, should, for consolidation purposes, treat portions of the entity as a deemed separate entity, a so called "silo". The silo

Note 3 cont.

concept means that the EQT AB Group only recognizes the assets of the silo, and any liabilities belonging to these assets, that are controlled by EQT. The specified assets of one silo is not available to meet obligations of other parts of the structured entity. Each silo's assets are the only source of payment for specified obligations of the silo.

Silos that are not directly or indirectly controlled by EQT AB are not considered to be subsidiaries and are accordingly not consolidated.

EQT AB is an indirect investor in each EQT fund, typically through structured entities, one structured entity for each EQT fund. These indirectly owned entities have different investors with different economic rights and responsibilities attributable to silos embedded in these structured entities. The assessment of control is made at the level of each identified individual silo.

The activities of the structured entities and their silos are directed through partnership agreements and not through voting rights. Silos with activities predetermined at the outset of the investee through agreements are not considered relevant activities that require subsequent direction by the investor and are accordingly not consolidated.

Structured entities through Dutch B.V.'s are legal entities that include a silo for EQT as the General Partner (GP). The GP silos comprise relevant activities requiring direction by EQT. The silos comprising GP are consolidated. EQT's investments in B.V. silos comprise minority investments recognized as financial assets measured at fair value through profit or loss.

SCSp:s and SICAR SCA:s, domiciled in Luxembourg, are not legal entities and do not include the General Partner. There is one silo for each investor's investments. In substance each investor directly controls its own silo investment. EQT accounts for its contractual rights as investment in the underlying fund.

Note 4 Operating segments

The CEO of EQT AB Group has been identified as the chief operating decision maker. EQT AB Group is divided into operating segments based on how the CEO reviews and evaluates the operation. The operating segments correspond to the internal reporting used to assess performance and to allocate resources.

EQT's operations are divided into two business segments: Private Capital and Real Assets. The operations of both business segments consist of providing investment management services in the private investment markets. The investment management services comprise i.a. structuring and investment advice, as well as reporting and administrative services.

The business segment Private Capital consists of the strategies EQT Ventures, EQT Life Sciences, EQT Healthcare Growth, EQT Growth, EQT Private Equity, EQT Private Capital Asia and EQT Future. The business segment Real Assets consists of the strategies EQT Value-Add Infrastructure, EQT Active Core Infrastructure, EQT Transition Infrastructure and EQT Real Estate.

The CEO assesses the operating segments based on the line items presented below, primarily on Revenue and Gross segment results. Segment Revenue/ Adjusted Revenue have been adjusted whereby carried interest is only recognized after applying a valuation buffer (30-50%) on the unrealized part of the underlying fund valuations. Accordingly, Total Revenue according to IFRS Accounting Standards reflects the carried interest without the application of a valuation buffer and represents the short term impact of fund valuation changes.

Total Segment Revenue/Adjusted Revenue represents the amount of carried interest expected to be converted to cash in a mid term perspective (a more

prudent revenue recognition model). The difference between Total Revenue (according to IFRS Accounting Standards) and Adjusted Revenue/Total Segment Revenue is the application of valuation buffer (30-50%) on the unrealized part of the underlying fund valuations.

Expenses directly incurred by each respective business segment are included in Gross segment result, whereas items reported under Central have not been allocated to any business segment. Central consists of EQT AB Group Management, Client Relations and Capital Raising, Fund Operations, EQT Digital and other specialist teams such as HR and Group Finance.

Adjustment items consists of revenue adjustments (see above) as well as non-cash adjustments and items affecting comparability.

Non-cash adjustments in 2023 relates to an adjustment of the part of the acquisition considerations subject to lock-up, amortization of identified surplus values in relation to performed acquisition and the non-cash portion of the equity incentive program cost. The part of the considerations subject to lock-up is treated as a personnel expense from an accounting perspective and recorded in the income statement over the lock-up period.

Non-cash adjustments in 2024 relates to an adjustment of the part of the acquisition considerations subject to lock-up, amortization of identified surplus values in relation to performed acquisitions as well as the non-cash portion of equity incentive program cost. The part of the considerations subject to lock-up is treated as a personnel expense from an accounting perspective and recorded in the income statement over the lock-up period.

Items affecting comparability in 2023 relates to integration costs as a result of performed acquisitions.

Items affecting comparability in 2024 relates to an adjustment of the associated cost, the change in fair value of contingent considerations (earn-out) and the revaluation of certain investments relating to US Multi-family totaling approximately EUR 80m net of tax (see section "Significant events during the year") as well as integration costs as a result of performed acquisitions.

GEOGRAPHICAL AREAS

Total revenues attributed to a geographic region are generally based on the country of domicile of each managed EQT Fund.

| | 2024 Management fee | 2023 Management fee |
|-----------------|------------------------|------------------------|
| Sweden | - | - |
| Luxembourg | 1,417.3 | 1,242.0 |
| Cayman Islands* | 282.9 | 293.8 |
| Other countries | 403.8 | 430.3 |
| | 2,104.0 | 1,966.1 |

* Relates to BPEA and is expected to decrease over time.

| | 2024 Carried interest and investment income | 2023 Carried interest and investment income |
|-----------------|--|--|
| Sweden | - | - |
| Luxembourg | 589.8 | 161.2 |
| Other countries | -41.1 | -4.9 |
| | 548.7 | 156.3 |

Currently there are six funds that represent 68% (58%) of total revenue. Total revenue from these six funds amounts to EUR 1,805.9m (EUR 1,231.7m) whereof EUR 1,212.1m (EUR 686.5m) relates to the segment Private Capital and EUR 593.8m (EUR 545.3m) relates to the segment Real Assets.

EQT's non-current assets presented below comprise of Goodwill, Other intangible assets, Property, plant and equipment including right-of-use assets and Other

Notes

Note 4 cont.

non-current assets. As of December 31, 2024 and 2023 the non-current assets was held by the following countries.

| | 2024 | 2023 |
|-----------------|----------------|----------------|
| Sweden | 21.7 | 28.1 |
| Hong Kong | 2,070.7 | 2,063.1 |
| Singapore | 1,310.0 | 1,423.9 |
| USA | 1,602.9 | 1,488.8 |
| Other countries | 439.5 | 465.8 |
| | 5,444.8 | 5,469.6 |

| January–December 2024 EUR m | Private Capital | Real Assets | Central | Total adjusted | Revenue adjustment | Non- cash adjust- ments | Items affecting compar- ability | IFRS reported |
|--|--------------------|----------------|---------------|-------------------|-----------------------|----------------------------------|--|------------------|
| Total revenue | 1,361.4 | 951.9 | 41.5 | 2,354.8 | 411.5 | | -113.7 | 2,652.6 |
| Personnel expenses | | | | -747.5 | | -93.3 | -3.0 | -843.8 |
| Acquisition related personnel expenses | | | | - | | -228.0 | | -228.0 |
| Other operating expenses | | | | -248.6 | | | -8.2 | -256.8 |
| Total operating expenses | -313.3 | -251.3 | -431.5 | -996.1 | - | -321.3 | -11.2 | -1,328.6 |
| Gross segment result¹⁾ / EBITDA²⁾ | 1,048.2 | 700.6 | -390.0 | 1,358.7 | 411.5 | -321.3 | -124.9 | 1,324.0 |
| Margin, % | 77.0% | 73.6% | | 57.7% | | | | 49.9% |
| Depreciation and amortization | | | | -71.2 | | | | -71.2 |
| Amortization of acquisition related intangible assets | | | | - | | -364.8 | | -364.8 |
| EBIT | | | | 1,287.5 | 411.5 | -686.1 | -124.9 | 888.0 |
| Net financial income and expense | | | | -4.5 | | | 15.7 | 11.2 |
| whereof change in fair value of contingent consideration | | | | - | | | 15.7 | 15.7 |
| Income taxes | | | | -167.8 | | 21.6 | 23.4 | -122.9 |
| Net income for the period from continuing operations | | | | 1,115.1 | 411.5 | -664.6 | -85.8 | 776.3 |
| Net income for the period from discontinued operations | | | | - | | | | - |
| Net income | | | | 1,115.1 | 411.5 | -664.6 | -85.8 | 776.3 |

1) Gross segment result relate to the segments Private Capital and Real Assets.

2) EBITDA relates to Central, Total adjusted and IFRS reported.

| January–December 2023 EUR m | Private Capital | Real Assets | Central | Total adjusted | Revenue adjustment | Non- cash adjust- ments | Items affecting compar- ability | IFRS reported ³⁾ |
|--|--------------------|----------------|---------------|-------------------|-----------------------|----------------------------------|--|--------------------------------|
| Total revenue | 1,255.9 | 836.7 | 38.2 | 2,130.8 | -8.5 | | | 2,122.4 |
| Personnel expenses | | | | -658.8 | | -43.9 | -2.6 | -705.3 |
| Acquisition related personnel expenses | | | | - | | -436.4 | | -436.4 |
| Other operating expenses | | | | -245.6 | | | -4.0 | -249.7 |
| Total operating expenses | -296.9 | -226.3 | -381.2 | -904.4 | - | -480.3 | -6.6 | -1,391.4 |
| Gross segment result¹⁾ / EBITDA²⁾ | 958.9 | 610.4 | -342.9 | 1,226.4 | -8.5 | -480.3 | -6.6 | 731.0 |
| Margin, % | 76.4% | 73.0% | | 57.6% | | | | 34.4% |
| Depreciation and amortization | | | | -54.1 | | | | -54.1 |
| Amortization of acquisition related intangible assets | | | | - | | -364.1 | | -364.1 |
| EBIT | | | | 1,172.3 | -8.5 | -844.4 | -6.6 | 312.8 |
| Net financial income and expense | | | | -35.5 | | | | -35.5 |
| whereof change in fair value of contingent consideration | | | | - | | | | - |
| Income taxes | | | | -117.4 | | 17.3 | | -100.2 |
| Net income for the period from continuing operations | | | | 1,019.4 | -8.5 | -827.1 | -6.6 | 177.2 |
| Net income for the period from discontinued operations | | | | - | | | -9.3 | -9.3 |
| Net income | | | | 1,019.4 | -8.5 | -827.1 | -15.9 | 167.9 |

1) Gross segment result relate to the segments Private Capital and Real Assets.

2) EBITDA relates to Central, Total adjusted and IFRS reported.

3) Restated.

Notes

Note 5 Revenue

MANAGEMENT FEES

The EQT AB Group earns management fees for fund management services, typically based on agreements over the life of each fund, generally with a term of 10–12 years. Management fee is a recurring revenue and the fees are predominately based on the committed capital during the commitment period and the cost of invested capital during the divestment period.

The management fee is payable half-yearly in advance and adjusted in the following half-year period should any triggering events occur. Examples of triggering events include launch of a successor fund, commencement of the divestment period/end of commitment period and multiple closings in funds in fund-raising.

For further information of the EQT AB Group's management fee, see Note 2 "Management fees".

CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets are reported within Other prepaid expenses and accrued income. Contract liabilities are reported within Accrued expenses and prepaid income, see Note 17.

Deferred income and accrued income are reported as contract assets and contract liabilities, respectively. The EQT AB Group presents contract assets and liabilities relating to management fee. The contract asset and liability regarding management fee arise from timing differences between the time of generating the revenues and payment. The timing difference is mainly related to the beginning of the life of a fund, before the final close of a fund, or after the end of the commitment period of the fund.

Specifications of changes in contract assets and contract liabilities related to management fee

| EUR m | 2024 | | 2023 | |
|---|-----------------|----------------------|-----------------|----------------------|
| | Contract assets | Contract liabilities | Contract assets | Contract liabilities |
| Opening balance | 126.6 | -67.2 | 41.0 | -23.6 |
| Transfers from contract assets recognized at the beginning of the period to receivables | -126.6 | | -41.0 | |
| Revenue recognized that was included in the contract liability balance at the beginning of the period | | 67.2 | | 23.6 |
| Revenue recognized during the period not yet invoiced/not yet chargeable | 87.9 | | 126.6 | |
| Payment in advance during the period for performance obligations not yet performed | | -104.8 | | -67.2 |
| Closing balance | 87.9 | -104.8 | 126.6 | -67.2 |

CARRIED INTEREST AND INVESTMENT INCOME

Investment income consists primarily of changes in fair value of the EQT AB Group's underlying fund investments. Carried interest is a share of return on investments that the EQT AB Group receives through its holdings in the Special Limited Partners based on the returns of the relevant fund and the development of the fund's underlying investments. The EQT AB Group is entitled to an agreed share of accumulated returns exceeding agreed thresholds ("hurdles") over the life of each individual fund. Changes in fair value are recognized in the income statement. Capital gains on realized investments are normally distributed within 3–5 days of an exit. Sensitivity analysis with regards to changes in fair value of financial investments, including carried interest is presented in Note 18.

LONG-TERM CONTRACTS

Management fee is normally calculated on the underlying EQT funds' committed capital during the commitment period, between 3–6 years, depending on fund duration. After the commitment period has ended, the investment cost is used as basis for calculating management fee. During this period, management fee is based on the respective fund's remaining invested capital measured at cost.

Cost of obtaining a contract

| EUR m | 2024 | 2023 |
|------------------------|-------------|-------------|
| Opening balance | 17.8 | 15.2 |
| Additions | 28.7 | 11.0 |
| Amortization | -17.2 | -8.3 |
| Closing balance | 29.3 | 17.8 |

Note 6 Other operating expenses

| EUR m | 2024 | 2023 |
|---|--------------|--------------|
| External services and consultants ¹⁾ | 103.5 | 107.1 |
| IT expenses and Office expenses | 55.4 | 53.2 |
| Administrative expenses ¹⁾ | 97.8 | 89.4 |
| Total other operating expenses | 256.8 | 249.7 |

¹⁾ Summary of items affecting comparability
 In 2024 items affecting comparability of EUR 8.2m (External services and consultants) relate to integration costs as a result of performed acquisitions. In 2023 items affecting comparability of EUR 3.3m (External services and consultants) and EUR 0.5m (Administrative expenses) relate to integration costs as a result of performed acquisitions.

Note 7 Employees, senior executives and board of directors

GUIDELINES FOR REMUNERATION TO THE CEO AND OTHER SENIOR EXECUTIVES DURING 2024

At the annual shareholders' meeting held on 27 May 2024, it was resolved to adopt the following guidelines for remuneration and other terms of employment for the CEO and other senior executives.

Guidelines for executive remuneration

The CEO and other members of the Executive Committee (executive management) fall within the provisions of these guidelines. To the extent a Board member conducts work for EQT, in addition to the board work, consulting fees and other compensation for such work may be paid. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual Shareholders' Meeting 2024. These guidelines do not apply to any remuneration separately decided or approved by the shareholders' meeting.

EQT has a clear remuneration philosophy (including for variable cash) applicable across the whole group which also governs the remuneration to the Executive Committee and links compensation to the EQT AB Group's business strategy, sustainability, long-term interests and long-term value growth for its shareholders.

Most important is to incentivize fund performance and ensure aligned interest with our limited partners in the EQT funds, EQT AB's shareholders as well as EQT's long term approach. EQT is a performance driven organization focused on long-term value creation in line with our culture. Team performance and individual performance are important – therefore we reward

both. Performance is key to our success and we award higher performance with higher compensation.

To be able to achieve the business goals, EQT needs to be able to attract and retain world class talent suitable for each role. To achieve this, EQT applies market competitive total compensation.

EQT compensates locally based on geography and in line with local practice and regulations, taking into account, to the extent possible, the overall purpose of these guidelines.

The principles in these guidelines enable EQT AB to offer the Executive Committee a competitive total remuneration.

For more information regarding the EQT AB Group's business strategy, please see EQT AB's webpage, www.eqtgroup.com.

Share-related incentive programs

The EQT Share Program and the EQT Option Program are implemented in the EQT AB Group. The programs were resolved by the Annual Shareholders' Meeting 2023 and are therefore excluded from these guidelines. The EQT Option Program includes members of the Executive Committee in EQT AB. The performance criteria used to assess the outcome of the EQT Option Program are tied to the individual's current role scope and contribution to EQT's performance through value creation and future proofing, the share price development, adding value to the wider EQT Platform as well as impact on delivering on EQT's sustainability ambitions. The participants will receive employee stock options free of charge, with an exercise period occurring during a one-month period. Each employee stock option entitles the participant to acquire one ordinary share in EQT AB at a price corresponding to the price per ordinary share as of the date of grant, subject to a net strike mechanism, cap on the gain per employee stock option and customary recalculation mechanisms. For the EQT

Share Program, the performance targets are tied to the EQT AB Group's financial targets, EQT's general competitiveness, the individual meeting or exceeding EQT's highly set expectations on adding value to the EQT Platform as well as impact on delivering on EQT's sustainability ambitions. The program includes Partners and senior employees, members of the Executive Committee are generally not participants of the EQT Share Program. The participants invest a variable amount (financed by EQT) in ordinary shares after a performance year, whereupon an approximately three-year holding period follows. The Annual Shareholders' Meeting 2019 also resolved on an EQT Share Program, under which no new investments in EQT AB shares are made, with holding periods until 2026. For more information regarding the EQT Share program and EQT Option Program, including the criteria which the outcome depends on, please see EQT AB's remuneration report, available on eqtgroup.com/shareholders/.

Type of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed remuneration, variable cash remuneration, pension benefits and other benefits. The shareholders' meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

Fixed remuneration

The fixed remuneration, i.e. base salary, should be competitive and reflect responsibility and performance.

Variable remuneration

The satisfaction of criteria for awarding variable cash remuneration, within the EQT Bonus program, shall be measured over a period of one year. The variable cash

remuneration may amount to no more than 200 percent of the annual base salary.

The EQT Bonus program consists of a performance assessment of the business as well as an individual performance assessment. Important business performance factors determining the size of the bonus is the success of the underlying business measured by business performance in the funds (investments and exits as well as portfolio and fund performance), business profitability, fundraising, sustainability as well as organizational development. The individual performance is assessed versus agreed targets as well as meeting, exceeding or not meeting high set individual performance expectations for the individual in the current role.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee shall be responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other members of the Executive Committee, the CEO shall be responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by EQT AB.

The Executive Committee partly consists of owners of EQT AB. Owners that owned above 1.5 percent of the shares of EQT AB at IPO or at relevant acquisition may not be comprised by the EQT Bonus program, i.e. variable cash remuneration, nor any of the relevant share-related incentive programs. Therefore, total remuneration for part of the Executive Committee consists of base salary, pension benefits and other benefits.

Note 7 cont.

Pension

All members of the Executive Committee shall be covered by defined contribution pension plans, for which pension premiums shall be based on the members' base salary and paid by the company during the period of employment. For current members of the Executive Committee pension contributions shall be based on base salary and follow contribution levels in accordance with local market practice, except for the application of a cap. For Sweden, this means that it shall be comparable to the old BTP-plan with a contribution cap for base salary exceeding 40 Income base amounts. The pension premiums shall amount to no more than 25 percent of the annual base salary.

Other benefits

Other benefits, such as insurances (health, life, travel), sports contributions or occupational health services, should be payable to the extent this is considered to be in line with market conditions in the market concerned. Premiums and other costs relating to such benefits may amount to no more than 25 percent of the annual base salary. Executive Committee members who relocate for the purposes of the position or who work in other multiple countries may also receive such remuneration and benefits as are reasonable to reflect the special circumstances associated with such arrangements, taking into account the overall purpose of these guidelines and alignment with the general policies and practices within EQT AB Group applicable to cross border work.

Recommendation to invest in EQT AB shares

The Board recommends each Executive Committee member (who do not already have such holding) to acquire, over a three-year period, EQT AB shares or similar instruments corresponding to at least one year's base salary, before taxes and excluding other remuneration.

Termination of employment and terms for severance pay for the CEO

A twelve month notice period will apply if notice is given by the CEO or EQT AB. The CEO's employment terms include a non-competition clause. If used, this would entitle the employee to an additional compensation corresponding to a maximum of twelve months' salary, however, reduced by any remuneration paid by a new employer.

Termination of employment and terms for severance pay for senior executives

In the event of notice being given by the EQT AB Group, a notice period of nine months applies, while in the event of notice being given by the senior executive a period of notice of six months applies. The senior executives' employment terms also include a non-competition clause. If used, this entitles the employee to an additional compensation corresponding to a maximum of nine months' salary, however, reduced by any remuneration paid by a new employer. Base salary during the notice period and severance pay may not together exceed an amount corresponding to the base salary for eighteen months. When termination is made by the executive, the notice period may not exceed six months, without any right to severance pay.

Salary and employment conditions for employees taken into account during preparations of these guidelines

In the preparation of the Board's proposal for these remuneration guidelines, salary and employment conditions for employees of the EQT AB Group have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the remuneration committee's and the Board's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board has established a remuneration committee. The committee's tasks include preparing the Board's decision to propose guidelines for executive remuneration. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the shareholders' meeting. The guidelines shall be in force until new guidelines are adopted by the shareholders' meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the Executive Committee, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the EQT AB Group. The current members of the remuneration committee are independent of EQT AB and its Executive Committee. The CEO and other members of the Executive Committee do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Deviation from the guidelines

The Board may temporarily resolve to deviate from the guidelines, in whole or in part, if in a specific case there may be special cause for the deviation and a deviation should be necessary to serve the EQT AB Group's business strategy, sustainability, long-term interests and long-term value growth for its shareholders, or to ensure the EQT AB Group's financial viability. As set out above, the remuneration committee's tasks include preparing the Board's resolutions in remuneration-related matters. This includes any resolutions to deviate from the guidelines.

Salary and remunerations to employees

| EUR m | 2024 | 2023 |
|--|----------------|----------------|
| Salaries, bonuses and remunerations | 933.6 | 1,021.8 |
| Pension expenses, defined contribution plans | 22.4 | 19.5 |
| Social security expenses | 59.2 | 53.6 |
| | 1,015.2 | 1,094.9 |
| Other personnel related expenses | 56,6 | 46,8 |
| Personnel expenses¹⁾ | 1,071.8 | 1,141.7 |

1) Whereof EUR 228.0m (EUR 436.4m) relates to personnel expenses as a result of performed acquisitions.

Notes

Note 7 cont.

