

CON TERRA NETWORKS
ENVIRONMENTAL / SOCIAL / GOVERNANCE
REPORT

Table of Contents

Section	Page
Letter from our President	2
2023 Highlights	3
About Conterra	4
About this Report	4
History of ESG at Conterra	5
Conterra's ESG Approach	6
Governance and Reporting	6
Environmental	8
Social	9
Looking Forward	12

Letter from our President

Dear Conterra Friends, Teammates, and Stakeholders:

I am pleased to introduce you to Conterra's Environmental, Social, and Governance (ESG) Report.

Since 2020, with the strong support of our investors, Conterra has worked to make ESG and sustainability more and more a part of our culture. To some extent, this has been easy as sustainability and stewardship principles are interwoven with our culture and our Guiding Principles. Some areas are more challenging, however, and offer us significant opportunities to move forward as we look into the future and examine our functions and operations for ways where we can improve and make more of a positive difference for our customers, our employees, our investors, and the communities we all serve together.

This ESG Report provides information on the importance of ESG at Conterra. We also provide some history of Conterra's business as well as the history of sustainability at Conterra, along with brief summaries of some recent accomplishments and some information on our ESG plans and vision as we look ahead.

Thank you for taking the time to review this report, and I look forward to working with each and every one of you as we together connect the world and make it a better place for us all.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Craig S. Gunderson', with a long horizontal flourish extending to the right.

*Craig S. Gunderson
President & CEO*

2023 Highlights

Environmental

- **GHG emissions – Scope 1 and 2 data collection:** *Conterra has continued to refine its processes and improve its methodologies for greenhouse gas (GHG) emissions data collection. Conterra has been reporting on GHG emissions since calendar year 2019, and processes have improved each year.*
- **GHG emissions – data verification by a third party:** *At this point in our maturity curve, Conterra feels that an important next step in our GHG emissions reductions plan is to have our methodologies and ultimately our data validated by a third-party review. Conterra has committed to its shareholders to having our GHG data verified by a third party and has formalized this commitment in revisions to our ESG Policy. Conterra expects to select an auditing firm and complete the audit in Q3 2024.*
- **GHG emissions – reductions targets:** *Conterra has made commitments to its shareholders to reduce emissions as part of our overall carbon-neutral journey. In 2023, Conterra set a target of reducing emissions by approximately 25% on a revenue adjusted basis by 2030. It is expected that these targets will also form the basis of a sustainability linked loan (SLL) provision in Conterra's credit facility which is being finalized in 2024. It is expected that the SLL feature will include economic incentives for exceeding targeted reductions and economic penalties for falling short of threshold emissions limits.*
- **GHG emissions – Scope 3 estimations:** *Conterra has begun its journey of estimating Scope 3 emissions. For calendar year 2023, Conterra has calculated certain Scope 3 emissions associated with business travel and airline usage. Conterra intends to increase the scope of its Scope 3 calculations each year until able to fully report Scope 3.*

Social

- **Employee survey:** *Conterra conducted its second annual all-employee survey in the fall of 2023. Response rate was slightly lower than for 2022 at 63%, but still indicative of solid employee interest in the survey. Conterra also added a net promoter score feature to the survey, and received an overall positive employee rating of 8.2. While pleased with this positive rating, our goal is to see that number improve over time as Conterra continues to strive to be an employer of choice in its various markets.*
- **New employee onboarding:** *Conterra is strongly committed to an excellent new employee onboarding experience. While there is always a certain amount of administration associated with any employee onboarding, Conterra is striving to include other significant enriching content to new employees such as role specific information for particular employees as well as cultural (e.g., ethics policy) and compliance (e.g., training on crucial industry requirements relating to protection of Customer Proprietary Network Information and training on the requirements of Conterra's "Team Telecom Letter of Agreement" requirements) content. We want new employees to feel both welcomed and prepared to succeed on day one!*
- **Community involvement:** *Conterra believes being an active positive contributor to local communities is a defining part of our success. It's critical to be well-known and positively perceived in the markets we serve. That combined with our overall desire to give back leads Conterra to actively participate in numerous diverse community activities ranging from support*

to local youth sports, to local chambers of commerce, food banks and food drives, etc. Conterra is also striving to include the community as part of its team building activities, and we look forward to sharing more details on that over time.