Average number of employees

| | 2024 | whereof women | whereof men | 2023 | whereof women | whereof men |
|------------------|--------------|---------------|-------------|--------------|---------------|-------------|
| USA | 424 | 38% | 62% | 388 | 38% | 62% |
| Sweden | 379 | 48% | 52% | 360 | 46% | 54% |
| UK | 242 | 50% | 50% | 208 | 52% | 48% |
| Luxembourg | 146 | 48% | 52% | 144 | 50% | 50% |
| China, Hong Kong | 109 | 55% | 45% | 108 | 54% | 46% |
| Germany | 98 | 40% | 60% | 102 | 41% | 59% |
| Singapore | 81 | 46% | 54% | 72 | 43% | 57% |
| The Netherlands | 45 | 45% | 55% | 45 | 37% | 63% |
| Japan | 38 | 33% | 67% | 41 | 34% | 66% |
| Australia | 36 | 31% | 69% | 37 | 27% | 73% |
| France | 31 | 35% | 65% | 29 | 37% | 63% |
| Spain | 30 | 37% | 63% | 30 | 34% | 66% |
| Switzerland | 29 | 38% | 62% | 26 | 44% | 56% |
| China, Shanghai | 26 | 47% | 53% | 28 | 48% | 52% |
| India | 26 | 25% | 75% | 21 | 24% | 76% |
| South Korea | 22 | 41% | 59% | 21 | 39% | 61% |
| Denmark | 21 | 62% | 38% | 21 | 64% | 36% |
| Italy | 18 | 44% | 56% | 18 | 47% | 53% |
| Norway | 8 | 36% | 64% | 10 | 39% | 61% |
| Finland | 6 | 32% | 68% | 7 | 27% | 73% |
| Poland | 5 | 19% | 81% | 4 | 25% | 75% |
| Ireland | 3 | 29% | 71% | 3 | 33% | 67% |
| Austria | 2 | 34% | 66% | 1 | 30% | 70% |
| Mexico | 1 | 0% | 100% | 2 | 0% | 100% |
| Belgium | 1 | 0% | 100% | 1 | 0% | 100% |
| Brazil | — | — | — | 1 | 0% | 100% |
| Total | 1,827 | 44% | 56% | 1,727 | 44% | 56% |

Board and senior executives split by gender

| Proportion of women | 2024 | 2023 |
|------------------------|------|------|
| Board (parent company) | 43% | 29% |
| Senior executives | 33% | 33% |

The EQT AB Group's executive committee consisted of twelve persons in 2024. In 2024, Masoud Homayoun joined the executive committee and Ward Fitzgerald stepped down from his role as the Global Head of EQT Exeter. Anna Wahlström stepped down from the executive committee at year-end 2024. The senior executives are employed by different companies in the EQT AB Group.

REMUNERATION TO THE MEMBERS OF THE BOARD OF DIRECTORS

Board fees, including chairperson fees, are resolved by the annual shareholders' meeting. At the annual shareholders' meeting held on 27 May 2024, it was resolved that EUR 304,500 shall be paid to the chairperson of the Board and EUR 138,500 to each of the other board members who are not employed by the company. In addition, EUR 40,000 will be paid to the chairpersons of the audit committee, remuneration committee and sustainability committee, respectively, and remuneration to each of the other members of the relevant committees should be EUR 20,000 each. The board members are not entitled to any benefits following termination of their assignments as board members. The meeting further resolved that the compensation to the Board shall be paid in shares in EQT AB.

Salaries and other remunerations and pension expenses for the board of directors and senior executives

| EUR m | 2024 | 2023 |
|---|-------------|-------------|
| Salaries, bonuses and remunerations (whereof bonuses) | 10.9 | 12.6 |
| Equity incentive programs | 3.9 | 5.6 |
| Pension expenses | 13.5 | 10.3 |
| | 0.7 | 0.5 |
| | 25.0 | 23.4 |

Notes

Note 7 cont.

Salaries and other remunerations to senior executives and board of directors

| 2024 EUR m | Base salary, board fee | Bonus | Pension expenses | Other benefits | Equity incentive programs ¹⁾ | Total |
|--|---------------------------|------------|---------------------|-------------------|---|-------------|
| Chairperson of the board (Conni Jonsson) | | | | | | |
| Remuneration from parent company | 0.3 | – | – | – | – | 0.3 |
| Remuneration from subsidiaries | 0.1 | – | 0.0 | – | – | 0.1 |
| Board member (Marcus Wallenberg) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Margo Cook) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Johan Forssell) | | | | | | |
| Remuneration from parent company | 0.1 | – | – | – | – | 0.1 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Diony Lebot) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Richa Goswami) | | | | | | |
| Remuneration from parent company | 0.1 | – | – | – | – | 0.1 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Gordon Orr) ²⁾ | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Brooks Entwistle) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| CEO (Christian Sinding) | | | | | | |
| Remuneration from parent company | – | – | – | – | – | – |
| Remuneration from subsidiaries | 0.6 | – | 0.0 | 0.0 | – | 0.7 |
| Other senior executives (11 persons) | | | | | | |
| Remuneration from parent company | 0.9 | 1.2 | 0.2 | 0.0 | 4.1 | 6.3 |
| Remuneration from subsidiaries | 3.8 | 2.8 | 0.5 | 0.0 | 9.9 | 17.0 |
| Total | 6.9 | 3.9 | 0.7 | 0.0 | 14.0 | 25.5 |
| Remuneration from parent company | 2.4 | 1.2 | 0.2 | 0.0 | 4.1 | 7.8 |
| Remuneration from subsidiaries | 4.6 | 2.8 | 0.5 | 0.0 | 9.9 | 17.7 |

1) The remuneration relates to amounts awarded in relation to the EQT Share Program and the EQT Option Program. Awarded amounts for 2024 will be settled using options implying that the full value of the remuneration is a non-cash cost for the Group.

2) Gordon Orr has during 2024 provided consultancy services to EQT in addition to his assignment as board member. Remuneration for such consultancy services are included in the column "Base salary, board fee". For further information, see Note 23.

| 2023 EUR m | Base salary, board fee | Bonus | Pension expenses | Other benefits | Equity incentive programs ¹⁾ | Total |
|--|---------------------------|------------|---------------------|-------------------|---|-------------|
| Chairperson of the board (Conni Jonsson) | | | | | | |
| Remuneration from parent company | 0.3 | – | – | – | – | 0.3 |
| Remuneration from subsidiaries | 0.1 | – | 0.0 | 0.0 | – | 0.1 |
| Board member (Marcus Wallenberg) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Margo Cook) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Johan Forssell) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Diony Lebot) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Nicola Kimm) | | | | | | |
| Remuneration from parent company | 0.1 | – | – | – | – | 0.1 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Gordon Orr) ²⁾ | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| Board member (Brooks Entwistle) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | – | – | – | – | – | – |
| CEO (Christian Sinding) | | | | | | |
| Remuneration from parent company | 0.2 | – | – | – | – | 0.2 |
| Remuneration from subsidiaries | 0.4 | – | 0.0 | 0.0 | – | 0.4 |
| Other senior executives (11 persons) | | | | | | |
| Remuneration from parent company | 0.7 | 0.9 | 0.2 | 0.0 | 2.8 | 4.6 |
| Remuneration from subsidiaries | 4.1 | 4.7 | 0.2 | 0.1 | 7.6 | 16.6 |
| Total | 6.9 | 5.6 | 0.5 | 0.1 | 10.3 | 23.4 |
| Remuneration from parent company | 2.4 | 0.9 | 0.2 | 0.0 | 2.8 | 6.2 |
| Remuneration from subsidiaries | 4.5 | 4.7 | 0.3 | 0.1 | 7.6 | 17.2 |

1) The remuneration relates to amounts awarded in relation to the EQT Share Program and the EQT Option Program. Awarded amounts for 2023 will be settled using options implying that the full value of the remuneration is a non-cash cost for the Group.

2) Gordon Orr has during 2023 provided consultancy services to EQT in addition to his assignment as board member. Remuneration for such consultancy services are included in the column "Base salary, board fee". For further information, see Note 23.

Note 7 cont.

REMUNERATIONS TO SENIOR EXECUTIVES AND OTHER EMPLOYEES

EQT Board and its remuneration committee resolves on remuneration in the form of equity-based incentive programs. The remuneration committee further resolves on the remuneration for the Executive Committee. EQT AB Group has an internal Compensation Committee that establishes and approves remuneration in the form of levels of salary, bonus, pension and other benefits for employees in EQT. The total remuneration may consist of base salary, bonus, equity-based incentive programs, pension and other benefits. The bonus is related to annual achievement on both group wide and individual targets. Target achievement of bonus is determined in the beginning of the subsequent year. Most employees are part of the EQT Bonus program.

Variable remuneration for CEO and senior executives
CEO Christian Sinding has not been part of the EQT Bonus program. Most executive committee members are entitled to variable remuneration through the EQT Bonus program.

EQT INCENTIVE PROGRAMS

EQT 2019 Share program

The last grant of the EQT Share Program (established in 2019) was done in March of 2023. Each annual grant consisted of amounts to be converted to class C shares in EQT AB. All class C shares allotted are subject to a three-year holding period, with no vesting conditions, after which the class C shares are converted into ordinary shares. The class C shares carry the same economic rights as ordinary shares in the company and carry one-tenth (0.1) vote each.

EQT 2023 Share program

The EQT Share Program (established in 2023) consists of ordinary shares in EQT AB. The Program is divided into five separate annual grants, each subject to a one-year performance period and a three-year holding period. Depending on the achievement of certain performance targets during the performance year, an amount may be awarded which after the performance period is settled in the total number of outstanding shares in EQT AB that corresponds to the amount awarded. With certain limited exceptions, no vesting conditions apply during the three-year holding period. In 2024, EQT adjusted the timeline for its performance and compensation review processes to better align with the year-end schedule. As part of this adjustment, the timeline for the EQT Share program was also refined to fit into the overall process. For grants related to the 2024 performance year and beyond, allocations will take place around February and the calculation of the number of shares to be granted will occur after the publication of EQT AB's year-end report. Based on the number of shares as of 31 December 2022, the maximum dilution for the EQT Share Program is one percent in total. EQT intends, over time, to repurchase shares to offset the dilution related to the EQT Share Program¹⁾.

EQT 2023 Option program

The EQT Option Program (established in 2023) consists of options which upon exercise entitle the option holders to acquire ordinary shares in EQT AB. The Program is divided into five separate annual grants, each subject to a one-year performance period and a three-year holding period. Depending on the achievement of certain performance targets during the performance year, an amount may be awarded which after the performance period is settled in the number of options that corresponds to the amount awarded. With certain limited exceptions, no vesting conditions apply during

the three-year holding period. The option exercise period commences after the holding period. As part of the timeline adjustment during 2024 as described above, the timeline for the EQT Option program was also refined to fit into the overall process. For grants related to the 2024 performance year and beyond, allocations will take place around February and the calculation of the number of options to be granted will occur after the publication of EQT AB's year-end report. Further, the exercise period for options in the EQT Option program will begin the day after EQT AB's year-end report is published and will end the day before the closed period ahead of EQT AB's Q1 announcement in the year of exercise. Based on the number of shares as of 31 December 2022, the maximum dilution for the EQT Option Program is four percent in total. EQT intends, over time, to repurchase shares to offset the dilution related to the EQT Option Program¹⁾.

EQT share program summary (indicative)²⁾

| Performance period | Grant year | Shares granted ²⁾ | Dilution impact from shares granted |
|--------------------|------------|------------------------------|-------------------------------------|
| 2023 | 2024 | 631,547 | 0.05% |

| Performance period | Grant year | Shares to be granted ^{2) 3)} | Dilution impact from shares to be granted |
|--------------------|------------|---------------------------------------|---|
| 2024 | 2025 | 855,014 | 0.07% |

EQT option program summary²⁾

| Performance period | Grant year | Options granted ²⁾ | Current dilution - options | Max dilution - options |
|--------------------|------------|-------------------------------|----------------------------|------------------------|
| 2023 | 2024 | 4,430,306 | 0.01% | 0.28% |

| Performance period | Grant year | Options to be granted ^{2) 4)} | Current dilution - options | Max dilution - options |
|--------------------|------------|--|----------------------------|------------------------|
| 2024 | 2025 | 9,849,757 | n.a. | 0.62% |

PERFORMANCE TARGETS AND COST

EQT 2023 Share Program

Performance in relation to targets for Adjusted Revenue growth, Adjusted EBITDA margin and a sustainability assessment has resulted in a gross share grant level of EUR 44.0m (EUR 34.1m), of which EUR 21.2m (EUR 16.7m) was cash cost.

EQT 2023 Option Program

The granting of options is based on participants' individual fulfillment of targets in the performance framework including (i) Building and developing cross-platform collaboration, (ii) Responsible and appropriate cost management, (iii) Growth from a business line focused management to firm wide leadership, (iv) Tangible contribution to the sustainability goals of the company, (v) Developing new business areas for EQT. Total grant level recognized in 2024 was EUR 59.7m (EUR 24.7m) of which none was cash cost.

Non-cash cost

The total non-cash cost for the incentive programs 2024 amounts to EUR 93.3m (EUR 43.9m) whereof EUR 82.4m (EUR 42.1m) relates to granted amounts as of 2024 and EUR 10.9m (EUR 1.8m) relates to additional non-cash cost such as social charges for which cash payment is contingent on a gain and only due at exercise.

Note 7 cont.

Dilution

For performance year 2023, 4,430,306 options with a strike price of SEK 295 were granted within the EQT option program. The option program will only be dilutive in case the EQT AB share price at exercise is above the share price at grant. The exercise price is capped at 4x the share price at grant. Any gain above the share price at grant and up to the cap will be settled in shares (net strike mechanism). As such, dilution in relation to options granted is capped at 75% of the number of options granted, or 0.28%. Assuming a share price corresponding to end 2024 of SEK 306, current dilution would be 0.01%.

For performance year 2024, assuming a share price corresponding to year end 2024 of SEK 306, 855,014 shares³⁾ and 9,849,757 options⁴⁾ would be granted, respectively, in 2025. As a result, the dilution impact from the Share Program would be 0.07%. Max dilution in relation to the Option Program 2024 is capped at 75% of the number of options granted, or 0.62%.

1) During 2024 EQT completed a repurchases of 4.2m shares.

2) Dilution metrics calculated based on share count as of 31 December 2022 (1,186,127,535).

3) Indicative figures assuming a share price corresponding to end 2024 of SEK 306. To be granted in February 2025.

4) Indicative figures assuming a share price of SEK 306 (end 2024) and a corresponding option value of SEK 70. To be granted in February 2025.

Other benefits

EQT AB Group offers all employees a variety of non-monetary benefits, such as occupational health service, health insurance, life insurance, employee fitness programs and sports contributions.

Certain investments by senior executives

Certain members of the board of EQT AB and senior executives of EQT AB Group, including the CEO of EQT AB, have invested in various carried interest and employee co-investment schemes related to the EQT funds. The returns (in the form of investment income and capital appreciation) are fully dependent on the performance of the relevant fund and the fund's underlying investments.

Pension terms

The EQT AB Group has defined contribution plans that generally follows a specific table for level of contributions based on age and/or income level. Wherever possible, the contributions are only made on base salary up to locally set caps. Payments to these plans are made on a continuous basis according to the rules of each plan. The expenses for defined contribution plans in 2024 amounted to EUR 22.4m (EUR 19.5m).

The chairperson of the board, Conni Jonsson, has a defined benefit pension plan which has been secured through a trust. The defined benefit plan consists partly of a guaranteed amount corresponding to the accumulated amount of historical contributions and partly of a variable amount corresponding to the fair value of the trust's net assets in excess of the guaranteed amount. If the fair value of the trust's net assets is lower than the guaranteed amount EQT AB Group is obliged to contribute the difference. As of 31 December 2024, EQT AB Group's part of the fair value of the trust's net assets,

converted to euro, amounted to EUR 1.5m (EUR 2.3m) and the guaranteed amount amounted to EUR 0.4m (EUR 0.6m). From January 2018, there have been no further contributions to the trust.

Note 8 Audit fees and expenses

| EUR m | 2024 | 2023 |
|-----------------------|------|------|
| KPMG | | |
| Audit services | 2.4 | 2.2 |
| Tax consultancy | 0.1 | 0.1 |
| Other services | 0.1 | – |
| Other auditors | | |
| Audit services | – | – |

Audit services refer to the legally required examination of the annual report and the book-keeping, the board of director's and the CEO's management and any other audit examinations or agreed-upon procedures determined by contract. This includes other work assignments which rest upon the Company's auditor to conduct, and advising or other support justified by observations in the course of the audit.

Note 9 Financial income and expenses

| EUR m | 2024 | 2023 |
|--|---------------|--------------|
| Interest income | 63.5 | 37.5 |
| Translation gains | 72.5 | 13.4 |
| Change in fair value of contingent consideration | 15.7 | – |
| Other financial income | 0.1 | 0.1 |
| Financial income | 151.9 | 51.1 |
| Interest expenses | –60.5 | –57.1 |
| Translation losses | –73.3 | –23.9 |
| Other financial expenses | –7.0 | –5.5 |
| Financial expenses | –140.7 | –86.5 |
| Net financial income and expenses | 11.2 | –35.5 |

All interest income and expenses from financial assets and financial liabilities are measured at amortized cost.

Notes

Note 10 Income taxes

EQT AB Group has operations in different jurisdictions. Each jurisdiction has its own tax legislation and regulations. Constant changes of the income tax rules and the interpretation of the legislation create exposures regarding income taxes. The complexity of rules related to income taxes in different jurisdictions and the accounting for these require management's involvement in judgments and estimates. These estimates might differ from the actual outcome.

EQT AB Group has documented guidelines, processes and controls for managing both income taxes and other taxes. Through these processes the Group ensures that tax risks are identified and mitigated through tax risk identification processes.

Taxes recognized in the income statement

| EUR m | 2024 | 2023 |
|--|---------------|---------------|
| Current tax expense (-)/tax income (+) | | |
| Current tax expense / income for the year | -138.2 | -115.4 |
| Tax attributable to prior years | -0.3 | -0.1 |
| | -138.5 | -115.5 |
| Deferred tax expense (-)/tax income (+) | | |
| Deferred tax related to temporary differences | 20.5 | 15.3 |
| Deferred tax related to prior years | -4.8 | - |
| | 15.6 | 15.3 |
| Total reported income tax | -122.9 | -100.2 |

Reconciliation of effective tax rate

| EUR m | 2024 | 2023 restated |
|--|---------------|---------------|
| Profit before income tax | 899.2 | 277.4 |
| Tax at parent company's statutory rate 20.6% (20.6%) | -185.2 | -57.1 |
| Effect of: | | |
| Foreign tax rates ¹⁾ | -48.5 | -42.7 |
| Non-deductible expenses | -74.2 | -105.5 |
| Non-taxable income ²⁾ | 197.0 | 89.2 |
| Change in non-recognized tax losses | -6.4 | 16.7 |
| Tax attributable to prior years | -5.1 | -0.1 |
| Global minimum tax | -1.2 | - |
| Other | 0.7 | -0.7 |
| Reported effective tax | -122.9 | -100.2 |

- 1) The effect of foreign tax rates is comprised of EUR -17.2m (EUR -14.7m) relating to tax rates applied in subsidiary jurisdictions deviating from the parent company statutory tax rate and EUR -31.3m (EUR -28.0m) relating to tax rates applied in purchase price accounting.
- 2) Non-taxable income includes income that is not subject to taxation and income/entities not recognized for tax purposes under the normal corporate income tax regime of the relevant jurisdiction, e.g. dividends and capital gains subject to local participation exemption regimes.
- 3) The income tax expense included EUR 1.2m (EUR -m) of estimated Global minimum tax which was attributable to the EQT AB Group's earnings in Singapore.

Recognized deferred tax assets and liabilities

Change in deferred tax in temporary differences

| EUR m | 2024 | | 2023 | |
|-------------------------------|--------------------|------------------------|--------------------|------------------------|
| | Deferred tax asset | Deferred tax liability | Deferred tax asset | Deferred tax liability |
| Property, plant and equipment | 0.7 | 1.4 | 2.2 | 0.0 |
| Intangible assets | 26.8 | 332.7 | 60.2 | 360.8 |
| Other | 22.3 | - | 7.8 | 0.0 |
| Tax loss carry-forward | 23.0 | - | 22.0 | - |
| | 72.7 | 334.1 | 92.1 | 360.8 |

The change in deferred tax in the balance sheet amounts to EUR 7.2m (EUR 26.5m). The change in deferred tax not recorded in the income statement predominantly relates to FX effects and other items recognized in equity.

Unrecognized deferred tax assets

Accumulated tax losses and interest expense carry forwards for which no deferred taxes have been recognized amount to EUR 266.1m (EUR 201.8m). Deferred tax assets have not been recognized as there is insufficient certainty regarding the availability of future taxable profits against which these tax losses and interest expense carry forwards can be utilized.

The EUR 266.1m comprises unrecognized tax losses of EUR 172.8m (EUR 151.0m) mainly related to Luxembourg and the US and the unrecognized interest expense carry forwards of EUR 93.3m (EUR 50.8m) mainly related to Sweden and the US. The expiry dates of the tax losses and net interest expense carry forwards are within the following intervals:

| Temporary differences expiring | 2024 | 2023 |
|--------------------------------|--------------|--------------|
| Within 10 years | 47.6 | 1.8 |
| More than 10 years | 87.9 | 92.0 |
| Indefinite | 130.6 | 108.0 |
| Total | 266.1 | 201.8 |

Notes

Note 11 Intangible assets

| EUR m | Other intangible assets | | | | | Goodwill |
|--|-------------------------|--------------|--------------------|-------------------------|-------------------------------|----------------|
| | Investor relationships | Trademark | Customer contracts | Other intangible assets | Total Other-intangible assets | |
| Accumulated cost | | | | | | |
| Opening balance 1.1.2024 | 1,472.3 | 191.6 | 2,044.7 | 101.9 | 3,810.5 | 2,132.6 |
| Additions | - | - | - | - | - | - |
| Translation difference | 80.9 | 11.1 | 111.0 | -3.5 | 199.6 | 89.4 |
| Closing balance 31.12.2024 | 1,553.2 | 202.7 | 2,155.8 | 98.4 | 4,010.1 | 2,222.0 |
| Accumulated amortization and impairment | | | | | | |
| Opening balance 1.1.2024 | -167.4 | -42.6 | -352.0 | -100.9 | -663.0 | - |
| Amortization | -100.3 | -24.5 | -240.0 | - | -364.8 | - |
| Translation difference | -12.6 | -3.4 | -27.3 | 2.6 | -40.7 | - |
| Closing balance 31.12.2024 | -280.3 | -70.4 | -619.3 | -98.4 | -1,068.5 | - |
| Carrying amount 31.12.2024 | 1,272.9 | 132.3 | 1,536.4 | 0.0 | 2,941.7 | 2,222.0 |
| Accumulated cost | | | | | | |
| Opening balance 1.1.2023 | 1,523.0 | 198.6 | 2,114.3 | 101.4 | 3,937.3 | 2,172.2 |
| Additions | - | - | - | 0.5 | 0.5 | 42.6 |
| Translation difference | -50.7 | -7.0 | -69.6 | 0.0 | -127.2 | -82.2 |
| Closing balance 31.12.2023 | 1,472.3 | 191.6 | 2,044.7 | 101.9 | 3,810.5 | 2,132.6 |
| Accumulated amortization and impairment | | | | | | |
| Opening balance 1.1.2023 | -71.7 | -19.3 | -121.2 | -100.4 | -312.6 | - |
| Amortization | -100.1 | -24.5 | -239.5 | -0.0 | -364.2 | - |
| Translation difference | 4.4 | 1.2 | 8.7 | -0.4 | 13.9 | - |
| Closing balance 31.12.2023 | -167.4 | -42.6 | -352.0 | -100.9 | -662.9 | - |
| Carrying amount 31.12.2023 | 1,304.8 | 149.0 | 1,692.7 | 1.1 | 3,147.7 | 2,132.6 |

The Group's intangible assets arise primarily from acquired businesses. These acquired intangible assets consist largely of goodwill but also trademark, customer contracts and investor relationship. For information on amortization, see the accounting policies in Note 2.

Goodwill

Goodwill is mainly attributable to performed acquisitions, but also a small portion relating to the acquisition of EQT Partners AB, including subsidiaries, in 2007. Goodwill is tested for impairment at the lowest level within the EQT AB Group where goodwill is monitored for internal management purposes, which is the Real

Asset segment EUR 1,043.0m (EUR 987.6m) and Private Capital segment EUR 1,179.1m (EUR 1,145.0m) respectively.

Amortization principles

The amortization is made, applying the straight-line method, over the estimated useful life, unless the useful life is indefinite. Goodwill is reviewed for impairment annually or more frequently if there are indications of any potential impairment from events or changes in circumstances. Intangible assets with definite useful lives are amortized from the point in time they are available for the intended use.

Estimated useful life:

| | |
|------------------------|--|
| Investor relationships | 15 years |
| Trademark | 5-8 years |
| Customer contracts | Remaining term of contracts, between 3-7 years |
| Other | 3-5 years |

Amortization methods and useful lives are reviewed at each reporting date and adjusted if appropriate.

Impairment test of units containing goodwill

The recoverable amount was based on its value in use. The value in use was determined by discounting the expected future cash flows generated from the continuing use of the operation's net operating assets. The following discount rates and long-term growth rates were used:

| Private Capital | 31.12.2024 | 31.12.2023 |
|--|------------|------------|
| Discount rate post-tax, % | 9.9 | 9.9 |
| Discount rate pre-tax, % | 11.2 | 11.2 |
| Annual cash flow growth beyond year 5, % | 2.0 | 2.0 |

| Real Assets | 31.12.2024 | 31.12.2023 |
|--|------------|------------|
| Discount rate post-tax, % | 8.8 | 8.8 |
| Discount rate pre-tax, % | 10.0 | 9.9 |
| Annual cash flow growth beyond year 5, % | 2.0 | 2.0 |

The discount rate used in the impairment test is the post-tax WACC, assuming no debt financing (i.e. equal to the cost of equity). The cost of equity has been calculated according to the Capital Asset Pricing Model (CAPM) and is based on the risk-free interest rate with addition of the market risk premium multiplied with the assumed beta value (based on beta values of similar quoted companies) and a size premium.

Cash flows were projected for a period of five years, assuming constant annual growth rate thereafter. The cash flow forecasts are based on the budget for the following year and the long term forecast for years two to five. The operating profit forecast was mainly based on expected outcome of future fundraisings and increase in personnel expenses. Terminal growth rate, assumed from year six and onwards, is applied to an assumed stable cash flow in year five.

The impairment test resulted in a value in use higher than the carrying amount with significant headroom. Management believes that any reasonably possible change in any of the key assumptions would not cause the recoverable amounts to be lower than the carrying values.

Notes

Note 12 Property, plant and equipment

Owned assets

| EUR m | Equipment | Leasehold improvement |
|-----------------------------------|--------------|-----------------------|
| Acquisition cost | | |
| Opening balance 1.1.2024 | 18.3 | 74.8 |
| Additions | 8.0 | 9.5 |
| Disposals | -6.6 | -0.6 |
| Reclassification | 5.4 | 1.0 |
| Translation difference | 0.3 | 1.6 |
| Closing balance 31.12.2024 | 25.4 | 86.3 |
| Depreciation | | |
| Opening balance 1.1.2024 | -12.3 | -28.2 |
| Depreciation | -3.7 | -10.0 |
| Disposals | 6.4 | 0.5 |
| Reclassification | -5.4 | -1.0 |
| Translation difference | -0.2 | -0.6 |
| Closing balance 31.12.2024 | -15.2 | -39.2 |
| Carrying amount | 10.1 | 47.1 |
| Acquisition cost | | |
| Opening balance 1.1.2023 | 16.3 | 57.8 |
| Additions | 3.3 | 19.8 |
| Disposals | -0.8 | -2.6 |
| Translation difference | -0.5 | -0.3 |
| Closing balance 31.12.2023 | 18.3 | 74.8 |
| Depreciation | | |
| Opening balance 1.1.2023 | -10.1 | -20.3 |
| Depreciation | -3.0 | -9.0 |
| Disposals | 0.5 | 0.8 |
| Translation difference | 0.3 | 0.3 |
| Closing balance 31.12.2023 | -12.3 | -28.2 |
| Carrying amount | 6.0 | 46.6 |

Right-of-use assets

| EUR m | Office premises |
|-----------------------------------|-----------------|
| Opening balance 1.1.2024 | 118.9 |
| Depreciation | -40.1 |
| Other changes, net | 115.8 |
| Closing balance 31.12.2024 | 194.5 |
| Opening balance 1.1.2023 | 126.8 |
| Depreciation | -33.7 |
| Other changes, net | 25.8 |
| Closing balance 31.12.2023 | 118.9 |

Total Property, plant and equipment

| EUR m | 2024 | 2023 |
|------------------------|--------------|--------------|
| Equipment | 10.1 | 6.0 |
| Leasehold improvement | 47.1 | 46.6 |
| Office premises | 194.5 | 118.9 |
| Carrying amount | 251.8 | 171.5 |

Depreciation principles

Depreciation is made over the asset's estimated useful life using the straight-line method. Leased assets are also depreciated over the asset's useful life or, if shorter, the term of the lease considering any extension or termination options, that are judged to be reasonably certain to be used, see Note 2 "Leases".

The estimated useful life:

| | |
|------------------------|------------|
| Equipment | 3–5 years |
| Leasehold improvements | 3–10 years |

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Note 13 Accounts receivable and other current assets

| EUR m | 2024 | 2023 |
|-----------------------------------|--------------|--------------|
| Expenses to be recharged | 37.1 | 71.5 |
| Drawdown receivable | 66.9 | 67.8 |
| Other receivables on fund | 162.6 | 104.3 |
| Other receivables | 71.4 | 100.1 |
| Total other current assets | 337.9 | 343.7 |

Note 14 Equity

Shares

| | 2024 | 2023 |
|---|----------------------|----------------------|
| Ordinary shares | | |
| Issued per 1 January | 1,183,593,930 | 1,185,028,524 |
| Converted C shares | 348,106 | 365,406 |
| Allocation of treasury shares | 661,169 | - |
| New share issue | - | 59,306,376 |
| Buy-back | -4,154,000 | -61,106,376 |
| Issued per 31 December – paid | 1,180,449,205 | 1,183,593,930 |
| Total numbers of C shares outstanding | 881,555 | 1,229,661 |
| Total number of outstanding shares | 1,181,330,760 | 1,184,823,591 |

All ordinary shares carry one vote and class C shares carry 0.1 vote. The class C shares carry the same economic rights as ordinary shares.

As of 31 December 2024, EQT held 60,676,207 (61,106,376) ordinary shares in treasury, which are not entitled to dividends or votes at shareholders' meetings. Excluding shares held in treasury by EQT, there are 1,181,330,760 outstanding shares in EQT.

During the year EQT completed a repurchase of 4,154,000 shares, corresponding to a value of EUR 117.9m. The objective is to, over time, offset the dilution impact from EQT's Incentive Programs. Total amount paid for shares held in treasury amounts to EUR 155.9m.

During 2024 (based on performance 2023), and in line with the EQT incentive programs, 661,169 of the shares held by EQT has been allocated to participants in the programs and is hence outstanding as of 31 December 2024.

During 2024, EQT cancelled 3,923,000 shares held by EQT.

Since 24 September 2019, EQT's ordinary shares are listed on Nasdaq Stockholm Large Cap.

DIVIDEND DISTRIBUTION TO THE OWNERS OF THE PARENT COMPANY

The Board of directors proposes a dividend to the shareholders of SEK 4.30 per share for the fiscal year 2024. The dividend is proposed to be paid out in two equal installments, SEK 2.15 with record date 30 May 2025, and SEK 2.15 with record date 1 December 2025. Should the Annual Shareholders' Meeting decide in favor of the proposal, payment of the dividend is expected to be made on 4 June 2025 and on 4 December 2025, respectively.

The Board of directors of EQT AB has adopted a dividend policy which aims to generate a steadily increasing annual dividend per share.

EQUITY MANAGEMENT

The EQT AB Group maintains a financial position that supports the confidence of investors, creditors and the market, and provides a basis for continued development of business operations, and that the long-term returns generated to the shareholders are satisfactory.

Note 14 cont.

RESTRICTIONS ON TRANSFERABILITY

At the time of the listing of EQT AB in 2019, and in relation to various subsequent acquisitions (including Exeter, Life Science Partners and BPEA), certain current and former employees have agreed, with certain exceptions, to not, without the prior written consent from EQT AB, sell or transfer their respective share holdings in EQT AB during a certain period of time (lock-up undertaking).

In addition to the restriction on selling or transferring the shareholding, the acquisition related lock-up undertakings also generally include vesting conditions under a “leaver put option clause” or a share forfeiture mechanism.

The shares within the previous EQT share program (adopted by the shareholders 2019) constitute non-listed class C shares, with rights to receive dividends and with 0.1 vote, that will be held for three years before being converted into ordinary shares that can be traded.

The ordinary shares allocated to participants within the current EQT Share Program (adopted by the shareholders 2023) are subject to a holding period of three years following each relevant time of allocation. During such holding period, the shares can not be transferred or disposed.

Other than the above there are no restrictions on the transferability of the EQT AB shares due to statutory provisions, the articles of association or, as far as the Company is aware, any agreement.

An overview of the expiry of various lock-up undertakings can be found below.

| #number of shares released (in millions) | 2024 | | 2025 | | 2026 | | 2027 | | 2028 | |
|--|----------|------------|----------|------------|----------|------------|----------|-----------|----------|-----------|
| | Feb | Sep | Feb | Sep | Feb | Sep | Feb | Sep | Feb | Sep |
| IPO | | 98 | | 100 | | 87 | | 63 | | 63 |
| Exeter | | 14 | | | | | | | | |
| LSP | 2 | 2 | | | | 4 | | | | |
| BPEA | | 29 | | 29 | | 29 | | 29 | | 29 |
| Total | 2 | 143 | – | 129 | – | 120 | – | 93 | – | 93 |
| % of number of shares | 0.2% | 11.5% | – | 10.4% | – | 9.7% | – | 7.5% | – | 7.5% |

Notes

Note 15 Interest bearing liabilities

For more information regarding the EQT AB Group's exposure to interest risks and foreign currency risks, in respect of interest-bearing liabilities, see Note 18.

| EUR m | 2024 | 2023 |
|--|----------------|----------------|
| Non-current liabilities | | |
| Lease liabilities ¹⁾ | 161.3 | 91.2 |
| Bond loan ²⁾ | 2,020.5 | 2,020.8 |
| | 2,181.7 | 2,112.1 |
| Current liabilities | | |
| Short-term loans | - | - |
| Loans from credit institutions | - | - |
| Current portion of lease liabilities ¹⁾ | 41.2 | 34.3 |
| | 41.2 | 34.3 |

1) Lease liabilities, for further information, see Note 19.

2) Bond loan, for further information, see Note 18.

Note 16 Other liabilities

| EUR m | 2024 | 2023 |
|----------------------------------|--------------|--------------|
| Other current liabilities | | |
| Drawdown | 9.6 | 6.4 |
| Other | 116.1 | 107.8 |
| | 125.6 | 114.2 |

Note 17 Accrued expenses and prepaid income

| EUR m | 2024 | 2023 |
|----------------------------|--------------|--------------|
| Accrued personnel expenses | 313.8 | 263.5 |
| Accrued consultancy fees | 19.7 | 25.7 |
| Other accrued expenses | 192.1 | 157.1 |
| Prepaid income | 111.5 | 74.1 |
| | 637.0 | 520.5 |

Note 18 Financial instruments and financial risks

FINANCIAL RISK MANAGEMENT FRAMEWORK

The EQT AB Group conducts a risk management framework to mitigate and control EQT AB Group's financial risks in a cost-efficient manner. The financial risk management is covered in the EQT AB Group Finance Policy. The policy is reviewed yearly, and any new version must be approved by EQT AB Group's Board of directors who has the ultimate responsibility for the establishment and control mechanisms of the Group's risk management. The EQT AB Group is exposed to the following financial risks:

- Credit risk
- Liquidity risk
- Market risks (interest rate risk, currency risk, fair value risk of holdings in EQT funds)

CREDIT RISK

Credit risk arises from the potential financial loss in the event a counterparty to EQT AB Group is unable to fulfil its obligations towards the EQT AB Group. This relates primarily to receivables and contract assets, cash held at bank accounts, any derivative instruments outstanding

with a positive fair value and any financial guarantees. The credit risk exposures are regularly reviewed to assess exposures and concentrations of risks in accordance with procedures set out in EQT AB Group's Treasury Guidelines.

The book value of financial assets excluding Financial investments (incl carried interest) represents the EQT AB Group's maximum exposure to credit risks from recognised financial assets. At 31 December 2024 financial assets amounted to EUR 5,780.1m (EUR 4,657.1m). Financial guarantees can hypothetically also give rise to some credit risk. The financial guarantees are described below under the heading Financial guarantees. Financial investments (incl carried interest) give rise to fair value risk, not credit risk.

Receivables and contract assets

The Group's exposure to credit risk from receivables and contract assets is defined by the characteristics of the individual counterparties, primarily consisting of EQT funds. Credit risks are reviewed on a regular basis and there are no significant credit risks identified as of the balance sheet date, nor have there been any during the reporting period.

The Group regularly reviews expected credit losses for receivables and contract assets, primarily based on historical losses. The Group has historically not suffered any material losses from receivables and contract assets and there are no receivables post due at the balance sheet date (none). The expected credit loss at the balance sheet date is therefore considered insignificant (insignificant).

Cash and cash equivalents

The financial credit risk exposure mainly arises from cash deposits held on bank accounts. EQT AB Group's Treasury Guidelines stipulates which banks that are approved for cash deposits and relationships are

closely monitored by the Group's Treasury department. The minimum official credit rating for a counterparty, in terms of deposits, is BBB (S&P, or S&P equivalent). As of 31 December 2024, the Group held cash and cash equivalents of EUR 1,024.0m (EUR 1,114.0m).

Expected credit losses are assessed on a regular basis primarily based on external credit ratings for the counterparties and information about historical losses. The EQT AB Group has historically not suffered any losses from cash and cash equivalents. As of 31 December 2024, the expected credit losses are considered insignificant and reflects the short maturities of the deposits and the credit quality of counterparties reflected in the external credit ratings (insignificant).

Distribution of cash and cash equivalents by credit rating of counterparties:

| Credit rating | 31.12.2024 |
|---------------|-------------|
| A+ | 82% |
| A- | 18% |
| BBB | 0% |
| Total | 100% |

| Credit rating | 31.12.2023 |
|---------------|-------------|
| A+ | 81% |
| A- | 18% |
| BBB | 1% |
| Total | 100% |

Financial guarantees

The EQT AB Group has guaranteed to cover certain carried interest claw-back obligations related to the funds EQT VIII, EQT IX, EQT X, EQT Growth, EQT Future, EQT Infrastructure IV, EQT Infrastructure V, EQT Infrastructure VI, EQT Healthcare Growth and BPEA IX. Under the limited partnership agreement of each applicable fund vehicle, an assessment will be made at termination of the fund to determine if there has been an overpayment of carried interest to the Special

Note 18 cont.

Limited Partner (being the recipient of carried interest). Any overpayment of carried interest will in the first instance be satisfied by a return of amounts which are placed into escrow to cover a claw-back scenario. In the unlikely event that amounts held in escrow would be insufficient to cover the claw-back liability, then the guarantee may be called upon to cover the balance. At 31 December 2024, no carried interest had been generated, nor paid, from EQT X, EQT Growth, EQT Future, EQT Infrastructure IV, EQT Infrastructure V, EQT Infrastructure VI, EQT Healthcare Growth or BPEA IX (none). EQT VIII has generated and paid EUR 122.4m in carried interest (EUR 104.1m) and EQT IX has generated and paid EUR 13.1m in carried interest (EUR 0.0m). As of 31 December 2024, it is estimated that EQT AB Group does not have any exposure related to these guarantees (none).

For the benefit of a working capital facility for a number of carry schemes, the EQT AB Group has issued a guarantee of EUR 50.0m (EUR 50.0m) to the financial institution providing this facility. According to the terms of this guarantee, the EQT AB Group will pay to the financial institution the relative amount due under the facility agreement if a carry scheme is in default on debt repayment, i.e. the maximum exposure to credit risk, at 31 December 2024 amounts to EUR 50.0m (EUR 50.0m).

In order to facilitate certain individuals' financing, through loans from a financial institution, of investments in carry schemes related to funds raised since 2015, the EQT AB Group has issued guarantees to the relevant financial institution. According to the terms of these guarantees, the EQT AB Group will pay to the lender any amounts due under the loan agreements due to the individuals being in default on debt repayment. In addition, the individuals have entered into agreements with the EQT AB Group, by which they have agreed to reimburse the EQT AB Group for any amount that the

EQT AB Group has paid to the lender under the guarantee. The total amount covered by the guarantees, i.e. the maximum exposure to credit risk, at 31 December 2024 amounts to EUR 29.6m (EUR 28.9m).

The amounts related to financial guarantees has not had any significant effect on the EQT AB Group's financial position at 31 December 2024 and has not affected the EQT AB Group's profit or loss for 2024.

LIQUIDITY RISK

The EQT AB Group's liquidity risk relates to its ability to meet obligations associated with liabilities and commitments that are settled by cash payments. The EQT AB Group manages its liquidity risk by ensuring sufficient liquidity to meet its obligations when due under both normal as well as stressed conditions. The Group performs cash forecasting, updated at least on a monthly basis. On 10 July 2024, EQT extended its existing EUR 1.5 billion sustainability-linked revolving credit facility (RCF) for 5 years, with two 1-year extension options. The RCF was originally signed on 21 December 2020 and increased to EUR 1.5 billion on 25 April 2022. The RCF is not limited to a specific currency, it can be utilized in both EUR and USD, by both EQT AB and EQT Treasury AB. As of 31 December 2024 the RCF was undrawn. On 14 May 2021, EQT AB issued a EUR 500m sustainability-linked bond with a maturity of 10 years. The annual coupon rate is 0.875 percent. On 6 April 2022, EQT AB issued a EUR 750m sustainability-linked bond with a maturity of 6 years and a coupon rate of 2.375 percent, and also a EUR 750m sustainability-linked bond with a maturity of 10 years and a coupon rate of 2.875 percent. The bonds further increased the EQT AB Group's financial flexibility and are used for corporate purposes, supporting the EQT AB Group's growth initiatives and long-term strategy. Both the RCF and the bonds are linked to sustainability-related objectives, meaning that the interest rates of the bonds

and the RCF are increased if the targets are not achieved, and the interest rate of the RCF is lowered if the targets are met. It underscores EQT's approach to sustainability as an integral part of the EQT AB Group's business model and the EQT funds' portfolio companies. Cash and cash equivalents as of 31 December 2024 amounted to EUR 1,024.0m (EUR 1,114.0m).

Distribution of remaining contractual cash flows of the EQT AB Group's financial liabilities:

| EUR m | Carrying amount | | Expected maturity | | |
|------------------------------|-----------------|----------------|-------------------|-------------|----------------|
| | 31.12.2024 | Total | 2025 | 2026 | After 2026 |
| Interest-bearing liabilities | 2,020.5 | 2,242.8 | 43.8 | 43.8 | 2,155.3 |
| Accounts payable | 7.7 | 7.7 | 7.7 | — | — |
| Other liabilities | 71.4 | 71.4 | 71.4 | — | — |
| Accrued expenses | 209.4 | 209.4 | 209.4 | — | — |
| Leasing liabilities | 202.5 | 236.0 | 35.6 | 29.1 | 171.3 |
| Remaining commitments | | 446.5 | | | |
| Total | 2,511.4 | 3,213.6 | 367.8 | 72.9 | 2,326.6 |

| EUR m | Carrying amount | | Expected maturity | | |
|------------------------------|-----------------|----------------|-------------------|-------------|----------------|
| | 31.12.2023 | Total | 2024 | 2025 | After 2025 |
| Interest-bearing liabilities | 2,020.8 | 2,286.1 | 43.8 | 43.8 | 2,198.5 |
| Accounts payable | 12.2 | 12.2 | 12.2 | — | — |
| Other liabilities | 72.9 | 72.9 | 72.9 | — | — |
| Accrued expenses | 179.3 | 179.3 | 179.3 | — | — |
| Leasing liabilities | 125.5 | 130.4 | 31.3 | 28.4 | 70.7 |
| Remaining commitments | | 527.9 | | | |
| Total | 2,410.6 | 3,208.8 | 339.5 | 72.2 | 2,269.2 |

Translation into EUR of amounts denominated in foreign currency has been done using the exchange rate at the end of the reporting period.

Accounts payables have a maturity of less than one year. Other payables include drawdown notices issued by the Special Limited Partners in the funds, normally with payment terms of 10 days.

At 31 December 2024, the EQT AB Group had remaining commitments to invest in multiple EQT funds and fund related vehicles of a total amount of EUR 446.5m (EUR 527.9m). The commitments are called over time, normally between one to five years following the commitment.

INTEREST RATE RISK

The EQT AB Group's interest rate risk, related to fluctuations in market interest rates with potential impact on the EQT AB Group's net financial income, is limited as the Group's only long-term interest-bearing debt as of 31 December 2024 are the sustainability-linked bonds with 6- and 10-year fixed coupon rates, subject to sustainability-related objectives. Should the EQT AB Group be exposed to interest rate risk, the EQT AB Group Finance Policy allows for use of derivatives to manage the risk.

As of 31 December 2024 the EQT AB Group's interest rate risk mainly relates to interest rates received/paid on cash deposits, which normally do not exceed the National bank rate for the relevant currency. Changes in cash deposits interest rates will affect the Group's interest income. If all interest rates on cash deposits would increase by 25 basis points, the EQT AB Group's annual interest income would increase by EUR 2.6m (EUR 2.8m), assuming the same level of cash deposits as of the balance sheet date.

EQT AB Group is not exposed to significant cash flow risk due to changes of market interest rates in its lease liabilities, even if cashflows are subject to index adjustments for certain contracts.

Note 18 cont.

FOREIGN CURRENCY RISK

The Group's foreign currency risk relates to potential changes in exchange rates with impact on the Group's income statement and/or the value of its assets and liabilities.

The Group's income is primarily denominated in EUR and/or USD and its expenses are primarily denominated in EUR, GBP, SEK and USD. Expenses are also denominated in AUD, BRL, CHF, CNY, CZK, DKK, HKD, INR, JPY, KRW, NOK, PLN and SGD. In most subsidiaries, the income and expenses are denominated in the same currency as the functional currency of the entity and does therefore not create any currency effects in the Group's income statement. The Group's presentation currency is EUR. Income and expenses denominated in EUR are therefore not directly affected by changes in exchange rates. However, when income and expenses arise in entities with a functional currency other than EUR, the Group's operating profits will be affected by changes in exchange rates in the period between initial recognition of revenue or expense and settlement.

The exposure to foreign currency risk is primarily related to the parent company, EQT AB, and the subsidiary EQT Partners AB, both with the functional currency SEK. The currency risk arises as the majority of the income in these entities is denominated in EUR and the expenses are in SEK. In 2024, EUR 436.9m (EUR 349.8m) of income in these two entities (99 percent of total income) were denominated in EUR.

In 2024, currency effects of EUR 3.0m (EUR -0.8m) were recognized in the Group's operating profit.

The Group's exposure to foreign currency risk at the balance sheet date is primarily related to receivables, cash balances and liabilities held in currencies other than the functional currency of the entity. This exposure primarily arises in the parent company, EQT AB and in the subsidiaries, EQT Partners AB and BPEA EQT Holdings AB, due to receivables, cash balances and liabilities

in EUR and USD. A strengthening/weakening of the EUR and USD by 5 percent against SEK at 31 December 2024 would affect the value of those assets, liabilities and the Group's income statement by approximately EUR +/-113.3m (holding all other factors constant) (EUR+/-112.7m). The sensitivity presented reflect the balances at the balance sheet date.