- **Inclusion, Equity, and Diversity:** Conterra has a diverse workforce overall but is constantly looking for opportunities to increase representation of talented women and minorities across the spectrum of our employee base. Targeted recruiting and use of agencies specializing in recruiting underrepresented groups are just two of the more prevalent recruiting strategies used at Conterra. In addition, ensuring fairness in compensation is another key people priority for Conterra, and in 2023, we engaged in a significant gender gap review across Conterra to help discover and address any pay gap issues.

Governance

- **Infrastructure Assessment:** A key part of our governance commitments to investors and other stakeholders is our ongoing participation in the global GRESB infrastructure assessment process. Conterra began GRESB participation with its 2019 reporting year and has continued to increase its score each year becoming more and more in line with industry norms and peers.
- **ESG Committee:** Similarly, Conterra's ESG efforts have been supported by an ESG Committee comprised of a number of diverse individuals across Conterra. The ESG Committee serves as a governing and accountability body as well as a resource and providing thought leadership on various ESG topics and initiatives.

About Conterra

At Conterra, we say that we are "Fiber driven and people powered." Conterra is a super-regional telecommunications company that designs, builds, and operates highly reliable state-of-the-art new tech telecom networks for education, government, healthcare, enterprise (small, mid, and large size businesses), and carrier customers. Conterra's network consists of more than 13,000 miles of fiber optic cable serving more than 10,000 customers. Our network houses 750,000 miles of fiber optic strands, providing tremendous network capacity to serve our customers and help fuel economic growth in our markets.

About this Report

This report provides a general update on various ESG topics and performance areas at Conterra and summarizes many aspects of Conterra's commitments to corporate responsibility and sustainability. This report covers all of Conterra's operations and is updated in roughly one-year increments. In addition to providing some historical background on Conterra's ESG journey, we provide updates on recent activities and accomplishments. We also discuss current and ongoing initiatives as well as future plans and priorities.

History of ESG at Conterra

Our efforts to grow our capabilities are all homegrown and initiated through passion and a drive to be a better company. With our change in ownership in July of 2020, the focus on ESG and corporate responsibility became more formalized within our organization. Fiera Infrastructure and APG Investments are global leaders in ESG. As they took ownership of the company, they helped direct our efforts and created an urgency in the company to report against the GRESB Infrastructure Assessment. Those benchmarks have created a compass to guide Conterra to improve our efforts.

Prior to 2021

- *Established Conterra's ESG Committee*
- *Established ESG Policies*
- *Submitted our first response to the GRESB Infrastructure Assessment*

2021

- *Developed a GRESB improvement plan*
- *Partnered with leading sustainability consultants, Quinn+Partners (Q+P)*
- *Completed an ESG materiality assessment*
- *Created ESG Priority List*
- *Conducted our baseline inventory for scope 1 and 2 GHG emissions*
- *Added sustainability related reporting to our website*
- *Submitted 2020 GRESB Assessment – improved score by 18 points*

2022

- *Continued partnership with Q+P*
- *Established baseline and methodology for tracking biodiversity and habitat protections*
- *Established guidelines for ESG and climate risk management*
- *Published our inaugural ESG report*
- *Participated in 2022 GRESB Assessment – improved score an additional 15 points*
- *Publicly communicated commitment to Net Zero by 2050*
- *Initiated comprehensive all-employee engagement survey*
- *Implemented Enterprise Risk Assessment process that includes ESG Risk Assessment*

2023

- *Continued partnership with Q+P*
- *Refined and broadened scope of ESG Risk Assessment processes*
- *Committed to interim GHG reduction targets for first time and as a first step toward Net Zero by 2050*
- *Committed to shareholders and amended ESG Policy to require third party verification of GHG emissions data and future reductions*
- *For the first time began calculating some Scope 3 emissions and are committed to expanding Scope 3 analysis*
- *Improved employee survey content and included a net promoter type rating to establish a baseline employee satisfaction level*

Conterra's ESG Approach

Conterra is committed to bringing value to its employees and customers. We are accomplishing this by not only providing industry leading service levels, but also by insuring we are good stewards of our planet with a people-centric culture that includes accountability at all levels of the organization, including the corporate governance.