The Group is also exposed to currency risk when translating the balance sheets and income statements of the parent company and the subsidiaries with a functional currency other than EUR into the presentation currency of the Group. The balance sheets are translated using the exchange rate at the balance sheet date and the income statements are translated using the average exchange rate for the period. The translation effect is recognized in other comprehensive income and accumulated in equity for the Group. The translation effect recognized in other comprehensive income in 2024 was EUR 309.1m (EUR -229.7m).

Generally, the exposure to foreign currency risk is not hedged. However, EQT AB Group's Finance Policy allows forward contracts to be used to buy future needs of foreign currencies in advance.

No speculative trading with currencies is allowed according to the EQT AB Group Finance Policy.

FAIR VALUE RISK

The EQT AB Group is exposed to fair value risk in the form of changes in the Net Asset Value (NAV) for financial investments held by the EQT AB Group classified at fair value through profit or loss. The risk of changes in NAV is a natural consequence of the EQT AB Group's business and the risk is not hedged in any way. The effect of changes in the NAV on the EQT AB Group's profit or loss is presented below under the heading "Sensitivity analysis of fair values".

Classification of financial assets and liabilities in measurement categories

Distribution of carrying amounts of financial assets and financial liabilities by measurement categories stipulated by IFRS 9.

| 31.12.2024, EUR m | Fair value through profit or loss | Financial assets at amortized cost | Financial liabilities at amortized cost | Total |
|---|-----------------------------------|------------------------------------|---|----------------|
| Financial assets | | | | |
| Other financial assets | 0.0 | 10.1 | | 10.1 |
| Accounts receivable | | 0.0 | | 0.0 |
| Financial investments incl carried interest | 4,302.3 | 0.0 | | 4,302.3 |
| Other current assets | | 337.9 | | 337.9 |
| Accrued income | | 105.8 | | 105.8 |
| Cash and cash equivalents | | 1,024.0 | | 1,024.0 |
| Total financial assets | 4,302.3 | 1,477.8 | — | 5,780.1 |
| Financial liabilities | | | | |
| Interest-bearing liabilities | | | 2,020.5 | 2,020.5 |
| Accounts payable | | | 7.7 | 7.7 |
| Other liabilities | | | 71.4 | 71.4 |
| Accrued expenses | | | 209.4 | 209.4 |
| Total financial liabilities | — | — | 2,308.9 | 2,308.9 |

| 31.12.2023, EUR m | Fair value through profit or loss restated | Financial assets at amortized cost restated | Financial liabilities at amortized cost | Total restated |
|---|--|---|---|----------------|
| Financial assets | | | | |
| Other financial assets | 0.0 | 16.7 | | 16.7 |
| Accounts receivable | | 0.0 | | 0.0 |
| Financial investments incl carried interest | 3,038.9 | 0.0 | | 3,038.9 |
| Other current assets | | 343.7 | | 343.7 |
| Accrued income | | 143.8 | | 143.8 |
| Cash and cash equivalents | | 1,114.0 | | 1,114.0 |
| Total financial assets | 3,038.9 | 1,618.2 | — | 4,657.1 |
| Financial liabilities | | | | |
| Interest-bearing liabilities | | | 2,020.8 | 2,020.8 |
| Accounts payable | | | 12.2 | 12.2 |
| Other liabilities | | | 72.9 | 72.9 |
| Accrued expenses | | | 179.3 | 179.3 |
| Total financial liabilities | — | — | 2,285.1 | 2,285.1 |

Note 18 cont.

EQT AB has issued sustainability-linked bonds (classified as an interest-bearing liability in the balance sheet) with fixed coupon rates linked to sustainability-related objectives. Fair value as of 31 December 2024 amounted to EUR 1,906.5m (carrying amount: EUR 2,000.0m). For EQT AB Group's other financial assets and liabilities (accounts receivables, other current assets, accrued income, cash, deposits, accounts payables, other liabilities and accrued expenses) the carrying amounts are considered reasonable approximations of their fair values. This also holds for other long-term assets and interest-bearing liabilities since these carry variable interest and therefore the fair value is not significantly affected by changes in the market interest rates.

FAIR VALUE MEASUREMENT

Fair value is the price that would be received if an asset was sold, or paid if a liability was transferred in an orderly transaction between market participants at the measurement date. The EQT AB Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs – other than quoted prices included within level 1 – that are observable for assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for assets or liabilities that are not based on observable market data (that is, unobservable inputs) (level 3)

EQT AB Group measures investments, including carried interest, at fair value in the balance sheet. Carried interest is a part of a financial instrument that the EQT AB Group acquires in an arm's length transaction through its holdings in the Special Limited Partners

(SLP). The return on carried interest is fully dependent on the performance of the relevant fund and is either payable at the end of the life of the fund or paid as installments at the time of realization within each fund, or a combination thereof.

LEVEL 3 FAIR VALUES (FINANCIAL INVESTMENTS INCLUDING CARRIED INTEREST)

The table below shows a reconciliation of level 3 fair values for financial investments including carried interest.

| EUR m | 2024 | 2023 restated |
|--|-----------------------------|----------------|
| Opening balance | 3,038.9 | 2,957.6 |
| whereof carried interest | 2,308.2 | 2,289.2 |
| Net change in fair value | 548.7 | 156.3 |
| whereof carried interest | 587.1 | 134.0 |
| Investments | 865.0 | 208.3 |
| Reclassifications | 99.0 | - |
| Realization | -275.6 | -283.3 |
| whereof realized (cash) carried interest | -59.1 | -114.7 |
| Translation differences | 26.3 | 0.0 |
| Closing balance | 4,302.3¹⁾ | 3,038.9 |
| whereof carried interest | 2,862.5 | 2,308.2 |

¹⁾ whereof EUR 735m relates to strategic investments to support new initiatives.

FAIR VALUE FOR FINANCIAL INVESTMENTS

Financial investments disclosed as level 3 financial instruments primarily consist of investments in EQT funds. The fair value of EQT AB Group's financial investments in EQT funds are based on the net asset value after taking all assets and deducting all liabilities and provisions. The valuation processes and techniques described below, therefore, relate to the most significant processes and techniques for valuing the underlying holdings of the funds.

In valuing the underlying investments, the funds apply the International Private Equity and Venture

Capital Valuation Guidelines (IPEV Guidelines) when determining the fair values for the holdings in the funds. Determining the fair value requires subjective assessment with varying degrees of judgment regarding what market participants would use in estimating the value of an asset, including valuation methodology, pricing assumptions, the current economic and competitive environment, and the risks affecting the specific asset.

For certain investments, primarily within real estate, the funds make use of external valuation agents. Valuation agents within real estate operate under the Royal Institute of Chartered Surveyors (RICS) Valuation – Global Standards, which incorporate the International Valuation Standards as published by the International Valuation Standards Council (IVSC).

The valuation methods applied by the funds are applied consistently from period-to-period, and only changed if deemed necessary to reflect a representative fair value.

EQT AB Group applies control processes to ensure that the fair value of the financial assets reported in the consolidated financial statements are in accordance with applicable accounting standards and determined on a reasonable basis. This includes ensuring that the underlying valuations are consistent with the IPEV Guidelines, where relevant, and ensuring that the valuations are supported by underlying documentation.

The following valuation techniques are applied by the funds to determine fair values of investments in line with IFRS 13.

Carried interest

From a valuation perspective carried interest is valued as a separate component of the investment in the SLP. The value of the financial investments related to carried interest is based on a calculation of the accrued allocation of carried interest to EQT AB Group for each fund pursuant to the fund agreements as if all underlying

investments were realized at the current fair value as of such date, i.e., the net asset value of the fund. In order to further validate the value EQT AB Group also takes into consideration additional historical information such as fund performance and deployment to date as well as forward looking information such as the expected future deployment of the fund including but not limited to the expected future pattern of drawdowns, the expected holding period of investments and lifetime of the fund. As some of the inputs in the model are not based on observable market data, the instrument is included in level 3.

Valuation of quoted investments

Investments quoted on an active market are measured at the latest available quoted price for the individual asset on the measurement date.

Valuation of unquoted investments

Unquoted investments are primarily valued with a multiples (market) approach or discounted cash flow (income) approach.

Under the multiples approach, the funds determine the fair value of investments with revenues, sustainable profits, and/or positive cash flows by applying earnings multiples. These multiples are derived from publicly traded peer companies and comparable transactions.

Under the discounted cash flow (DCF) approach, expected cash flows are discounted to their present value using a rate that reflects both the time value of money, and the risks associated with the specific instrument. The discount rate is determined based on current market conditions and the expected return on the investment.

Unobservable inputs to valuation techniques

When measuring fair value, the funds use non-observable market inputs in its valuation techniques. Signifi-

Note 18 cont.

cant unobservable inputs include earnings multiples, discount rates, capitalization rates, and the physical and geographic location of assets.

SENSITIVITY ANALYSIS OF FAIR VALUES

From an EQT AB Group perspective, financial investments, including carried interest, are measured at fair value normally by applying their relative share of the net asset values. A reasonable possible change of +/- 10 percent in the net asset value would affect the fair value of the investments including carried interest at 31 December 2024 with approximately EUR +600.0m or EUR -800.0m respectively whereof carried interest represents EUR +500.0m or EUR -700.0m respectively. The effects of any changes in fair value, excluding investments and realizations, would be recognized in the income statement.

Although the EQT AB Group believes that its estimates of fair values are appropriate, the use of different methodologies and different unobservable inputs could lead to different measurements of fair value. No other changes in unobservable input factors would result in any material changes in fair value.

Note 19 Leases

AS A LESSEE

The EQT AB Group's leases mainly consist of office premises. The carrying amount of the right-of-use assets for the year can be found in Note 12. The lease liabilities are presented in the balance sheet and a maturity analysis of the lease liabilities is presented in Note 18.

Amounts recognized in the income statement

| EUR m | 2024 | 2023 |
|-------------------------------------|-------------|-------------|
| Interest on lease liabilities | 6.9 | 3.5 |
| Depreciation on right-of-use assets | 40.1 | 33.7 |
| | 47.0 | 37.2 |

EQT AB Group recognizes short-term leases and low value leases directly in the income statement. The leasing amounts for short-term leases and low value leases that have been expensed during 2024 and 2023 are not significant.

Amounts recognized in the statement of cash flows

| EUR m | 2024 | 2023 |
|-------------------------------|------|------|
| Total cash outflow for leases | 39.5 | 35.1 |

Right-of-use asset in the balance sheet

| EUR m | 2024 | 2023 |
|---|-------|------|
| Additions in the right-of-use asset ¹⁾ | 112.3 | 35.1 |

1) Additions in the right-of-use asset consists of both renewals of lease contracts and lease contracts added through acquisitions.

Office premises leases

EQT AB Group leases office premises for its office space. The leases of office space typically run for a period of 3–10 years. Some leases of office premises contain extension options exercisable by the EQT AB Group up to 6 months before the end of the contract period. Where practicable, the EQT AB Group seeks to include extension options in the leases to provide operational flexibility. The extension options held are exercisable only by the EQT AB Group and not by the lessors. The EQT AB Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. This assessment is based on all relevant facts and circumstances that exist at the commencement date. EQT AB Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

Some leases provide for additional rent payments that are based on changes in local price indices. Some also require the EQT AB Group to make payments that relate to the property taxes levied on the lessor and is generally determined annually.

Notes

Note 20 Cash flow specifications

Transactions that do not involve payments

| EUR m | 2024 | 2023 |
|-------------------------------------|-------|------|
| Acquisition of assets through lease | 112.3 | 30.4 |

Reconciliation of debts arising from financing activities

| EUR m | Lease liabilities | Short-term loan | Interest-bearing liabilities ¹⁾ | Total debt arising from financing activities |
|-----------------------------------|---------------------|-----------------|--|--|
| Opening balance 1.1.2024 | 125.5 | — | 2,020.8 | 2,146.4 |
| Cash flows incl interest | -39.5 | — | -43.8 | -83.3 |
| Non-cash changes: | | | | |
| Accrued interest | 6.9 | — | 32.5 | 39.4 |
| Other | 109.6 ²⁾ | — | 10.9 | 120.5 |
| Closing balance 31.12.2024 | 202.6 | — | 2,020.5 | 2,223.0 |

| EUR m | Lease liabilities | Short-term loan | Interest-bearing liabilities ¹⁾ | Total debt arising from financing activities |
|-----------------------------------|--------------------|-----------------|--|--|
| Opening balance 1.1.2023 | 131.5 | — | 2,017.4 | 2,148.9 |
| Cash flows incl interest | -35.1 | — | -43.8 | -78.9 |
| Non-cash changes | | | | |
| Accrued interest | 3.5 | — | 32.5 | 36.0 |
| Other | 25.6 ²⁾ | — | 14.7 | 40.3 |
| Closing balance 31.12.2023 | 125.5 | — | 2,020.8 | 2,146.4 |

1) Interest-bearing liabilities, for further information, see Note 18.

2) Other mainly relates to acquisition of assets through lease.

Other non-cash adjustments

Other non-cash adjustments relate to the part of the acquisition considerations subject to lock-up EUR 228.0m (EUR 436.4m) as well as the non-cash portion of equity incentive program cost EUR 93.3m (EUR 43.9m).

Unutilized credit facilities

| EUR m | 2024 | 2023 |
|------------------------------|---------|---------|
| Unutilized credit facilities | 1,500.0 | 1,500.0 |

On 10 July 2024, EQT extended its existing EUR 1.5 billion sustainability-linked revolving credit facility (RCF) for 5 years, with two 1-year extension options. The RCF was originally signed on 21 December 2020 and increased to EUR 1.5 billion on 25 April 2022.

Note 21 Pledged assets and contingent liabilities

EQT AB Group has no pledged assets or contingent liabilities as of 31 December 2024 (none).

Note 22 Events after the reporting period

In January 2025 the Swedish Tax Agency issued decisions to EQT levying social security charges on carried interest distributions to individuals. The decisions, which are in line with the draft decisions previously issued, have been appealed by EQT and will be tried in court. This matter relates to historical periods and is not expected to have a material impact on the EQT AB Group.

In February 2025, Per Franzén was appointed as new CEO and Managing Partner of EQT, effective as of the Annual Shareholders' Meeting on 27 May 2025. Christian Sinding will remain as CEO and Managing Partner during the transition period and thereafter become an Institutional Partner. Christian will Chair the EQT Council and continue to lead the Global Investment Forum and remain a member of several EQT fund Investment Committees.

Note 23 Related parties

Expenses for salaries, other remuneration and pensions for the EQT AB Group's senior executive management and the Board of directors in EQT AB are presented in Note 7. Apart from what is stated in Note 7 there are

certain transactions that have occurred between the EQT AB Group and its related parties and these are specified in the table below.

Transactions with related parties

| EURm | | Sales of goods, services and assets | Purchases of goods and services | Receivables as per 31 Dec | Liabilities as per 31 Dec |
|-------------------------------------|------|-------------------------------------|---------------------------------|---------------------------|---------------------------|
| Related parties | | | | | |
| Board members and senior executives | 2024 | 0.9 | 0.6 | - | - |
| Board members and senior executives | 2023 | 0.9 | 0.0 | - | - |

Description of transactions

In April 2019, the Company entered into a consultancy agreement with the Company's board member Gordon Orr. In accordance with this consultancy agreement, Gordon Orr shall – in parallel to his assignment as a member of the Board of directors – provide consultancy services as an EQT Advisor to support EQT's administration of the EQT Network. Gordon Orr is entitled to an annual fixed retainer of EUR 35,000 for the provision of these consultancy services. The consultancy agreement was initially entered into for a fixed period until 30 June 2020 but is automatically prolonged on a yearly basis in accordance with the terms of the agreement. Both EQT AB and the consultant may terminate the consultancy agreement with one month's notice.

In 2024, EQT AB Group has been invoiced by two companies that are indirectly controlled by a board member for hotel and conference services, these transactions amounted in total to EUR 0.5m (EUR 0.0m).

Apart from above, EQT AB Group has invoiced a company controlled by a board member for adminis-

trative services during 2024 and 2023. The total amount of these transactions amounted to EUR 0.1m (EUR 0.1m).

During 2024, EQT AB Group has paid EUR 767,571 (EUR 764,606), amount converted from SEK, in pension to the chairperson of the board, Conni Jonsson. However, EQT AB Group has historically made contributions to a pension trust so in conjunction with the payment from EQT AB Group to Conni Jonsson, EQT AB Group have also invoiced the corresponding amount to the pension trust. Thus, the payments of the pension were cost neutral for EQT AB Group during 2024 and 2023.

There have been no other significant transactions between EQT AB Group and its related parties during the period.

Note 24 Subsidiaries

Group companies

| Name | Registered office | Corporate reg. no | Percentage held | |
|--|-------------------|-----------------------|-----------------|------------|
| | | | 31.12.2024 | 31.12.2023 |
| EQT Partners AB | Sweden | 556233-7229 | 100% | 100% |
| EQT Partners Spain, S.L.U. | Spain | B01597822 | 100% | 100% |
| EQT Partners Netherlands B.V. | Netherlands | 77321227 | 100% | 100% |
| EQT Partners Denmark ApS | Denmark | 41073381 | 100% | 100% |
| EQT Partners AG | Switzerland | CHE-113.618.871 | 100% | 100% |
| EQT Partners AS | Norway | 940532981 | 100% | 100% |
| EQT Partners Australia Pty Ltd | Australia | 638432318 | 100% | 100% |
| EQT Partners Australia II Pty Ltd | Australia | 638488623 | 100% | 100% |
| EQT Partners Japan K.K. | Japan | 0104-01-158103 | 100% | 100% |
| EQT Partners Korea Co., Ltd. | South Korea | 110111-8167854 | 100% | 100% |
| EQT Partners GmbH | Germany | HRB 127746 | 100% | 100% |
| EQT Partners Belgium B.V. | Belgium | 0843.203.083 | 100% | 100% |
| EQT Partners Inc. | USA | 4401345 | 100% | 100% |
| EQT Partners Oy | Finland | 1098042-8 | 100% | 100% |
| EQT Partners Asia Limited | Hong Kong | 10199637 | 100% | 100% |
| EQT Partners Shanghai Limited | China | 310000400514790 | 100% | 100% |
| EQT Partners Poland sp. z o.o. | Poland | 0001068859 | 100% | 0% |
| EQT Partners Limited | UK | 6590781 | 100% | 100% |
| EQT Partners UK Advisors LLP | UK | OC338685 | 0% | 100% |
| EQT Partners UK Advisors II LLP | UK | OC397306 | 0% | 100% |
| EQT Partners S.R.L. | Italy | 10552820960 | 100% | 100% |
| EQT Partners SAS | France | 85392898400014 | 100% | 100% |
| EQT Partners Asia Pte. Ltd. | Singapore | 200004783Z | 100% | 100% |
| EQT Partners India Private Limited | India | U74140MH2009PTC216794 | 100% | 100% |
| EQT Partners India Private Limited, Bengaluru Branch | India | - | - | - |
| EQT Partners Capital Limited | Hong Kong | 2629750 | 100% | 100% |
| EQT Partners Hong Kong Limited | Hong Kong | 645312 | 100% | 100% |
| EQT Partners Beijing Limited | China | 91110105MA01N0FP32 | 100% | 100% |
| EQT Partners Hong Kong Limited Beijing Rep Office | China | 911100006804526911 | 0% | 100% |
| BPEA Shanghai Limited | China | 91310000MA1FYJ229F | 100% | 100% |
| EQT Partners Hong Kong Shanghai Rep Office | China | 91310000752480166Q | 100% | 100% |
| PT BPEA Private Advisors | Indonesia | AHU-AH.01.03-0376884 | 100% | 100% |
| EQT Exeter Advisors Sweden AB | Sweden | 559296-3507 | 100% | 100% |
| EQT Exeter Advisors Netherlands B.V. | Netherlands | 83321047 | 100% | 100% |

Notes

Note 24 cont

| Name | Registered office | Corporate reg. no | Percentage held | |
|---|-------------------|--------------------|-----------------|------------|
| | | | 31.12.2024 | 31.12.2023 |
| EQT Exeter Advisors Spain S.L. | Spain | B88285325 | 100% | 100% |
| EQT Exeter Advisors France SAS | France | 819960634 | 100% | 100% |
| EQT Exeter Advisors Australia Pty Ltd | Australia | 659318975 | 100% | 100% |
| EQT Exeter Japan K.K. | Japan | 0104-01-089160 | 100% | 67% |
| JLML 11 GK | Japan | 0104-03-021462 | 0% | 100% |
| EQT Exeter Korea Limited | South Korea | 465-81-00642 | 88% | 75% |
| EQT Exeter Advisors Germany GmbH | Germany | HRB 101640 | 100% | 100% |
| EQT Exeter Advisors Belgium B.V. | Belgium | 0781.995.192 | 100% | 100% |
| EQT Exeter Asia Pacific Advisors Pte. Limited | Singapore | 202100784Z | 100% | 100% |
| EQT Exeter China Ventures Limited | Hong Kong | 71631486 | 100% | 100% |
| EQT Exeter Management Advisors (Shanghai) Co., Ltd | China | 91310000 | 100% | 100% |
| EQT Partners Austria GmbH | Austria | FN551349H | 100% | 100% |
| EQT Exeter Advisors Italy S.r.l. | Italy | 11641590960 | 100% | 100% |
| EQT Exeter Advisors Poland Sp. z o.o. | Poland | 0000587835 | 100% | 100% |
| EQT Exeter Advisors UK Limited | UK | 13306870 | 100% | 100% |
| EQT Partners Ireland Limited | Ireland | 653468 | 100% | 100% |
| EQT Partners Czechia spol. s r.o. | Czech Republic | 11889756 | 100% | 100% |
| Exeter UK Advisor, LLP | UK | OC396135 | 0% | 100% |
| Exeter Europe (UK), Ltd | UK | 09284690 | 100% | 100% |
| EQT Services (UK) Limited | UK | 07936651 | 100% | 100% |
| EQT Corporate Services Netherlands B.V. | Netherlands | 74993097 | 100% | 100% |
| EQT Treasury AB | Sweden | 559227-5647 | 100% | 100% |
| EQT Holdings AB | Sweden | 559244-1462 | 100% | 100% |
| EQT Lightspeed S.à r.l. | Luxembourg | B246446 | 100% | 100% |
| EEAKLV Limited | South Korea | 110114-0295277 | 100% | 100% |
| EQT Exeter China Investments 1 Pte. Ltd. | Singapore | 202217730H | 100% | 100% |
| EQT Exeter Supply Chain (Changzhou) Company Limited | China | 91320411MABQC28C0W | 0% | 100% |
| EQT Holdings III AB | Sweden | 559289-1864 | 100% | 100% |
| EQT Holdings S.à r.l. | Luxembourg | B244018 | 100% | 100% |
| EQT Growth (General Partner) S.à r.l. | Luxembourg | B249692 | 100% | 100% |
| EQT Growth Holding SCSp ¹⁾ | Luxembourg | B252708 | - | - |
| ENIF Holdings (General Partner) S.à r.l. | Luxembourg | B284847 | 100% | 0% |
| EQT Infrastructure V (General Partner) S.à r.l. | Luxembourg | B243962 | 100% | 100% |
| EQT Infrastructure V Holding SCSp ¹⁾ | Luxembourg | B247380 | - | - |
| EQT IX (General Partner) S.à r.l. | Luxembourg | B238938 | 100% | 100% |
| EQT IX GP LLC | USA | 3167396 | 100% | 100% |
| EQT IX Holding SCSp ¹⁾ | Luxembourg | B243133 | - | - |
| EQT Future (General Partner) S.à r.l. | Luxembourg | B252846 | 100% | 100% |
| EQT Future Holding SCSp ¹⁾ | Luxembourg | B255163 | - | - |

| Name | Registered office | Corporate reg. no | Percentage held | |
|---|-------------------|-------------------|-----------------|------------|
| | | | 31.12.2024 | 31.12.2023 |
| EQT X (General Partner) S.à r.l. | Luxembourg | B255058 | 100% | 100% |
| EQT X Holding SCSp ¹⁾ | Luxembourg | B256955 | - | - |
| BPEA Private Equity GP IX S.à r.l. | Luxembourg | B286136 | 100% | 0% |
| EQT FC Sicar SCA ¹⁾ | Luxembourg | B279712 | - | - |
| EQT Ventures III (General Partner) S.à r.l. | Luxembourg | B258957 | 100% | 100% |
| EQT Ventures III Holding SCSp ¹⁾ | Luxembourg | B259004 | - | - |
| EQT Active Core Infrastructure (General Partner) S.à r.l. | Luxembourg | B260249 | 100% | 100% |
| EQT Active Core Infrastructure Holding SCSp ¹⁾ | Luxembourg | B259827 | - | - |
| EQT Infrastructure VI (General Partner) S.à r.l. | Luxembourg | B265893 | 100% | 100% |
| EQT Infrastructure VI Holding SCSp ¹⁾ | Luxembourg | B271546 | - | - |
| BPEA EQT Mid-Market Growth GP, S.à r.l. | Luxembourg | B272128 | 100% | 100% |
| Bpea EQT Mid-Market Growth Holding SCSp ¹⁾ | Luxembourg | B281085 | - | - |
| ENXF Holdings (General Partner) S.à r.l. | Luxembourg | B277211 | 100% | 100% |
| EQT LSP 8 (General Partner) S.à r.l. | Luxembourg | B288189 | 100% | 0% |
| EQT Life Sciences 8-Dementia (General Partner) S.à r.l. | Luxembourg | B291005 | 100% | 0% |
| EQT Real Estate Europe Living II (General Partner) S.à r.l. | Luxembourg | B290845 | 100% | 0% |
| EQT Future II (General Partner) S.à r.l. | Luxembourg | B291854 | 100% | 0% |
| EQT Growth II (General Partner) S.à r.l. | Luxembourg | B291856 | 100% | 0% |
| EQT Ventures IV (General Partner) S.à r.l. | Luxembourg | B291852 | 100% | 0% |
| EQT XI (General Partner) S.à r.l. | Luxembourg | B291942 | 100% | 0% |
| EQT Healthcare Growth (General Partner) S.à r.l. | Luxembourg | B268189 | 100% | 100% |
| EQT Healthcare Growth Holding SCSp ¹⁾ | Luxembourg | B281254 | - | - |
| EQT Transition Infrastructure (General Partner) S.à r.l. | Luxembourg | B275352 | 100% | 100% |
| EQT Transition Infrastructure Holding SCSp ¹⁾ | Luxembourg | B290860 | - | - |
| Exeter Europe GP, LLC | USA | 5610896 | 100% | 100% |
| Exeter Europe, LP | USA | 5610898 | 100% | 100% |
| Exeter Europe Value Venture III GP S.à r.l. | Luxembourg | B216344 | 100% | 100% |
| Exeter Europe Value Venture III Feeder GP S.à r.l. | Luxembourg | B220583 | 100% | 100% |
| Exeter Europe Industrial Core GP S.à r.l. | Luxembourg | B238532 | 100% | 100% |
| Exeter Europe Logistics Value Fund IV GP S.à r.l. | Luxembourg | B249708 | 100% | 100% |
| EPIP MF GP S.à r.l. | Luxembourg | B223215 | 100% | 100% |
| EPIP MF II GP S.à r.l. | Luxembourg | B237012 | 100% | 100% |
| EPIP II GP S.à r.l. | Luxembourg | B245662 | 100% | 100% |
| EGIP GP S.à r.l. | Luxembourg | B195412 | 100% | 100% |
| EGIP II GP S.à r.l. | Luxembourg | B191498 | 100% | 100% |
| EQT Exeter China Logistics Fund GP S.à r.l. | Luxembourg | B256221 | 100% | 100% |
| EQT Exeter ELC II (General Partner) S.à r.l. | Luxembourg | B266601 | 100% | 100% |
| EQT Exeter ELC II Holding SCSp ¹⁾ | Luxembourg | B271440 | - | - |
| EQT Exeter Asia Pacific Logistics Value Fund II GP S.à r.l. | Luxembourg | B277597 | 100% | 100% |

Notes

Note 24 cont

| Name | Registered office | Corporate reg. no | Percentage held | |
|--|-------------------|-------------------|-----------------|------------|
| | | | 31.12.2024 | 31.12.2023 |
| EQT Exeter Europe Logistics Value Fund V GP S.à r.l. | Luxembourg | B289408 | 100% | 0% |
| EQT Life Sciences Group B.V. | Netherlands | 863653698 | 100% | 100% |
| LSP Health Economics Fund Management B.V. | Netherlands | 858137501 | 100% | 100% |
| LSP V Management B.V. | Netherlands | 854065155 | 100% | 100% |
| LSP HEF 2 Management B.V. | Netherlands | 858137501 | 100% | 100% |
| LSP 6 Management B.V. | Netherlands | 858491783 | 100% | 100% |
| LSP Dementia Fund Management B.V. | Netherlands | 862010469 | 100% | 100% |
| LSP 7 Management B.V. | Netherlands | 862751007 | 100% | 100% |
| EQT Health Economics 3 Management B.V. | Netherlands | 865324281 | 100% | 100% |
| LSP Advisory B.V. | Netherlands | 819117481 | 100% | 100% |
| EQT Procurement S.à r.l. | Luxembourg | B201525 | 100% | 100% |
| EQT Exeter Holdings US, Inc. | USA | 5402675 | 100% | 100% |
| Exeter Property Group, LLC | USA | 4207665 | 100% | 100% |
| Exeter Big Box AM Platform, LLC | USA | 5854337 | 100% | 100% |
| Exeter Big Box Asset Manager, LLC | USA | 5854341 | 100% | 100% |
| Exeter FeeCo I, LLC | USA | 6912131 | 100% | 100% |
| EQT Exeterfeeco Mexico S. de R. L. de C. V. | Mexico | 2018078689 | 100% | 100% |
| Exeter FeeCo II, LLC | USA | 6912346 | 100% | 100% |
| EQT Exeter US GP Solutions, LLC | USA | 7399251 | 100% | 100% |
| Exeter Property Group Advisors, LLC | USA | 4214673 | 100% | 100% |
| Exeter Big Box Property Manager, LLC | USA | 5854344 | 100% | 100% |
| Exeter US Advisor, LLC | USA | 5610899 | 100% | 100% |
| EQT Exeter Brazil Platform, LLC | USA | 3065333 | 100% | 100% |
| EQT Exeter Brazil Ventures, LLC | USA | 7961465 | 100% | 100% |
| EQT Exeter Brasil Investimentos Ltda. | Brazil | 3523622040-2 | 100% | 100% |
| Exeter China Ventures, LLC | USA | 7713778 | 100% | 100% |
| EQTE Brokerage LLC | USA | 6939462 | 100% | 100% |
| BPEA EQT Holdings AB | Sweden | 559374-8691 | 100% | 100% |
| BPEA GP III Limited | Cayman Islands | 137871 | 100% | 100% |
| BPEA Hong Kong Growth Fund GP Limited | Hong Kong | 3074863 | 100% | 100% |
| BPEA Private Equity GP IV Limited | Cayman Islands | 192622 | 100% | 100% |
| BPEA Private Equity GP V Limited | Cayman Islands | 244752 | 100% | 100% |
| BPEA Private Equity GP VI Limited | Cayman Islands | 288217 | 100% | 100% |
| BPEA Private Equity GP VII Limited | Cayman Islands | 332034 | 100% | 100% |
| BPEA Private Equity GP VII S.à r.l. | Luxembourg | B222407 | 100% | 100% |
| BPEA Private Equity GP VIII Limited | Cayman Islands | 373499 | 100% | 100% |
| BPEA Private Equity GP VIII S.à r.l. | Luxembourg | B254359 | 100% | 100% |
| BPEA General Partner Limited | Cayman Islands | 355832 | 100% | 100% |
| BPEA TFO Partnership GP Limited | Cayman Islands | 317126 | 100% | 100% |

| Name | Registered office | Corporate reg. no | Percentage held | |
|--|-------------------|-------------------|-----------------|------------|
| | | | 31.12.2024 | 31.12.2023 |
| BPEA Asia Real Estate GP Limited | Cayman Islands | 268444 | 100% | 100% |
| BPEA Asia Real Estate GP II Limited | Cayman Islands | 325315 | 100% | 100% |
| BPEA Real Estate GP II S.à r.l. | Luxembourg | B222040 | 100% | 100% |
| BAKPDC3 Pte. Ltd. | Singapore | 201708595C | 100% | 100% |
| EQT Fund Management S.à r.l. | Luxembourg | B167972 | 100% | 100% |
| EQT Fund Management S.à r.l. German Branch | Germany | - | - | - |
| EQT Infrastructure II (GP) Limited | UK | SC416498 | 100% | 100% |
| EQT Mid Market (GP) Limited | UK | SC436969 | 100% | 100% |
| EQT VII Co-Investment (General Partner) S.à r.l. | Luxembourg | B217579 | 100% | 100% |
| EQT Co-Investment (GP) S.à r.l. | Luxembourg | B209598 | 100% | 100% |
| EQT VII International Holdings B.V. | Netherlands | 69473129 | 100% | 100% |
| EQT VII Luxembourg (General Partner) S.à r.l. | Luxembourg | B214397 | 100% | 100% |
| EQT VII Netherlands (General Partner) B.V. | Netherlands | 68608195 | 100% | 100% |
| EQT Real Estate Limited | UK | SC504628 | 100% | 100% |
| EQT Ventures (General Partner) S.à r.l. | Luxembourg | B196578 | 100% | 100% |
| EQT Mid Market US (General Partner) Limited | UK | SC500973 | 100% | 100% |
| EQT Mid Market Asia III (General Partner) Limited | UK | SC521109 | 100% | 100% |
| EQT Mid Market Europe (General Partner) Limited | UK | SC521108 | 100% | 100% |
| EQT Infrastructure III (General Partner) S.à r.l. | Luxembourg | B207225 | 100% | 100% |
| EQT VIII (General Partner) S.à r.l. | Luxembourg | B215816 | 100% | 100% |
| EQT Management S.à r.l. | Luxembourg | B145067 | 100% | 100% |
| EQT Luxembourg Management S.à r.l. | Luxembourg | B217192 | 100% | 100% |
| EQT RA Management S.à r.l. | Luxembourg | B240358 | 100% | 100% |
| EQT Infrastructure II (General Partner) S.à r.l. | Luxembourg | B244690 | 100% | 100% |
| EI II GP C.V. | Netherlands | 78485266 | 100% | 100% |
| EQT Mid Market (General Partner) S.à r.l. | Luxembourg | B244691 | 100% | 100% |
| EMM GP C.V. | Netherlands | 78485622 | 100% | 100% |
| EQT Public Value (General Partner) S.à r.l. | Luxembourg | B225269 | 100% | 100% |
| EQT Mid Market US (General Partner) S.à r.l. | Luxembourg | B243106 | 100% | 100% |
| EMMUS GP C.V. | Netherlands | 78484804 | 100% | 100% |
| EQT Mid Market Asia III (General Partner) S.à r.l. | Luxembourg | B243105 | 100% | 100% |
| EMMASIA III GP C.V. | Netherlands | 78484316 | 100% | 100% |
| EQT Mid Market Europe (General Partner) S.à r.l. | Luxembourg | B243128 | 100% | 100% |
| EMMEU GP C.V. | Netherlands | 78484030 | 100% | 100% |
| EQT Infrastructure IV (General Partner) S.à r.l. | Luxembourg | B225708 | 100% | 100% |
| EQT Ventures II (General Partner) S.à r.l. | Luxembourg | B232970 | 100% | 100% |
| EQT Real Estate II (General Partner) S.à r.l. | Luxembourg | B225704 | 100% | 100% |
| EQT Services (General Partner) Limited | UK | 07936703 | 100% | 100% |
| EQT Exeter Services Luxembourg S.à r.l. | Luxembourg | B229258 | 100% | 100% |

Notes

Note 24 cont

| Name | Registered office | Corporate reg. no | Percentage held | |
|---|-------------------|-------------------|-----------------|------------|
| | | | 31.12.2024 | 31.12.2023 |
| TSG Luxembourg S.à r.l. | Luxembourg | B283381 | 100% | 0% |
| EQT Management SG Pte. Ltd. | Singapore | 2021226838H | 100% | 100% |
| EQT Holdings B.V. | Netherlands | 54467861 | 100% | 100% |
| EQT Holdings II B.V. ¹⁾ | Netherlands | 55502903 | - | - |
| EQT Infrastructure II GP B.V. | Netherlands | 54468701 | 100% | 100% |
| EQT Holdings III B.V. ¹⁾ | Netherlands | 56497490 | - | - |
| EQT Mid Market Immigration GP B.V. | Netherlands | 71283730 | 100% | 100% |
| EQT Mid Market GP B.V. | Netherlands | 55314295 | 100% | 100% |
| EQT Public Value Holding SCSp ¹⁾ | Luxembourg | B225503 | - | - |
| EQT Holdings VII B.V. ¹⁾ | Netherlands | 63039818 | - | - |
| EQT VII (General Partner) LP | UK | SL019045 | 100% | 100% |
| EQT Holdings Real Estate B.V. ¹⁾ | Netherlands | 63243687 | - | - |
| EQT Real Estate I (General Partner) LP | UK | SL020800 | 100% | 100% |
| EQT Holdings Ventures B.V. ¹⁾ | Netherlands | 63191334 | - | - |
| EQT Ventures (GP) SCS | Luxembourg | B196905 | 100% | 100% |
| EQT Holdings MMUS B.V. ¹⁾ | Netherlands | 63039729 | - | - |
| EQT Mid Market US GP B.V. | Netherlands | 62863223 | 100% | 100% |
| EQT Mid Market Asia III Holding SCSp ¹⁾ | Luxembourg | B227416 | - | - |
| EQT Mid Market Asia III GP B.V. | Netherlands | 64683869 | 100% | 100% |
| EQT Holdings MM Europe B.V. ¹⁾ | Netherlands | 65104153 | - | - |
| EQT Mid Market Europe GP B.V. | Netherlands | 64683796 | 100% | 100% |
| EQT Holdings Infrastructure III B.V. ¹⁾ | Netherlands | 66262844 | - | - |
| EQT Infrastructure III (GP) SCS | Luxembourg | B207350 | 100% | 100% |
| EQT VIII Holding SCSp ¹⁾ | Luxembourg | B215898 | - | - |
| EQT VIII (GP) SCS | Luxembourg | B215860 | 100% | 100% |
| EQT Infrastructure IV Holding SCSp ¹⁾ | Luxembourg | B228288 | - | - |
| EQT Infrastructure IV (GP) SCS | Luxembourg | B225827 | 100% | 100% |
| EQT Ventures II Holding SCSp ¹⁾ | Luxembourg | B234431 | - | - |
| EQT Ventures II (GP) SCS | Luxembourg | B233027 | 100% | 100% |
| EQT Real Estate II Holding SCSp ¹⁾ | Luxembourg | B227912 | - | - |
| EQT Real Estate II (GP) SCS | Luxembourg | B226491 | 100% | 100% |
| EQT Investment Verwaltungs-GmbH | Germany | HRB 194327 | 100% | 100% |
| EQT Active Core Infrastructure GmbH & Co. KG | Germany | HRA 114883 | 97% | 97% |
| EQT Active Core Infrastructure Side Car GmbH & Co. KG | Germany | HRA 117622 | 98% | 98% |
| EQT Equity Investment GmbH & Co. KG | Germany | HRA 103524 | 97% | 97% |
| EQT Equity Kiwi Investments GmbH & Co. KG | Germany | HRA 110788 | 97% | 97% |
| EQT Future GmbH & Co. KG | Germany | HRA 114368 | 97% | 97% |
| EQT Growth GmbH & Co. KG | Germany | HRA 114254 | 97% | 97% |
| EQT Healthcare Growth GmbH & Co. KG | Germany | HRA 117587 | 98% | 98% |

| Name | Registered office | Corporate reg. no | Percentage held | |
|--|-------------------|-------------------|-----------------|------------|
| | | | 31.12.2024 | 31.12.2023 |
| EQT Infrastructure III Investment GmbH & Co. KG | Germany | HRA 106439 | 97% | 97% |
| EQT Infrastructure IV GmbH & Co. KG | Germany | HRA 109499 | 97% | 97% |
| EQT Infrastructure IV Side Car GmbH & Co. KG | Germany | HRA 111708 | 97% | 97% |
| EQT Infrastructure V GmbH & Co. KG | Germany | HRA 112378 | 97% | 97% |
| EQT Infrastructure VI GmbH & Co. KG | Germany | HRA 116470 | 98% | 98% |
| EQT Infrastructure VI Side Car GmbH & Co. KG | Germany | HRA 117225 | 98% | 98% |
| EQT Infrastructure VI Soteria Side Car GmbH & Co. KG | Germany | HRA 117789 | 98% | 98% |
| EQT Investment GmbH & Co. KG | Germany | HRA 98727 | 97% | 97% |
| EQT Leverage Employee GP GmbH & Co. KG | Germany | HRA 117586 | 98% | 98% |
| EQT Mid Market Asia III GmbH & Co. KG | Germany | HRA 106294 | 97% | 97% |
| EQT Mid Market Europe GmbH & Co. KG | Germany | HRA 105565 | 97% | 97% |
| EQT Mid Market Investment GmbH & Co. KG | Germany | HRA 96874 | 97% | 97% |
| EQT Mid Market US GmbH & Co. KG | Germany | HRA 103658 | 97% | 97% |
| EQT Public Value GmbH & Co. KG | Germany | HRA 109578 | 97% | 97% |
| EQT Transition Infrastructure GmbH & Co. KG | Germany | HRA 119979 | 98% | 0% |
| EQT Ventures II GmbH & Co. KG | Germany | HRA 110584 | 97% | 97% |
| EQT Ventures Investment GmbH & Co. KG | Germany | HRA 104817 | 97% | 97% |
| EQT VIII GmbH & Co. KG | Germany | HRA 107356 | 97% | 97% |
| EQT VIII Side Car GmbH & Co. KG | Germany | HRA 110252 | 97% | 97% |
| EQT IX GmbH & Co. KG | Germany | HRA 111687 | 97% | 97% |
| EQT IX Side Car GmbH & Co. KG | Germany | HRA 113956 | 97% | 97% |
| EQT X GmbH & Co. KG | Germany | HRA 115219 | 98% | 98% |
| EQT X Side Car GmbH & Co. KG | Germany | HRA 116468 | 98% | 98% |
| EQT HC Holdings I B.V. | Netherlands | 58187898 | 100% | 100% |
| EQT HC Holdings II B.V. | Netherlands | 58188177 | 100% | 100% |
| White Mill Two AG | Switzerland | CHE-195.379.514 | 100% | 100% |

¹⁾ The EQT AB Group controls only specified and ring-fenced assets and liabilities within the entity (a silo), see Note 2 and Note 3 regarding unconsolidated structured entities.

INTERESTS IN UNCONSOLIDATED STRUCTURED ENTITIES

Silos not controlled and accordingly not consolidated by the EQT AB Group consist of investments in EQT funds, including carried interest, facilitated through structured entities. The EQT AB Group has economic interests relating to transactions with unconsolidated silos of structured entities with reference to the Group's financial investments including carried interest.

The EQT AB Group's investments including carried interests are recognized in the balance sheet as "Financial investments incl carried interest", measured at fair value and changes in fair value are recognized as "Carried interest and investment income" in the income statement. Disclosures of the investments are presented in Note 18.

The EQT AB Group's maximum risk exposure relating to silos are represented by the amount recognized in the balance sheet as "Financial investments incl carried interest". In addition, EQT AB Group is exposed to the risk of claw-backs on carried interest as described in Note 18.

INVESTMENT ENTITY

From an IFRS 10 perspective EQT AB Group is considered an investment entity.

In accordance with IFRS 10 an investment entity is an entity whose business purpose is to invest funds solely for returns from capital appreciation, investment income or both and evaluate the performance of its investments on a fair value basis. As an investment entity EQT AB is exempt from consolidating subsidiaries that are investments and measures them at fair value through profit or loss instead. Subsidiaries that serve in a supporting function such as investment services

continue to be consolidated in accordance with IFRS 10 and those that are not providing investment services will be recognized at fair value instead of being consolidated.

Note 25 Earnings per share

| EUR | 2024 | 2023 restated |
|-------------------------------------|-------|---------------|
| Earnings per share, before dilution | 0.656 | 0.142 |
| – of which continued operations | 0.656 | 0.149 |
| Earnings per share, after dilution | 0.656 | 0.142 |
| – of which continued operations | 0.656 | 0.149 |

The calculation of earnings per share has been based on the net income attributable to the shareholders and the weighted average number of shares outstanding. The amounts used in the numerator and denominator are presented below together with some additional information.

Net income attributable to ordinary shareholders and outstanding class C shares, basic and diluted

| EUR m | 2024 | 2023 restated |
|--|-------|---------------|
| Net income attributable to shareholders, basic | 776.3 | 167.9 |
| Net income attributable to shareholders, diluted | 776.3 | 167.9 |

Weighted average number of shares, basic and diluted

| Number of shares | 2024 | 2023 |
|--|---------------|---------------|
| Weighted average number of shares, basic | 1,183,153,914 | 1,185,754,323 |
| Number of dilutive shares | 1,012,485 | 679,983 |
| Weighted average number of shares, diluted | 1,184,166,399 | 1,186,434,306 |

Notes

Note 26 Changes in accounting policy regarding carried interest

Following an analysis of EQT's investment in Special Limited Partners (SLP), it was concluded that the entire investment should be classified as a financial instrument in accordance with IFRS 9 "Financial instruments". The investment in SLP is a contract which gives the right to receive cash, and it therefore meets the definition of a financial instrument.

Previously the investment has been divided into two parts, one financial instrument which has been recognized at fair value in the balance sheet and one part that related to the carried interest which has been accounted for in accordance with IFRS 15 "Revenue from contracts with customers"¹⁾.

As of 1 January 2024, EQT accounts for the entire investment, including carried interest, as a financial instrument in accordance with IFRS 9 at fair value in the balance sheet. The fair value changes will continue to be presented as Carried interest and investment income in the consolidated income statement.

The restatement is done in accordance with IAS 8 "Accounting policies, changes in accounting estimates and errors" and the comparative period is restated.

The financial investments including carried interest is part of EQT's operating activities and is realized on a continuous basis. These investments have no contractual duration and is realized in the normal operating cycle which has led to the conclusion that these investments are presented as current assets. Restatement is made of the comparative period. Consequently, also the cash flow from financial investments is classified in operating activities and reclassified from investing activities.

The effects of the change regarding accounting for carried interest, and reclassification of cash flows for financial investments have the following retrospective effects in the financial statements for the comparative period the fiscal year 2023.