Environmental, Social and Governance is more than a responsibility -- it is how Conterra does business with everyone with whom we engage. It has become an increasingly more important and more visible part of our culture and core business strategy.

Conterra would like to acknowledge and is appreciative of the excellent support of our ESG program and initiatives from our primary investors, Fiera Infrastructure and APG Group. In addition to providing resources and guidance, Fiera and APG have set clear expectations for their portfolio companies and provide an important oversight and accountability framework. We are also supported by industry-leading sustainability consulting firm Quinn and Partners (Q+P). Q+P together with the Fiera and APG resources provide access to thought leaders as well as to program management expertise and accountability measures to help continue to guide Conterra's sustainability journey.

Governance and Reporting

Ensuring that the organization has a sturdy foundation with good, ethical governance is critically important to the health of the organization. At Conterra, we have guiding principles that create our culture. At the top of those principles is Integrity. Acting with integrity and being honest in all we do guides our company from the C-suite to the labor teams burying the fiber cable our services are delivered upon.

Internally, Conterra's ESG and sustainability efforts are led by our ESG Committee. Conterra's ESG Committee is an eight-person committee of employees with representation across Conterra's key business units. These individuals have been selected for their internal expertise, industry experience, and their commitment to ESG and sustainability.

The ESG Committee has been instrumental in the early development of Conterra's formal ESG program. All Committee members are active in biweekly meetings and leverage their experiences and expertise as Conterra continually seeks to advance its ESG commitments and its program overall.

Materiality

In the second half of 2021, Conterra conducted an ESG Materiality Assessment. The Materiality Assessment was led by in-house employees along with some high-level oversight by Quinn & Partners. The Materiality Assessment focused on a large group (18 in total) of potentially relevant ESG subjects and sought to determine which of those were most important and most relevant to Conterra.

Conterra deployed a written survey to its employees, the ESG Committee members, its executive leadership team, and the Company's Board of Directors. Respondents had the opportunity to answer several questions designed to elicit how important a particular issue is or is likely to become to Conterra.

During the first quarter of 2022, the ESG Committee was largely focused on taking the output from the assessment and using it for the development of near-term priorities and longer-term strategic objectives. In the first quarter of 2022, the ESG Committee met multiple times and developed specific actions plans and assigned those actions to responsible owners for follow-up, and these actions continue to be part of the normal agenda and review process for the ESG Committee.

Reporting

Led by the Committee, and with sponsorship from our investors, Conterra has participated in the annual GRESB Infrastructure Assessment since 2019. GRESB is an international investor-led organization that provides actionable and transparent ESG data to financial markets around the globe. The GRESB Assessment collects significant amounts of ESG data from participants, and then generates category and cumulate scores that show trends over time and also show performance in key ESG areas relative to peer groups.

Conterra has shown dramatic measurable improvements in its GRESB scores since first completing the GRESB Infrastructure Asset Assessment for calendar year 2019. For that year, Conterra received a cumulative score of 41, well below its peer group score. Applying focus, new data gathering tools, and new processes, Conterra was able to significantly improve its score for calendar year 2020 to 59. Although still below its peer group average (64), this improvement reflected the attention and focused efforts by the ESG Committee and Conterra overall on Conterra's ESG program and processes.

In 2021, the Company continued to advance its ESG program and carried out key initiatives such as a formal Materiality Assessment. As a result of this and other efforts, Conterra's GRESB score for 2021 improved to 74 – an impressive 25% gain on top of the 44% gain between 2019's score of 41 and 2020's score of 59. Moreover, the 2021 score of 74 placed Conterra squarely in line with the peer group average of 75. The 2021 score reflected an 80.5% cumulative improvement over the three-year period in which Conterra has been participating in the GRESB process.