¹⁾ The previous accounting policy for carried interest in accordance with IFRS 15 is presented in the annual report for 2023 on page 61.

The single effect on the IFRS consolidated income statement of the restatement, due to the change in accounting policy regarding carried interest, is that the Carried interest and investment income line increased with the below amounts due to the positive change in fair value attributable to the period. The principles for Adjusted Revenue is unchanged compared to prior periods, whereby carried interest is only recognized after applying a valuation buffer (30-50%) on the unrealized part of the underlying fund valuations, see Note 4.

Consolidated income statement, restated

| EUR m | Previously reported 2023 | Restatement | 2023 restated |
|---|--------------------------|-------------|-----------------|
| Management fee | 1,966.1 | | 1,966.1 |
| Carried interest and investment income | 118.4 | 38.0 | 156.3 |
| Total revenue | 2,084.4 | 38.0 | 2,122.4 |
| Personnel expenses | -705.3 | | -705.3 |
| Acquisition related personnel expenses | -436.4 | | -436.4 |
| Other operating expenses | -249.7 | | -249.7 |
| Total operating expenses | -1,391.4 | – | -1,391.4 |
| Operating profit before depreciation and amortization (EBITDA) | 693.1 | 38.0 | 731.0 |
| Depreciation and amortization | -54.1 | | -54.1 |
| Amortization of acquisition related intangible assets | -364.1 | | -364.1 |
| Operating profit (EBIT) | 274.9 | 38.0 | 312.8 |
| Net financial income and expenses | -35.5 | | -35.5 |
| Profit before income tax (EBT) | 239.4 | 38.0 | 277.4 |
| Income taxes | -100.2 | | -100.2 |
| Net income for the period from continuing operations | 139.2 | 38.0 | 177.2 |
| Net income for the period from discontinued operations | -9.3 | | -9.3 |
| Net income | 129.9 | 38.0 | 167.9 |
| Earnings per share, EUR | | | |
| before dilution | 0.110 | | 0.142 |
| - of which continued operations | 0.117 | | 0.149 |
| after dilution | 0.109 | | 0.142 |
| - of which continued operations | 0.117 | | 0.149 |

Notes

Note 26 cont

The change in accounting policy regarding measurement, classification and presentation of carried interest leads to the following effects in the consolidated balance sheet.

Reclassifications

Financial investments under Non-current asset together with Accrued but yet not paid carried interest has been

reclassified into one single amount and presented as financial investments under the headline Current assets.

Effects on Retained earnings including net income

The change in accounting policy has generated a net increase of financial investments with a corresponding increase in Retained earnings including net income.

Consolidated balance sheet, restated

| EUR m | Previously reported 1 January 2023 | Restatement | 1 January 2023 restated |
|--|---------------------------------------|----------------|----------------------------|
| Assets | | | |
| Non-current assets | | | |
| Goodwill | 2,172.2 | | 2,172.2 |
| Other intangible assets | 3,624.7 | | 3,624.7 |
| Property, plant and equipment | 170.5 | | 170.5 |
| Financial investments | 668.4 | -668.4 | - |
| Other financial assets | 40.4 | | 40.4 |
| Other non-current assets | 15.2 | | 15.2 |
| Deferred tax assets | 110.2 | | 110.2 |
| Total non-current assets | 6,801.5 | -668.4 | 6,133.1 |
| Current assets | | | |
| Current tax assets | 29.4 | | 29.4 |
| Accounts receivable and other current assets | 350.4 | | 350.4 |
| Financial investments incl carried interest | - | 2,957.6 | 2,957.6 |
| Accrued but yet not paid carried interest | 915.0 | -915.0 | - |
| Acquisition related prepaid personnel expenses | 791.0 | | 791.0 |
| Other prepaid expenses and accrued income | 70.4 | | 70.4 |
| Cash and cash equivalents | 644.9 | | 644.9 |
| Total current assets | 2,801.1 | 2,042.6 | 4,843.7 |
| Total assets | 9,602.6 | 1,374.2 | 10,976.8 |
| Equity and liabilities | | | |
| Equity | | | |
| Share capital | 11.2 | | 11.2 |
| Other paid in capital | 5,593.2 | | 5,593.2 |
| Reserves | -220.4 | | -220.4 |
| Retained earnings including net income | 1,014.7 | 1,374.2 | 2,388.9 |
| Total equity attributable to owners of the parent company | 6,398.7 | 1,374.2 | 7,772.9 |
| Non-controlling interest | - | - | - |
| Total equity | 6,398.7 | 1,374.2 | 7,772.9 |

Consolidated balance sheet, restated

| EUR m | Previously reported 31 December 2023 | Restatement | 31 December 2023 restated |
|--|---|----------------|------------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Goodwill | 2,132.6 | | 2,132.6 |
| Other intangible assets | 3,147.7 | | 3,147.7 |
| Property, plant and equipment | 171.5 | | 171.5 |
| Financial investments | 730.7 | -730.7 | - |
| Other financial assets | 16.7 | | 16.7 |
| Other non-current assets | 17.8 | | 17.8 |
| Deferred tax assets | 92.1 | | 92.1 |
| Total non-current assets | 6,309.1 | -730.7 | 5,578.4 |
| Current assets | | | |
| Current tax assets | 30.5 | | 30.5 |
| Accounts receivable and other current assets | 343.7 | | 343.7 |
| Financial investments incl carried interest | - | 3,038.9 | 3,038.9 |
| Accrued but yet not paid carried interest | 896.1 | -896.1 | - |
| Acquisition related prepaid personnel expenses | 344.7 | | 344.7 |
| Other prepaid expenses and accrued income | 170.2 | | 170.2 |
| Cash and cash equivalents | 1,114.0 | | 1,114.0 |
| Total current assets | 2,899.2 | 2,142.8 | 5,042.0 |
| Total assets | 9,208.3 | 1,412.1 | 10,620.4 |
| Equity and liabilities | | | |
| Equity | | | |
| Share capital | 11.8 | | 11.8 |
| Other paid in capital | 5,593.2 | | 5,593.2 |
| Reserves | -450.0 | | -450.0 |
| Retained earnings including net income | 848.4 | 1,412.1 | 2,260.5 |
| Total equity attributable to owners of the parent company | 6,003.6 | 1,412.1 | 7,415.8 |
| Non-controlling interest | - | - | - |
| Total equity | 6,003.6 | 1,412.1 | 7,415.8 |

Notes

Note 26 cont

The change in accounting policy has the following effect on the consolidated statement of cash flows.

As the change in accounting policy has affected operating profit positively due to the changes in fair value, consolidated statement of cash flow is starting from a restated operating profit and consequently, as the fair value change is not a cash generating transaction, the increase is reversed on the line item Changes in fair value. The remaining changes due to the change in accounting policy are reclassifications as described below.

Reclassifications

As all financial investments including carried interest are presented as one single line item in the balance sheet, the non-cash adjustment for Recorded, not yet paid carried interest is presented as part of Changes in fair value. Furthermore, as it has been deemed that cash flow from Financial investments including carried interest is part of EQT's operating activities, the cash flow has been reclassified from investing activities to operating activities and that Paid carried interest is presented as part of proceeds from Financial investments including carried interest.

Consolidated statement of cash flow, restated

| EUR m | Previously reported 2023 | Restatement | 2023 restated |
|---|--------------------------|--------------|----------------|
| Cash flows from operating activities | | | |
| Operating profit (EBIT), continuing operations | 274.9 | 38.0 | 312.8 |
| Adjustments: | | | |
| Depreciation and amortization | 418.2 | | 418.2 |
| Changes in fair value | -22.5 | -133.8 | -156.3 |
| Foreign currency exchange differences | -15.0 | | -15.0 |
| Other non-cash adjustments | 479.5 | | 479.5 |
| Investments in financial investments incl carried interest | — | -208.3 | -208.3 |
| Recorded, yet not paid carried interest | -95.8 | 95.8 | — |
| Paid carried interest | 114.7 | -114.7 | — |
| Proceeds from disposals of financial investments incl carried interest | — | 283.3 | 283.3 |
| Increase (-) /decrease (+) in accounts receivable and other receivables | -121.5 | | -121.5 |
| Increase (+) /decrease (-) in accounts payable and other payables | 17.6 | | 17.6 |
| Income taxes paid | -105.3 | | -105.3 |
| Net cash from operating activities | 944.8 | -39.7 | 905.0 |
| Cash flows from investing activities | | | |
| Investment in intangible assets | -0.5 | | -0.5 |
| Acquisition of property, plant and equipment | -23.1 | | -23.1 |
| Investments in financial investments | -208.3 | 208.3 | — |
| Proceeds from disposals of financial investments | 168.6 | -168.6 | — |
| Interest received | 24.3 | | 24.3 |
| Final earn-out divestment Credit | 11.2 | | 11.2 |
| Investment in non-current assets | -11.0 | | -11.0 |
| Net cash from (+) / used in (-) investing activities | -38.8 | 39.7 | 0.9 |
| Cash flows from financing activities | | | |
| Dividends paid | -298.4 | | -298.4 |
| Payment of lease liabilities | -31.6 | | -31.6 |
| Interest paid | -47.7 | | -47.7 |
| Share issue | 0.5 | | 0.5 |
| Purchase of own shares and/or participations | -38.0 | | -38.0 |
| Net cash from (+) / used in (-) financing activities | -415.2 | — | -415.2 |
| Net increase (+) / decrease (-) in cash and cash equivalents | 490.8 | | 490.8 |
| Cash and cash equivalents at the beginning of the period | 644.9 | | 644.9 |
| Foreign currency translation difference | -21.7 | | -21.7 |
| Cash and cash equivalents at the end of the period | 1,114.0 | — | 1,114.0 |

Parent company income statement

Parent company income statement

1 January – 31 December

| SEK m | Note | 2024 | 2023 |
|--|------|----------------|----------------|
| Net sales | 2 | 2,198.2 | 2,091.8 |
| Other operating income | 3 | - | - |
| Total revenue | | 2,198.2 | 2,091.8 |
| Personnel expenses | 5 | -730.6 | -585.5 |
| Other external costs | 6, 7 | -1,402.8 | -1,192.7 |
| Other operating expenses | 4 | -3.1 | -7.2 |
| Depreciation and amortization | 12 | -13.7 | -11.5 |
| Operating profit/loss | | 48.0 | 294.9 |
| Profit/loss from financial items | | | |
| Profit/loss from participation in subsidiaries | 8 | 5,982.7 | 5,097.9 |
| Interest income and similar profit/loss items | 9 | 415.0 | 320.2 |
| Interest expense and similar profit/loss items | 10 | -1,970.0 | -759.7 |
| Profit/loss after financial items | | 4,475.7 | 4,953.3 |
| Group contribution | | 577.9 | 257.9 |
| Profit/loss before tax | | 5,053.6 | 5,211.3 |
| Income taxes | 11 | -19.6 | 115.2 |
| Net income | | 5,033.9 | 5,326.5 |

Net income corresponds to total comprehensive income.

Parent company balance sheet

Parent company balance sheet

| SEK m | Note | 31.12.2024 | 31.12.2023 |
|---|------|------------------|-----------------|
| Assets | | | |
| Non-current assets | | | |
| PROPERTY, PLANT AND EQUIPMENT | | | |
| Leasehold improvements | 12 | 34.0 | 44.2 |
| Equipment | 12 | 7.9 | 11.4 |
| | | 41.9 | 55.6 |
| FINANCIAL ASSETS | | | |
| Participation in subsidiaries | 13 | 93,276.1 | 89,920.6 |
| Long-term loans, subsidiaries | | 6,535.6 | 5,970.4 |
| Other securities held as non-current assets | 14 | 13.8 | 14.3 |
| Deferred tax assets | 11 | 111.6 | 116.4 |
| Other long-term receivables | 16 | 1.1 | 4.8 |
| | | 99,938.1 | 96,026.5 |
| Total non-current assets | | 99,980.0 | 96,082.1 |
| Current assets | | | |
| CURRENT RECEIVABLES | | | |
| Accounts receivable | | 525.0 | 7.3 |
| Receivables from subsidiaries | | 3,008.3 | 1,788.3 |
| Current tax assets | | 44.3 | 58.6 |
| Other receivables | | 114.9 | 256.4 |
| Prepaid expenses and accrued income | 17 | 208.6 | 146.7 |
| | | 3,901.1 | 2,257.3 |
| Cash and bank | 18 | 181.2 | 215.1 |
| Total current assets | | 4,082.3 | 2,472.4 |
| Total assets | | 104,062.3 | 98,554.5 |

| SEK m | Note | 31.12.2024 | 31.12.2023 |
|--------------------------------------|------|------------------|-----------------|
| Equity and liabilities | | | |
| Equity | | | |
| RESTRICTED EQUITY | | | |
| Share capital | 19 | 125.3 | 125.3 |
| | | 125.3 | 125.3 |
| NON-RESTRICTED EQUITY | | | |
| Share premium reserve | | 58,703.7 | 60,051.5 |
| Profit or loss brought forward | | 142.6 | -1,901.6 |
| Net income | | 5,033.9 | 5,326.5 |
| | | 63,880.2 | 63,476.4 |
| Total equity | | 64,005.6 | 63,601.7 |
| NON-CURRENT LIABILITIES | | | |
| Interest-bearing liabilities | 20 | 23,150.5 | 22,423.6 |
| Long-term loans, subsidiaries | | 11,694.2 | 10,683.1 |
| Total non-current liabilities | | 34,844.7 | 33,106.7 |
| CURRENT LIABILITIES | | | |
| Accounts payable | | 34.0 | 50.1 |
| Liabilities to subsidiaries | | 3,450.8 | 1,178.2 |
| Tax liabilities | | 14.4 | — |
| Other liabilities | | 127.3 | 170.8 |
| Accrued expenses and prepaid income | 21 | 1,586.1 | 447.0 |
| Total current liabilities | | 5,212.5 | 1,846.1 |
| Total liabilities | | 40,057.2 | 34,952.8 |
| Total equity and liabilities | | 104,062.3 | 98,554.5 |

Parent company balance sheet

Parent company statement of changes in equity

| MSEK | Restricted equity | Non-restricted equity | | Total equity |
|---|-----------------------------|-----------------------|---|-----------------|
| | Share capital ¹⁾ | Share premium reserve | Retained earnings incl. profit for the year | |
| Opening balance at 1.1.2024 | 125.3 | 60,051.5 | 3,424.9 | 63,601.7 |
| Net income | – | – | 5,033.9 | 5,033.9 |
| Transactions with owners | | | | |
| Dividend | – | – | –4,256.4 | –4,256.4 |
| Cancelling of C shares | –0.3 | – | – | –0.3 |
| Bonus issue | 0.3 | – | – | 0.3 |
| Equity incentive programs | – | – | 974.1 | 974.1 |
| Repurchase of own shares /and or participations | – | –1,347.8 | – | –1,347.8 |
| Total | – | –1,347.8 | –3,282.3 | –4,630.1 |
| Closing balance at 31.12.2024 | 125.3 | 58,703.7 | 5,176.5 | 64,005.6 |

1) The share capital amounts to SEK 125,335,166.

| MSEK | Restricted equity | Non-restricted equity | | Total equity |
|---|-----------------------------|-----------------------|---|-----------------|
| | Share capital ¹⁾ | Share premium reserve | Retained earnings incl. profit for the year | |
| Opening balance at 1.1.2023 | 119.4 | 60,487.8 | 1,186.1 | 61,793.3 |
| Net income | – | – | 5,326.5 | 5,326.5 |
| Transactions with owners | | | | |
| Dividend | – | – | –3,557.2 | –3,557.2 |
| Share issue | 6.0 | – | – | 6.0 |
| Cancelling of C shares | –0.7 | – | – | –0.7 |
| Bonus issue | 0.7 | – | – | 0.7 |
| Equity incentive programs | – | – | 469.5 | 469.5 |
| Repurchase of own shares /and or participations | – | –436.4 | – | –436.4 |
| Total | 6.0 | –436.4 | –3,087.6 | –3,518.0 |
| Closing balance at 31.12.2023 | 125.3 | 60,051.5 | 3,424.9 | 63,601.7 |

1) The share capital amounts to SEK 125,335,166.

Parent company balance sheet

Parent company statement of cash flows

| SEK m | 2024 | 2023 |
|---|-----------------|-----------------|
| Cash flows from operating activities | | |
| Operating profit (EBIT) | 48.0 | 294.9 |
| Adjustments: | | |
| Depreciation and amortization | 13.7 | 11.5 |
| Foreign currency exchange differences | 3.0 | 7.2 |
| Other non-cash adjustments | 118.5 | 31.5 |
| Increase (-) /decrease (+) in account receivables and other receivables | -791.3 | 2,543.3 |
| Increase (+) /decrease (-) in account payables and other payables | 1,974.9 | -292.5 |
| Dividends received | 5,446.1 | 1,983.7 |
| Income taxes paid | 13.5 | -1.6 |
| Net cash from operating activities | 6,826.5 | 4,578.0 |
| Cash flows from investing activities | | |
| Investment in subsidiaries/Group contributions paid | -147.7 | -79.6 |
| Investment in subsidiaries | - | - |
| Divestment of subsidiaries | - | 56.1 |
| Acquisition of property, plant and equipment | - | -8.1 |
| Investment in non current assets | - | -0.4 |
| Divestment of non current assets | 4.2 | 0.7 |
| Interest received | 130.1 | 37.4 |
| Final earn-out divestment Credit | - | 131.2 |
| Net cash from investing activities | -13.4 | 137.2 |
| Cash flows from financing activities | | |
| Dividends paid | -4,256.4 | -3,557.2 |
| Proceeds from borrowings | - | - |
| Interest paid | -800.7 | -515.6 |
| Purchase of own shares and/or participations | -1,347.8 | -430.4 |
| Net cash flows from financing activities | -6,404.9 | -4,503.3 |
| Net increase/decrease in cash and cash equivalents | 408.2 | 211.9 |
| Cash and cash equivalents at the beginning of the period | 215.1 | 84.0 |
| Foreign currency exchange differences on cash and cash equivalents | -442.1 | -80.8 |
| Cash and cash equivalents at the end of the period | 181.3 | 215.1 |

Parent company financial statements with notes

Note 1 Accounting principles

GENERAL INFORMATION

EQT AB, reg.no 556849-4180, is a Swedish registered limited company domiciled in Stockholm. The registered postal address is Box 16409, 103 27 Stockholm. The visiting address is Regeringsgatan 25, Stockholm.

The annual report and consolidated financial statements have been approved for issuance by the Board of directors on 12 March 2025. The consolidated income statement and balance sheet and the Parent company's income statement and balance sheet will be presented for approval at the annual shareholders' meeting on 27 May 2025.

Amounts are presented in SEKm unless otherwise stated. The accounting policies are unchanged compared with the annual report 2023.

STANDARDS ISSUED BUT NOT YET EFFECTIVE

Revised standards and interpretations issued by the IASB and the IFRS Interpretations Committee but not yet effective, are expected to have an immaterial impact on the Parent company's financial statements in the future periods of initial application.

DIFFERENCES BETWEEN THE GROUP'S AND THE PARENT COMPANY'S ACCOUNTING PRINCIPLES

Classification and presentation

The income statement and balance sheet of the Parent company are prepared in accordance with the schedules of the Annual Accounts Act, while the statement of

income and other comprehensive income, the statement of changes in equity, and the statement of cash flows are based on IAS 1 "Presentation of Financial Statements" and IAS 7 "Statement of Cash Flows".

Subsidiaries

Shares in subsidiaries are recognized at cost. Transaction costs are included in the carrying amount of shares in subsidiaries. In the consolidated financial statements, transaction costs attributable to business combinations are recognized directly in the income statement as incurred.

Contingent considerations are measured based on the probability that the consideration will be paid. Any changes in the provision/receivable is added to/reduces the cost of the shares in subsidiaries. In the consolidated financial statements, contingent considerations are measured at fair value and changes in fair value are recognized in the income statement.

Investments in certain foreign entities with different types of share classes and with ring-fenced assets and liabilities attributable to each type of class, are treated as separate units, so called silos, within each entity. Only the share classes attributable to silos that are controlled by EQT AB are recognized as shares in subsidiaries.

Functional and accounting currency

The Parent company does not apply the Group's principles for determining the functional currency. Instead, the Annual Accounts Act's rules on accounting currency are applied, which means that the Parent company has SEK as its accounting and reporting currency.

Anticipated dividends

Anticipated dividends from subsidiaries are recognized in cases where the Parent company alone has the right to decide the size of the dividend and the Parent company has decided on the size of the dividend before the Parent company has published its financial statements.

Tax

Unlike the consolidated financial statements, the Parent company recognizes untaxed reserves in the balance sheet without allocating it to equity and deferred tax liability. Similarly, no part of the appropriation is allocated to deferred tax expenses in the Parent company's income statement.

Leases

The Parent company does not apply IFRS 16 "Leases". Instead, all lease contracts where EQT acts as a lessee, the lease payments are recognized as an expense according to the straight-line method over the lease term. Accordingly, no right of use assets nor lease liabilities are recognized in the balance sheet.

Research and development

In the Parent company, all development costs are recognized as expenses in the income statement as incurred. In the consolidated financial statements, development costs are capitalized when certain criteria are met.

Financial instruments

The Parent company has, in accordance with RFR 2, chosen not to apply IFRS 9 "Financial Instruments" for financial instruments, which means that financial non-current assets are measured at cost or amortized cost less any impairment losses and financial current assets are measured according to the lower of cost or market.

However, some of the principles in IFRS 9 are applicable – such as impairment losses and credit losses, recognition/derecognition, and the effective interest method for interest income and expenses.

The cost of interest-bearing instruments is adjusted for the accrued difference between the amount that was initially paid, after addition/deduction of transaction costs, and the amount paid on maturity, i.e. the premium and discount respectively.

Impairment losses on financial assets measured at amortized cost are recognized in accordance with IFRS 9, in the same manner as the consolidated financial statements.

Impairment losses on investments in equity instruments are recognized if the fair value is less than the carrying amount.

Financial guarantees

The Parent company's issued financial guarantee contracts consist partly of guarantees in favor of subsidiaries. Financial guarantees require the company to reimburse the holder of a debt instrument for losses that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of the contract.

The Parent company applies the allowed exemption to IFRS 9 as permitted by the Swedish Financial Reporting Board (RFR) for financial guarantees. The exemption relates to financial guarantee contracts issued in favor of, among others, subsidiaries. The Parent company recognizes financial guarantee contracts as provisions in the balance sheet when the company has a commitment for which it is probable that a payment will be required to settle the commitment.

Note 1 cont

Shareholders' contributions

Provided shareholders' contributions are recognized as an increase in the carrying amount of the shares/participation. Repaid shareholders' contributions are recognized as dividends followed by an impairment test of shares in subsidiaries.

Group contributions

Both group contributions received and paid are recognized as appropriations.

Note 2 Revenue

Revenue derives from contracts to provide services for other companies, mainly subsidiaries. The services relate to management and support functions and are considered to be interrelated and therefore constitute a single performance obligation that is fulfilled over time to the customer. The transaction price for the services is determined by a method based on the arm's length principle.

Revenue is recognized over time as the assignment is performed based on costs incurred and the fulfillment of the performance obligations.

The fee is invoiced on an ongoing basis based on a preliminary cost estimate with a final settlement at year end, payment is due within 10 days from invoicing.

Note 3 Other operating income

| | 2024 | 2023 |
|---|------|------|
| Foreign currency gains on operating receivables/liabilities | – | – |
| | – | – |

Note 4 Other operating expenses

| | 2024 | 2023 |
|--|------|------|
| Foreign currency losses on operating receivables/liabilities | –3.1 | –7.2 |
| | –3.1 | –7.2 |

Note 5 Employees and personnel expenses

| Average number of employees | 2024 | whereof women | 2023 | whereof women |
|-----------------------------|------|---------------|------|---------------|
| Sweden | 217 | 44% | 211 | 43% |

Disclosures regarding the company's Board of directors and senior executives are presented in the Group's Note 7.

Salaries, other remunerations and social security expenses, including pension expenses

| | 2024 | | 2023 | |
|-----------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| | Salaries and remunerations | Social security expenses | Salaries and remunerations | Social security expenses |
| | 464.7 | 208.4 | 370.0 | 165.9 |
| (of which pension expenses) | | 60.1 | | 51.7 |

Remunerations to the company's CEO and other senior executives are presented in the Group's Note 7.

Note 6 Audit fees and expenses

| | 2024 | 2023 |
|----------------|------|------|
| KPMG | | |
| Audit services | 7.0 | 6.7 |
| Other services | 1.7 | 1.7 |
| | 8.7 | 8.4 |

Audit services refer to the legally required examination of the annual report and the book-keeping, as well as the Board of directors and the CEO's management and any other audit examinations or agreed-upon procedures determined by contract. This includes their work assignments which rest upon the company's auditor to conduct, and advising or other support justified by observations in the course of examination or execution of such other work assignments.

Note 7 Operating leases**Lease contracts where the Company is the lessee**

| | 2024 | 2023 |
|--|-------|-------|
| Future minimum lease payments under non-cancellable operating leases | | |
| Within one year | 49.3 | 37.6 |
| Between one and five years | 148.3 | 137.5 |
| Later than five years | – | 32.0 |
| | 197.6 | 207.1 |

| | 2024 | 2023 |
|---------------------------|------|------|
| Lease expenses recognized | 33.8 | 38.1 |

Office rent is included in future lease expenses. The lease agreement has a lease term of 10 years. Part of the office rent is recharged to the subsidiaries EQT Partners AB, EQT Exeter Advisors Sweden AB and EQT Treasury AB and is therefore not recognized in the lease expenses during the year.

Note 8 Profit/loss from participations in subsidiaries

| | 2024 | 2023 |
|---|---------|---------|
| Capital gain on divested subsidiaries | – | 161.7 |
| Profit/loss from participations in subsidiaries | –10.2 | – |
| Impairment of shares in subsidiaries | –74.2 | –5.5 |
| Dividends from subsidiaries | 6,067.2 | 4,941.8 |
| | 5,982.7 | 5,097.9 |

Parent company notes

Note 9 Interest income and similar profit/loss items

| | 2024 | 2023 |
|-------------------------------|--------------|--------------|
| Interest income, subsidiaries | 288.0 | 309.5 |
| Interest income, other | 126.1 | 10.5 |
| Foreign currency gains | – | – |
| Other | 0.9 | 0.3 |
| | 415.0 | 320.2 |

Note 10 Interest expense and similar profit/loss items

| | 2024 | 2023 |
|---------------------------------|-----------------|---------------|
| Interest expenses, subsidiaries | -303.0 | -151.6 |
| Interest expenses, other | -529.7 | -534.4 |
| Foreign currency losses | -1,137.2 | -73.7 |
| | -1,970.0 | -759.8 |

Note 11 Income taxes

| | 2024 | 2023 |
|---------------------------------|--------------|--------------|
| Current tax expense/income | -14.4 | – |
| Deferred tax expense/income | 103.8 | 116.4 |
| Tax attributable to prior years | -109.0 | -1.1 |
| | -19.6 | 115.2 |

The deferred tax income of 103.8 MSEK in 2024 primarily relates to the recognition of tax loss carryforwards, based on an assessment that sufficient taxable profits will arise in the future.

Reconciliation of effective tax rate

| | 2024 | 2023 |
|---|--------------|--------------|
| Profit before tax | 5,053.6 | 5,211.3 |
| Tax at Parent company's statutory rate, 20.6% (20.6%) | -1,041.0 | -1,073.5 |
| Non-deductible expenses | -105.2 | -79.5 |
| Non-taxable income | 1,250.0 | 1,051.4 |
| Change in non-recognized tax losses | – | 218.0 |
| Global minimum tax | -14.4 | – |
| Tax attributable to prior years | -109.0 | -1.1 |
| Reported effective tax | -19.6 | 115.2 |

Note 12 Property plant and equipment

| | Leasehold improvements | Equipment | Total |
|---|------------------------|------------|-------------|
| Accumulated cost | | | |
| Opening balance 01.01.2024 | 90.6 | 19.7 | 110.4 |
| Acquisitions | – | – | – |
| Closing balance 31.12.2024 | 90.6 | 19.7 | 110.4 |
| Accumulated depreciation | | | |
| Opening balance 01.01.2024 | -46.4 | -8.3 | -54.6 |
| Depreciation | -10.3 | -3.5 | -13.7 |
| Closing balance 31.12.2024 | -56.7 | -11.7 | -68.3 |
| Carrying amount at year-end 31.12.2024 | 34.0 | 7.9 | 41.9 |

| | Leasehold improvements | Equipment | Total |
|---|------------------------|-------------|-------------|
| Accumulated cost | | | |
| Opening balance 01.01.2023 | 90.3 | 11.9 | 102.2 |
| Acquisitions | 8.2 | – | 8.2 |
| Reclassification | -7.9 | 7.9 | 0.0 |
| Closing balance 31.12.2023 | 90.6 | 19.7 | 110.4 |
| Accumulated depreciation | | | |
| Opening balance 01.01.2023 | -36.0 | -7.2 | -43.2 |
| Depreciation | -10.4 | -1.1 | -11.5 |
| Closing balance 31.12.2023 | -46.4 | -8.3 | -54.7 |
| Carrying amount at year-end 31.12.2023 | 44.2 | 11.4 | 55.6 |

Leasehold improvements relate to the headquarter office.

Note 13 Participations in subsidiaries

| | 2024 | 2023 |
|------------------------------------|-----------------|-----------------|
| Accumulated cost | | |
| Opening balance | 94,727.9 | 87,841.8 |
| Acquisitions | – | 0.0 |
| Divestment of subsidiaries | – | -56.1 |
| Shareholders' contributions | 3,429.7 | 6,942.2 |
| Closing balance | 98,157.7 | 94,727.9 |
| Accumulated impairments | | |
| Opening balance | -4,807.7 | -4,804.3 |
| Impairment | -74.5 | -3.4 |
| Closing balance | -4,881.9 | -4,807.7 |
| Carrying amount at year-end | 93,276.1 | 89,920.6 |

Note 14 cont.

Specification of Participations in subsidiaries

| Subsidiary / Corp. reg. no. / Registered office | Number of shares | Share in % ¹⁾ | 31.12.2024 Carrying amount | 31.12.2023 Carrying amount |
|---|------------------|--------------------------|-------------------------------|-------------------------------|
| EQT Services (UK) Limited. Reg. no. 07936651, London | 725 | 100.0 | 25.2 | 24.9 |
| EQT Holdings B.V. Reg. no. 54467861, Amsterdam | 1,800,000 | 100.0 | 2,282.0 | 2,290.4 |
| EQT Investment Verwaltungs-GmbH. Reg. no. HRB 194327, Munich | 25,000 | 100.0 | - | 17.3 |
| EQT Infrastructure II (GP) Limited. Reg. no. 416498, Edinburgh | 100 | 100.0 ²⁾ | 0.0 | 0.0 |
| EQT Fund Management S.à r.l. Reg. no. B167972, Luxembourg | 1,627 | 100.0 | 424.6 | 310.1 |
| EQT Mid Market (GP) Limited. Reg. no. 436969, Edinburgh | 100 | 100.0 ²⁾ | 5.9 | 5.5 |
| EQT Management S.à r.l. Reg. no. B145067, Luxembourg | 12,500 | 100.0 | 68.0 | 68.0 |
| EQT Partners AB. Reg. no. 556233-7229, Stockholm | 5,000 | 100.0 | 51,062.8 | 49,412.4 |
| EQT Mid Market US (General Partner) Ltd. Reg. no. SC500973, Edinburgh | 1 | 100.0 ²⁾ | 3.9 | 0.0 |
| EQT Real Estate Limited. Reg. no. SC504628, Edinburgh | 1 | 100.0 ²⁾ | 0.0 | 0.0 |
| EQT Ventures (General Partner) S.à r.l. Reg. no. B0196578, Luxembourg | 12,500 | 100.0 | 0.4 | 0.4 |
| EQT Infrastructure III (General Partner) S.à r.l. Reg. no. B207225, Luxembourg | 12,500 | 100.0 | 0.1 | 0.1 |
| EQT Co-Investment (GP) S.à r.l. Reg. no. B209598, Luxembourg | 1,200,000 | 100.0 | 0.6 | 0.6 |
| EQT Mid Market Asia III (General Partner) Limited. Reg. no. SC521109, Edinburgh | 1 | 100.0 ²⁾ | 0.0 | 0.0 |
| EQT Mid Market Europe (General Partner) Limited. Reg. no. SC521108, Edinburgh | 1 | 100.0 ²⁾ | 0.0 | 0.0 |
| EQT VII International Holdings B.V. Reg. no. 69473129, Amsterdam | 12,000 | 100.0 | 1.2 | 0.6 |
| EQT VIII (General Partner) S.à r.l. Reg. no. B215816, Luxembourg | 12,000 | 100.0 | 10.1 | 10.1 |
| EQT VII Co-Investment (General Partner) S.à r.l. Reg. no. B217579, Luxembourg | 12,000 | 100.0 | 4.2 | 1.4 |
| EQT HC Holdings I B.V. Reg. no. 85291747, Amsterdam | 308,642 | 100.0 | - | - |
| EQT HC Holdings II B.V. Reg. no. 852917387, Amsterdam | 308,642 | 100.0 | - | - |
| White Mill Two AG. Reg. no. CH-0203035230-6, Wollerau | 308,642 | 100.0 | - | - |
| EQT Corporate Services Netherlands B.V. Reg. no. 74993097, Amsterdam | 1.0 | 100.0 | 0.0 | 0.0 |
| EQT Treasury AB. Reg. no. 559227-5647, Stockholm | 6,500 | 100.0 | 24,670.7 | 24,078.9 |
| EQT Exeter Holdings US, Inc. Reg. no. 5402675, Dover | 100 | 100.0 | 11,661.4 | 11,661.4 |
| EQT Exeter Advisors Sweden AB Reg. no. 559296-3507, Stockholm | 25,000 | 100.0 | 283.2 | 234.3 |
| EQT Management SG Pte. Ltd. Reg. no. 2021226838H, Singapore | 1.0 | 100.0 | - | 0.0 |
| BPEA EQT Holdings AB. Reg.no. 559374-8691, Stockholm | 25,000 | 100.0 | 2,771.3 | 1,753.5 |
| BAKPDC3 Pte.Ltd. Reg.no. 201708595C, Singapore | 54,291 | 100.0 | - | 50.6 |
| | | | 93,276.1 | 89,920.6 |

1) Referring to the owners' share of the capital, which is equivalent to the share of the votes for the total amount of shares.

2) The value amounts to 1 GBP each for these companies.

Note 14 Other securities held as non-current assets

| | 2024 | 2023 |
|------------------------------------|-------------|-------------|
| Accumulated cost | | |
| Opening balance | 14.3 | 13.8 |
| Additional assets | 0.4 | 0.6 |
| Divestment | -0.9 | -0.1 |
| Closing balance | 13.8 | 14.3 |
| Carrying amount at year-end | 13.8 | 14.3 |

Note 15 Financial instruments and financial risks

FINANCIAL RISKS AND FINANCIAL RISK MANAGEMENT

The description of financial risks and financial risk management for the Group – Note 18 "Financial instruments and financial risks", is in all material aspects also applicable for the Parent company.

FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The table below presents the Parent company's financial assets and liabilities.

| | 2024 | 2023 |
|---|-----------------|-----------------|
| Financial assets | | |
| Long-term loans, subsidiaries | 6,535.6 | 5,970.4 |
| Other securities held as non-current assets | 13.8 | 14.3 |
| Other non-current receivables | 1.1 | 4.8 |
| Accounts receivables | 525.0 | 7.3 |
| Receivables from subsidiaries | 3,008.3 | 1,788.3 |
| Other receivables | 114.9 | 256.4 |
| Cash and bank | 181.2 | 215.1 |
| Total financial assets | 10,379.9 | 8,256.6 |
| Financial liabilities | | |
| Interest-bearing liabilities | 23,150.5 | 22,423.6 |
| Long-term loans, subsidiaries | 11,694.2 | 10,683.1 |
| Accounts payable | 34.0 | 50.1 |
| Liabilities to subsidiaries | 3,450.8 | 1,178.2 |
| Other liabilities | 127.3 | 170.8 |
| Accrued expenses | 1,360.4 | 272.9 |
| Total financial liabilities | 39,817.1 | 34,778.6 |

All financial assets are recognized at amortized cost. For short-term financial assets and liabilities (accounts receivables, receivables and liabilities from group companies, other receivables and liabilities, accrued income and expenses, cash and bank, and accounts payable) the carrying amounts are considered to be reasonable approximations of their fair value. For a description and disclosures about the fair value of other securities held as non-current assets, see the Group's Note 18.

Parent company notes

Note 16 Other long-term receivables

| | 2024 | 2023 |
|--|------------|------------|
| Accumulated cost | | |
| Opening balance | 4.8 | 5.4 |
| Additional receivables | - | - |
| Divestment of receivables | -3.7 | -0.6 |
| Carrying amount at the year-end | 1.1 | 4.8 |

Note 17 Prepaid expenses and accrued income

| | 2024 | 2023 |
|----------------|--------------|--------------|
| Insurance | 8.7 | 25.0 |
| Pensions | 5.9 | 1.3 |
| Licenses | 104.9 | 69.7 |
| Accrued income | 46.6 | - |
| Other | 42.5 | 50.6 |
| | 208.6 | 146.7 |

Note 18 Revolving credit facility

On 10 July 2024, EQT extended its existing EUR 1.5 billion sustainability-linked revolving credit facility (RCF) for 5 years, with two 1-year extension options. The RCF was originally signed on 21 December 2020 and increased to EUR 1.5 billion on 25 April 2022. The RCF increases the financial flexibility of EQT and is used for corporate purposes, supporting the EQT AB Group's growth initiatives and long-term strategy. The RCF is not limited to a specific currency, it can be utilized in both EUR and USD, by both EQT AB and EQT Treasury AB. As of 31 December 2024, the RCF was unused. The RCF also incorporates a pricing mechanism linked to sustainability-related objectives, lowering the interest rates if targets are met, and increasing them if targets are not achieved. It is thus in line with EQT's overall approach of integrating sustainability throughout its activities, both on EQT AB Group level and within funds advised by EQT.

Note 19 Number of shares and quota value

For further information regarding Number of shares and quota value, see the Group's Note 14 Equity.

Note 20 Interest bearing liabilities

For further information regarding Interest bearing liabilities, see the Group's Note 15 Interest bearing liabilities.

Note 21 Accrued expenses and prepaid income

| | 2024 | 2023 |
|----------------------------|----------------|--------------|
| Accrued personnel expenses | 225.7 | 174.1 |
| Accrued consultancy fees | 152.4 | 196.1 |
| Other accrued expenses | 1,208.0 | 76.7 |
| | 1,586.1 | 447.0 |

Note 22 Pledged assets and contingent liabilities

As of 31 December 2024 the Parent company does not have any general guarantee commitments (SEK 0.0), pledged assets or contingent liabilities.

Note 23 Related parties

| Related parties | Year | Sales of services | Purchases of services | Other | Receivables | Liabilities |
|-----------------|------|-------------------|-----------------------|---------|-------------|-------------|
| Subsidiaries | 2024 | 2,032.6 | 235.3 | 6,052.1 | 9,543.9 | 15,145.0 |
| Subsidiaries | 2023 | 2,090.1 | 214.3 | 5,099.6 | 7,758.7 | 11,861.2 |

Note 24 Events after the reporting period

For disclosures regarding events after the reporting period, see the Group's Note 22.

PROPOSAL FOR THE DISTRIBUTION OF NET INCOME

Standing at the disposal (in SEK) of the annual shareholders' meeting, in accordance with the balance sheet of EQT AB

| | |
|------------------------|-----------------------|
| Share premium reserve | 58,703,698,468 |
| Profit brought forward | 142,596,937 |
| Net income | 5,033,944,911 |
| Total | 63,880,240,316 |

The board proposes that, following approval of the balance sheet of EQT AB for the financial year 2024, the annual shareholders' meeting should distribute the earnings as follows:

| | |
|---------------------------|-----------------------------|
| Dividend to shareholders: | |
| SEK 4.30 per share | 5,079,722,268 ¹⁾ |
| Retained earnings | 58,800,518,048 |
| Total | 63,880,240,316 |

¹⁾ Based on the number of outstanding shares at 31 December 2024. The amount of the dividend may change up until each record date.

It is the Board's opinion that the proposed dividend is justifiable taking into consideration the demands that the nature, scope and risks of EQT's operations place on the size of EQT AB's and EQT AB Group's equity, and EQT AB's and EQT AB Group's consolidation needs, liquidity and financial position in general.

Managing risks

EQT faces a variety of risks and uncertainties, which could materially affect its operations, reputation, financial position or its earnings. Effective oversight and management of risks are essential for EQT to achieve its strategic objectives. EQT's ability to generate superior risk-adjusted returns for its funds' investors requires a full understanding of investment risks and opportunities as well as a disciplined approach to manage those throughout the investment and ownership phases.

EQT's risk appetite is reviewed by the Risk Committee¹⁾ and covers the principal risks that the Group is facing. At least twice a year the risk team reviews the list and ranking of risks using a likelihood and impact framework and decides whether any new risks should be incorporated into the Group's risk map. These include risks that would threaten the company's performance or reputation, as well as those with a higher likelihood and greater impact on strategic objectives. The Risk Committee reviews and validates any changes in risk ratings. Risks with higher ratings are prioritized through extensive monitoring and thematic reviews.

In addition, the risk team continuously monitors and assesses emerging risks and their potential impact on EQT's strategic objectives.

| Risk type | EQT's principal risks ²⁾ |
|--------------------------------|---|
| External risks | Macro and market risk |
| | Operational & financial disruptions related to adverse events |
| | Fund performance risk |
| Strategic risks | Fundraising risk |
| | Challenges in attracting, retaining and managing talent |
| | Unsuccessful execution of new initiatives |
| Operational & Compliance risks | Failure to adequately scale the operating platform |
| | Regulatory & compliance risks |
| Financial risks | Market, credit and liquidity risks |
| Emerging risks | Increasing shift towards a multipolar world |
| | Threats posed by emerging technology |

1) A committee of senior managers responsible for discussing risk matters and reviewing EQT's risk management framework on behalf of the Executive Committee.

2) EQT's sustainability risks deemed material in accordance with EQT's double materiality assessment are disclosed as part of the Sustainability notes.

Managing risks

External Risks

Macro & market risk

Risks derived from a variety of economic factors and market volatility that can impact portfolio performance, valuations, and investment outcomes.

Potential impact:

- Valuation uncertainties resulting in slower investment and exit pace.
- Performance or financial issues in portfolio companies.
- Tightened financing conditions for new deals.
- IPO markets dislocation limiting potential exit routes, leading to longer holding periods.
- Carried interest postponed or not achieved.
- Extended fundraising timelines.

2024 & outlook

The macro landscape in 2024 painted a mixed picture with the US economy showing resilience through strong wages and demand, APAC driving global growth with robust activity and exports, and Europe facing challenges with slowing productivity and growth concerns.

Overall, market conditions improved during the year, driving broad-based investment activity across EQT's global platform, alongside an increase in exits driven by a gradual recovery in the exit environment. However, the fundraising environment remained challenging.

With global election outcomes bringing clarity and shifting fiscal and regulatory dynamics, the deal environment is expected to improve in 2025. However, geopolitical uncertainties remain a significant risk, with protectionist policies potentially creating inflationary pressures and challenges for global trade.

Risk management & mitigation

EQT's thematic investment approach is based on investing in companies and assets with strong market positions in resilient sectors benefiting from long-term secular trends, thus being less correlated with the economic cycle.

EQT has a disciplined approach to leverage and very strong relationships with banks and private credit funds, through its dedicated Global Capital Markets team, which helps the funds' ability to obtain favorable debt financing, with the majority of the financing being covenant-lite. Additionally, the Capital Markets team is working continuously to manage portfolio company financing, ensuring a robust maturity profile across the EQT platform, with over 75% of portfolio debt maturing in 2028 and beyond.

In buyout strategies, the EQT governance model and control ownership enables EQT to work closely with portfolio companies, take quick decisions and manage challenges effectively.

Further, the Capital Markets and investment advisory teams regularly conduct sensitivity analyses on cash flows to proactively manage liquidity at investment level.

Finally, EQT's value creation approach mitigates the impact of macroeconomic risks by prioritizing operational enhancements, with a strong emphasis on driving sales and earnings growth at the investment level.

External Risks

Operational & financial disruptions related to adverse events

Interruptions in business activities and financial performance caused by unforeseen external factors such as natural disasters, geopolitical conflicts, pandemics, regulatory changes, or supply chain disruptions.

Potential impact:

- Damage to EQT's reputation.
- Large financial costs for EQT.
- Unforeseen financial consequences for EQT or the EQT funds' investments.

2024 & outlook

As EQT has grown more global, its exposure to worldwide challenges, including geopolitical and climate risks, has expanded throughout 2024. In response to this development, EQT continues to review the adequacy and resilience of its technology infrastructure as the business grows, while staying close to its portfolio companies to assess potential impacts and prepare for various scenarios.

Risk management & mitigation

EQT maintains a strong balance sheet and solid liquidity, ensuring high resilience during crises. Its robust incident and crisis management process enables swift mobilization of all relevant stakeholders. EQT works closely with specialist risk consulting firms to enhance its crisis management capabilities.

Additionally, the diversified exposures of EQT funds further bolster the Group's ability to navigate adverse events effectively.

In buyout strategies, the EQT governance model enables EQT to work closely with portfolio companies, supporting them in preparing for various scenarios and managing crises.

Managing risks

Strategic Risks

Fund performance risk

Risk of the fund not meeting its overall performance objectives, benchmarks, or investor expectations.

Potential impact:

- Reduced carried interest and investment income received by EQT.
- Reduced ability to raise future funds.
- Damage to EQT's brand, reputation, and long-term prospects.

2024 & outlook

As the market backdrop improved in 2024, EQT maintained a strong focus on exits, achieving approximately 30 exit events during the year while investment activity continued at a strong pace. EQT's track record of generating liquidity remains a competitive advantage, supported by a systematic approach to assessing assets and balancing long-term value creation with liquidity needs.

The portfolio demonstrated healthy value creation, with EBITDA growth exceeding revenue growth in key sectors such as healthcare, technology, and industrial tech. Operational improvements and cost efficiencies delivered positive results, while underperformance in a few areas remained isolated and non-systematic. All key funds are performing On or Above plan.

With the majority of the portfolio still in value creation mode, many assets require additional time to mature before becoming exit-ready. However, proactive exit preparations and strong investment momentum position EQT well to capitalize on favorable market conditions as they arise.

Investment activity in Real Estate accelerated throughout the year. EQT Real Estate has selectively capitalized on market opportunities in attractive locations to deploy capital and has continued to drive value through strategic leasing and tenant improvement initiatives.

Risk management & mitigation

As part of EQT's active ownership model, the EQT Playbook is a key driver of fund performance, fostering growth through digitalization, sustainability, and operational excellence. EQT's governance model enables EQT to support the execution of business plans within portfolio companies including sustainability value creation drivers (please refer to #3.6 in the Sustainability notes for more information). EQT's local-with-local approach, spanning more than 25 countries and supported by global sector teams, ensures a consistent and performance-focused strategy.

Portfolio company performance and sustainability metrics are continuously monitored through the Portfolio Performance Review (PPR), which tracks the progress of each investment, identifies opportunities and warning signs early, and provides actionable recommendations. Concentration limits at the investment level further mitigate risk by ensuring no single underperforming asset materially impacts a fund. In addition, EQT performs portfolio re-underwriting periodically, reassessing various factors to proactively prepare its portfolio for potential macroeconomic challenges.

Additionally, the Global Investment Forum (GIF) evaluates overall performance and exposures across all EQT funds, promoting consistency in investment approaches and disciplined performance management. To strengthen oversight of exits and liquidity, EQT has implemented an Exit and Liquidity Committee across the organization. This committee systematically reviews exit priorities and executes liquidity strategies through various methods, ensuring a thoughtful and client-focused approach to liquidity and solutions. EQT also assumes exits at long-term average multiples to ensure a disciplined and consistent approach to valuation and exit planning.

Strategic Risks

Fundraising risk

Risk of not achieving fundraising targets due to uncertainties around investor commitments, and market conditions.

Potential impact:

- Reduced revenues due to lower FAUM and management fees, and over time, realized carry.
- Loss of market share.
- Potential pressure on management fees.

2024 & outlook

The fundraising environment continued to face challenges in 2024 despite an improving market backdrop. Geopolitical uncertainty and low levels of realizations across private markets over recent years are leading to extended fundraising periods. Despite this, as a result of EQT's strong track record, fundraising has progressed well for EQT's established strategies, with EQT X closing at its hard cap during 2024.

As exit volumes begin to recover, the fundraising market is expected to gain momentum. Increased liquidity through primary and secondary markets and increased demand coming from private wealth will likely support healthier and faster fundraising conditions.

In 2025, EQT will continue fundraising for its flagship funds alongside newer strategies, including its evergreen offerings tailored to the private wealth market.

Risk management & mitigation

EQT's focus on fund performance and returning cash to investors are critical drivers of its fundraising success.

EQT's strong co-investment platform strengthens existing client relationships and positions EQT as a preferred partner for new investors, enhancing its ability to attract additional capital and support future fundraising success. With a global client base of more than 1,300 investors, EQT leverages its expansive network to drive scale and build long-term partnerships.

While EQT does not control external macroeconomic factors, EQT's project-based fundraising processes and performance culture help minimize the risk of not meeting fundraising targets.

To ensure adequate resources are allocated to fundraising projects, the Capital Raising team maintains ongoing dialogues with the business lines and updates the fundraising plans accordingly.

Managing risks

Strategic Risks

Challenges in attracting, retaining, and managing talent

Risk staffing challenges, including employee turnover, skill gaps, succession planning, and the potential impact of personnel issues on operational performance and strategic goals.

Potential impact:

- Insufficient resources to meet strategic objectives.
- Loss of talent, affecting the success of investment and fundraising activities.

2024 & outlook

Attracting and nurturing a diverse, world-class EQT team and network is essential for long-term success, with a motivated and well-supported workforce driving productivity, fostering innovation, and ensuring overall success. This is evident by a low regrettable turnover across the organization.

For many years, EQT has focused on increasing the ratio of women and has improved gender balance in boards and management, in both EQT and across portfolio companies. While significant progress has been made in this area, it remains an important focus area for EQT.

Risk management & mitigation

EQT's ability to attract, retain, and develop talent is supported by a comprehensive strategy that includes a well-defined recruitment process, competitive and long-term compensation, and structured development opportunities through the EQT Academy. The EQT Academy delivers a wide range of growth and development programs ranging from general onboarding programs to career progression and personal development programs to future-proof talents.

An annual succession planning process is conducted to assess key personnel, identify successors, and ensure leadership strength for the continued success of the business.

A new equity-linked incentive program was recently introduced to ensure alignment between employee performance and the wider EQT. This initiative improves EQT's ability to recruit, motivate, and retain top talent, which is essential for EQT AB to achieve long-term value growth for its shareholders.

At EQT, inclusion is a business imperative and it's embedded into our talent strategy, decision-making, and culture to ensure that every individual and team operates at their full potential. By doing so, we unlock better collaboration, stronger innovation, and superior investment outcomes.

EQT fosters inclusion through its affiliation networks like DiverseMinds, EQT Pride and EQT Win to help people connect, become better allies, learn, develop professionally and participate in a safe space.

Regular engagement surveys provide insights into workplace dynamics, enabling EQT to address concerns, enhance employee satisfaction, and mitigate risks of attrition or disengagement. EQT ensures a collaborative environment where employees are motivated and empowered to drive organizational success by prioritizing inclusive leadership practices and employee well-being.

Further details are described in #3.3 in the Sustainability notes.

Strategic Risks

Unsuccessful execution of new initiatives

Failure to implement or scale new projects, strategies, or programs effectively and in line with the firm's strategic and financial objectives.

Potential impact:

- Failure to capitalize on market opportunities, which impacts EQT's long-term competitiveness, market position, and stakeholder confidence.
- Failure to diversify revenue streams, increasing reliance on flagship funds.

2024 & outlook

Scaling recent initiatives, while building new initiatives are essential drivers for EQT's growth ambitions. During the year, EQT has continued to focus on fundraising for new strategies, particularly in the private wealth segment, which presents significant opportunities. However, in a challenging fundraising environment, fundraising timelines for certain strategies are taking longer.

Looking ahead to 2025, EQT plans to introduce additional initiatives while continuing to drive fundraising momentum for its recently launched evergreen strategies.

Risk management & mitigation

EQT's strong balance sheet is a key enabler for executing on new and recently launched strategies. In recent years, substantial efforts have been directed toward strengthening the private wealth platform through significant hiring across various departments in all regions.

To support its fundraising efforts, EQT is actively pursuing new distribution channels and enhancing branding initiatives to increase market visibility and extend its reach.

To identify challenges at an early stage, EQT has established a governance framework that ensures oversight of new initiatives. This framework includes a dedicated business development team that regularly reports to the Executive Committee and Board.

Managing risks

Operational & compliance risks

Failure to adequately scale the operating platform

Risk of operational inefficiencies or reputational harm due to the inability to scale systems, processes, and infrastructure effectively in line with EQT's growth ambitions.

Potential impact:

- Operational failures leading to reputational damage or non-compliance.
- Higher costs of doing business.

2024 & outlook

In pursuing its growth ambitions, EQT must constantly adapt its operational processes to improve the efficiency and scalability of its operating platform.

As part of its day-to-day operations, EQT processes large amounts of transactions and data, making it vulnerable to errors or delays.

The expansion into private wealth, with multiple new products combined with EQT's geographic expansion into the US market, introduces additional complexity to its operations.

Successfully scaling the private wealth and US platforms will require EQT to balance operational efficiency with robust support for a growing client base, ensuring consistent service quality, regulatory compliance, and operational resilience across its expanding global footprint.

Risk management & mitigation

All functions within EQT, particularly the Fund Operations team and Central Functions' Specialist teams, are responsible for developing and maintaining robust policies & procedures to ensure the quality, resiliency, and scalability of EQT's operations. The internal control framework is reviewed annually to identify and remedy control issues. In addition, EQT has prioritized enhancing the efficiency and scalability of its operating platform as a strategic focus, managed through its program management process under the oversight of the Operating Committee.

To address the specific challenges of private wealth expansion and entry into the US market, EQT has bolstered its operational foundation by increasing its workforce in key areas. These targeted hires are part of a broader strategy to build specialized expertise across regions, support the unique needs of private wealth clients, and navigate complex regulatory landscapes in markets like the US.

Operational & compliance risks

Regulatory & compliance risks

Failure to adhere to laws, regulations, industry standards, or internal policies.

Potential impact:

- Financial costs of regulatory fines, damage to EQT's brand and long-term prospects.
- Increased compliance costs, reducing the attractiveness of certain jurisdictions or growth initiatives.

2024 & outlook

As the private markets industry continues to grow and is becoming increasingly more accessible for non-institutional clients, EQT expects to navigate an evolving regulatory landscape in which regulators increase their focus on the industry, particularly on investor protection, transparency, and sustainability. EQT's strategic initiative to scale and grow within the private wealth client segment increases EQT's regulatory exposure. Furthermore, an increasing global focus on private equity taxation with continued uncertainty on how carried interest is treated may lead to increased costs for EQT.

Risk management & mitigation

EQT has made significant hiring efforts over the last few years to bolster its Central Functions' Specialist teams globally to support the organization in navigating an increasingly complex regulatory landscape.

EQT has implemented a Regulatory Watch Model to ensure that new regulatory initiatives and trends are identified and assessed promptly to secure business objectives and continuous compliance.

EQT's global compliance monitoring program ensures adherence to business ethics standards by identifying compliance risks, fostering integrity, and aligning operations with laws and EQT's Code of Conduct as further described in #3.5 in the Sustainability notes.

EQT has robust documented guidelines, processes, and controls for managing taxes throughout the EQT platform, with the purpose of ensuring that all material tax risks are identified and mitigated through tax risk identification processes.

Managing risks

Financial risks

Market, credit and liquidity risks

Risk of financial loss or reduced earnings arising from market volatility, counterparty credit defaults, liquidity shortfalls, or revaluation of investments.

Potential impact:

- Reduced earnings, if market fluctuations impact interest rates, currency exchange rates or the valuation of EQT AB Group's investments.
- Credit losses, in the event of a failure of a counterparty.

2024 & outlook

EQT continues to leverage its balance sheet to drive growth initiatives and execute on its long-term strategy. Over the recent years, EQT has enhanced its financial flexibility by increasing its sustainability-linked Revolving Credit Facility and issued a number of sustainability-linked bonds.

EQT's interest rate risk is limited as the sustainability-linked bonds have fixed coupons, subject to sustainability-related objectives. During 2024, S&P assigned an A- (Stable) credit rating to EQT, complementing the existing rating from Fitch at the same level.

Risk management & mitigation

The EQT AB Group uses risk mitigation tools, such as minimum credit ratings, rigorous cash forecasting and liquidity facilities. See more information under Note 18.

The Treasury team monitors and reports on those risk exposures on a monthly basis.

EQT has implemented a robust governance and approval process for balance sheet investments, which includes approval from both ExCom and the Board.

Emerging risks

Increasing shift towards a multipolar world

Risk of constrained investment and value creation opportunities driven by geopolitical tensions, protectionist policies, and fragmented global markets, affecting fundraising, portfolio performance, and cross-border activities.

Potential impact:

- Certain sectors and geographies, where EQT funds have invested, become less attractive, which could make EQT less competitive in raising funds over the long term.
- Reduced performance of portfolio companies with global supply chains.
- Restrictions on certain deals in strategic sectors and geographies may reduce exit options for the EQT funds.
- May affect EQT's ability to attract capital from investors in certain countries or regions in the long-run.

The global landscape is becoming increasingly fragmented as geopolitical tensions, potential trade wars, and supply chain disruptions accelerate the transition to a multipolar world. National security and protectionist policies are likely to reshape international trade, which may create complexities for EQT's portfolio companies. Over time, rising tariffs, increasing regulatory scrutiny, and restrictions on cross-border trade and investments are expected to drive up costs and operational risks, while heightened cybersecurity threats pose ongoing challenges.

These dynamics may create sustained complexities in conducting deals across certain regions and present ongoing challenges for fundraising efforts in affected markets. As investors grow increasingly cautious about long-term stability and cross-border opportunities, EQT must adapt to these evolving geopolitical realities to ensure resilience and continued success.

Risk management & mitigation

Risk diversification across strategies and assets is a key mitigation to manage this emerging risk. Overall performance and exposures are monitored by the Global Investment Forum ("GIF") on a regular basis. In addition, EQT's local-with-local approach, supported by 600+ high-profile industrial advisors within the EQT Network, will help EQT funds' portfolio companies adjust their strategies to such challenges. Furthermore, all proposed investments go through a thorough due diligence and approval process during which all key aspects and outlooks of the transactions, company and industry are discussed.

In response to the increasingly complex geopolitical landscape, EQT has been engaging with geopolitical experts and risk specialists to further strengthen its threat intelligence and adapt its risk management approach.

Finally, the emergence of a multipolar world also presents new opportunities leading to successful investments, thereby reducing the impact of investments that have been negatively impacted.

Managing risks

Emerging risks

Threats posed by emerging technologies

Risk of data breaches, operational disruptions or errors arising from emerging technologies or poor implementation thereof, as well as competitive disadvantages arising from the late adoption of AI technologies.

Potential impact:

- Loss of sensitive financial, personal, or proprietary data leading to damage to EQT's brand.
- Material financial costs arising from legal fees and remediation costs.
- Operational disruptions impacting EQT's ability to run its day-to-day operations.
- Failure in decision-making processes dependent on such technologies, leading to regulatory, financial, or reputational repercussions.
- Competitive disadvantages and missed opportunities caused by slow or inadequate adoption of AI.

The emergence of AI and quantum computing technologies presents both transformative opportunities and long-term risks. Leveraging digital technology is essential to future-proofing EQT and its portfolio companies, supported by significant investment in digital capabilities in recent years. While these technologies enhance detection, response capabilities, and operational efficiency, they also introduce challenges such as cybersecurity vulnerabilities, regulatory scrutiny, and risks related to data governance and AI bias.

Quantum computing also represents an emerging risk to existing cryptographic standards, necessitating the development of quantum-resistant security frameworks.

Moreover, the ongoing exploitation of supply chains, exacerbated by the increased reliance on vendor services and cloud technologies, expands the potential areas of vulnerability for EQT. As a firm engaging with numerous third-party providers, EQT must enforce rigorous due diligence, robust AI governance, and continuous monitoring of supply chain security is required to mitigate this emerging risk.

Risk management & mitigation

EQT continuously defines and implements the best cyber solutions for its environment and runs a threat detection and incident response program. Regular cyber security training for all employees, including phishing tests raises awareness and mitigates risks. Through its threat intelligence process, new trends are continuously monitored and reported to the Information Security Steering Committee on a quarterly basis, with summaries being reported to the Group Risk function, the Audit Committee, and the Board. A designated board member oversees the information security strategy and meets with EQT's CISO twice a year.

To address the emergence of AI risk, EQT has established an AI Governance Steering Committee to ensure responsible AI adoption, regulatory compliance, and robust oversight of all AI applications.

Signatures

EQT AB

Corp. id 556849-4180

The board and CEO assure that the Annual Report has been prepared in accordance with generally accepted accounting principles in Sweden and the consolidated accounts have been prepared in accordance with International Accounting Standards, stated in the regulation of the European Parliament and the Council of Ministers (EG) no 1606/2002 of 19 July 2002, concerning the application of international accounting standards. The Annual Report and the consolidated accounts give a true and fair view of the parent company as well as of the EQT AB Group's position and result. The Board of directors' report for the parent company and the EQT AB Group gives a true and fair view of the parent company's and Group's business development, position and result. It also describes the major risks and uncertainty factors facing the parent company and Group companies.

Stockholm 12 March 2025

Conni Jonsson
Chairperson

Christian Sinding
CEO

The Annual Report and the consolidated accounts have been approved for publication by the Board of directors and the Chief Executive Officer on **12 March 2025**. The consolidated income statement and balance sheet and the parent company's income statement and balance sheet will be presented for adoption by the Annual Shareholders' Meeting on 27 May 2025.

Brooks Entwistle

Diony Lebot

Gordon Orr

Our audit report has been submitted on 12 March 2025
KPMG AB

Marcus Wallenberg

Margo Cook

Richa Goswami

Håkan Olsson Reising
Authorized public accountant

Auditor's report

To the general meeting of the shareholders of EQT AB, corp. id 556849-4180

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of EQT AB for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 49-105 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Carried interest

See disclosure 3, 5, 18, 26 and accounting principles on page 59 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

As of 31 December 2024 the group reported carried interest of EUR 2 862 million in the balance sheet and income from remeasurement of carried interest of EUR 587 million in the income statement.

As of 1 January 2024 EQT has changed its accounting policy for carried interest:

- From being considered part of consideration for investment management services with a revenue recognition approach applying IFRS 15 Revenue from Contracts with Customers (Service Provider Model)
- To being considered part of the investment in funds measured at fair value applying IFRS 9 Financial Instruments and IFRS 13 Fair Value Measurement (Ownership Model)

The change has been implemented retrospectively with restatement of comparative figures.

Carried interest is a share of returns that EQT AB Group receives through its holdings in the Special Limited Partners based on the performance of the relevant fund and the development of the funds underlying investments. EQT AB Group is entitled to an agreed share of accumulated returns exceeding agreed thresholds over the life of each individual fund. The underlying valuations, on which the carried interest is based, are complex and include significant levels of judgement.

Response in the audit

Our audit procedures included, but were not limited to:

- We have reviewed the company's restatement of carried interest from service provider model to ownership model (fair value model).
- We have reviewed the company's model for calculation of carried interest and obtained an understanding of the valuation process and key controls in this process,
- We have assessed the development of the funds underlying investments to conclude whether these were performed in accordance with the prescribed method,
- We tested that the methodology and consistency applied in the valuation of the portfolio companies is in accordance with the International Private Equity and Venture Capital Valuation Guidelines,
- We assessed the relevance of multiples used against market multiples from relevant transactions or market data,
- We have involved internal valuations- and accounting specialists to assess the current unrealized fund values and also to evaluate the accuracy of the disclosures of carried interest in the annual accounts and consolidated accounts.
- We assessed the change in accounting method to ensure it is in line with what is stipulated in IFRS Accounting Standards.

Auditor's report

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-48, 110-169 and 184-193. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the board of directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the

Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

Auditor's report

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of EQT AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in

accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from

liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where

deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Auditor's report

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT**Opinion**

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for EQT AB for year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of EQT AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the

Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform

electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of EQT AB by the general meeting of the shareholders on the 27 May 2024. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2012.

Stockholm 12 March 2025
KPMG AB

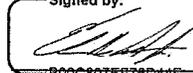
Håkan Olsson Reising
Authorized Public Accountant

VERIFICATION

I, Edward B. Adams, Jr. state that I am Executive Vice President and General Counsel of Crown Castle Inc.; that I am authorized to make this Verification on behalf of Crown Castle Inc. and its subsidiaries, including Crown Castle Fiber LLC, Crown Castle Solutions LLC, and Crown Castle NG East LLC (collectively, the "Company"); that the foregoing filing was prepared under my direction and supervision; and that the contents thereof and the certifications contained therein regarding the Company and its affiliates, are true and correct to the best of my knowledge, information, and belief.

Executed this 28 day of May, 2025.

Signed by:



Edward B. Adams, Jr.
Executive Vice President and General Counsel
Crown Castle Inc.

STATE OF New York §
 §
COUNTY OF New York §

VERIFICATION

I, Luuk Bogaarts state that I am Director of Small Cells HoldCo Inc. (the “Company”); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company and its affiliates are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 28th day of May, 2025.

DocuSigned by:

302CCCF08B9E43E...

Luuk Bogaarts
Director
Small Cells HoldCo Inc.

STATE OF New York §
 §
COUNTY OF New York §

VERIFICATION

I, Joseph Turley state that I am Director of Small Cells HoldCo Inc. (the “Company”); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company and its affiliates are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 28th day of May, 2025.

DocuSigned by:

1B5547B0B25F44D...

Joseph Turley
Director
Small Cells HoldCo Inc.

CERTIFICATE OF SERVICE

I, Danielle Burt, hereby certify that on May 28, 2025, copies of the Joint Petition of Crown Castle Fiber LLC and Small Cells Holdco Inc. for Consent of the Transfer of Control of Franchisee to Small Cells Holdco Inc. was served by Overnight Courier to the addresses identified herein:

Department of Information Technology and
Telecommunications
Attention: General Counsel
15 Metro Tech Center, 18th Floor
Brooklyn, New York 11201

Department of Transportation
Attention: General Counsel
55 Water Street, 9th Floor
New York, New York 10041

New York City Law Department
Attention: Chief, Economic Development
Division
100 Church Street
New York, New York 10007

/s/ Danielle Burt
Danielle Burt

RESOLUTION

FRANCHISE AND CONCESSION REVIEW COMMITTEE

CITY OF NEW YORK

Cal. No. 2

In the matter of consent to transfer control of the mobile telecommunications services franchise agreement (the “Franchise Agreement”) between the City of New York and Crown Castle Fiber LLC (“Crown Castle Fiber”) for the installation, operation, maintenance of equipment and facilities, including base stations and access point facilities, on: 1) City-owned street light poles and traffic light poles, and certain privately-owned utility poles located on the City streets; and 2) subject to necessary further approvals, LinkNYC Kiosks, bus stop shelters and automatic public toilets, all in connection with the provision of mobile telecommunications services, to Small Cells HoldCo Inc.

WHEREAS, on March 9, 2016, Authorizing Resolution 935 was adopted by New York City Council, granting the New York City Department of Information Technology and Telecommunications (“DoITT”), now known as the Office of Technology and Innovation, the authority to grant franchises for the provision of mobile telecommunications services, as permitted by said Authorizing Resolution; and

WHEREAS, on March 1, 2018, the New York City Department of City Planning reviewed a request for proposals for the provision of mobile telecommunications services (“RFP”) submitted by DoITT and determined that a franchise, consistent with the RFP, would not have land use impacts or implications and that review under Section 197-c of the New York City Charter would not be necessary; and

WHEREAS, on June 12, 2018, DoITT issued the RFP;

WHEREAS, Crown Castle Fiber responded to said RFP; and

WHEREAS, Crown Castle Fiber has been given opportunity to review a Franchise Agreement consistent with the RFP and has expressed intent to pursue said Franchise Agreement; and

WHEREAS, the Franchise and Concession Review Committee held a public hearing regarding the proposed Franchise Agreement on January 13, 2020, which was a full public proceeding in compliance with the requirements of the New York City Charter, and said hearing was closed on that date;

WHEREAS, the Franchise and Concession Review Committee adopted the resolution granting the Franchise Agreement to Crown Castle Fiber on January 14, 2020;

WHEREAS, on May 28, 2025, Crown Castle Fiber petitioned DoITT seeking consent to transfer control of the Franchise Agreement to Small Cells HoldCo Inc;

WHEREAS, the Franchise and Concession Review Committee held a public hearing on March 9, 2026 regarding the proposed transfer of control of the Franchise Agreement, which was a full public proceeding in compliance with the requirements of the New York City Charter, and said hearing was closed on that date.

NOW, THEREFORE, BE IT

RESOLVED, that the Franchise and Concession Review Committee does hereby approve the transfer of control of the Franchise Agreement between the City of New York and Crown Castle Fiber LLC to Small Cells HoldCo Inc.

THIS IS A TRUE COPY OF THE RESOLUTION ADOPTED BY THE
FRANCHISE AND CONCESSION REVIEW COMMITTEE ON:

03/11/2026

Date:

Signed

Title: City Chief Procurement Officer