The GRESB process itself validated the importance of several of the key action items coming out of the Materiality Assessment. Several other priorities also emerged from the GRESB process giving Conterra additional improvement opportunities. For example, through the GRESB process, the company was able for the first time to develop an efficient and accurate method of calculating the amount of habitat lost as a result of Conterra's network construction operations. It also highlighted the need to do habitat loss and biodiversity training for our personnel engaged in construction planning and construction operations, and that training was carried out in the fourth quarter of 2022. This is a first for Conterra and marked an important evolution in our training and development program to focus on a targeted specific ESG issue.

In the second quarter of 2023, Conterra turned its focus to preparing for its annual GRESB submittal. Information and data were gathered, and the GRESB report was submitted in June 2023 for the 2022 calendar. It was the most fulsome of the four submittals made so far by Conterra and reflected the learning that has occurred at Conterra about the GRESB process and objectives. Conterra was especially

pleased to be able to document many more of its initiatives through ESG project specific successes such as the revamping of our entire Employee Handbook in 2022 and inclusion of many ESG-related policies and processes directly into the handbook.

Conterra's targeted efforts resulted in another solid increase in GRESB score for the 2022 reporting year, and the score increased from 74 to 81, a nine percent year over year increase. More notably, however, for the four-year period since Conterra began participating in the GRESB Infrastructure Asset Assessment, our score nearly doubled from 41 to 81 – a 98% increase.

Conterra is pleased with its GRESB score progression and the indication of how the company's ESG program is progressing. While the rate of progress as a percentage will naturally slow over time, Conterra expects that its ESG focus and continued efforts will yield performance results that meet or exceed peer group expectations. We have built a solid base and are excited to continue the journey!

Environmental

Being a good steward of the environment is more than not creating issues; it is also about having a focus on leaving habitats unharmed and capable of supporting plant and animal biodiversity. It is partnering with state and local agencies to ensure their standards are met or exceeded. Conterra monitors our impact on the environment by working to eliminate greenhouse gas emissions. We are establishing a habitat and ecosystem management system that allows for maintenance and care of natural habitats.

Conterra is especially pleased with the progress made in 2023 on its GHG emissions programs. We continue to refine our methodologies and improve our measurements of usage data. This provides groundwork for reductions targeting, and in 2023, Conterra committed to a 2030 interim GHG emissions target that is 25% less than the 2023 base year on a revenue adjusted basis. Conterra also worked with lenders in a new credit facility to utilize a sustainability linked loan feature whereby Conterra is incentivized financially to meet or exceed emissions targets. As part of this loan feature and as a commitment to our shareholders, Conterra has also committed to having emissions data verified by a third-party auditing firm beginning in 2024. Conterra also has started assessing Scope 3 emissions and calculated Scope 3 for business travel in 2023. We plan to expand our Scope 3 assessments over time until full assessment is achieved.

Climate Change Risk Management

Conterra conducted a Climate Risk Assessment that was facilitated by APG and led by Quinn & Partners. The Climate Risk Assessment systematically examined a broad universe of TCFD-informed climate risks and opportunities to identify the most material risks and opportunities for Conterra's business. The assessment yielded a formal report that summarized key findings and serves as a starting point for intentional climate management and to set a base for more detailed analysis in the future.

The assessment identified 52 potential risks and opportunities, but 17 were screened out as being irrelevant to Conterra. For the 35 climate-related risks and opportunities identified as material, the report found that Conterra has some existing policies and practices in place to mitigate risks and capture opportunities. For example, Conterra has well-documented emergency plans and monitoring in place for extreme weather and uses equipment that is designed to withstand high heat environments. The report

also notes Conterra's expertise and experience in building resilient networks with redundancies in place in case of business interruption (e.g., backup power) where the likelihood of such interruption could increase over time if extreme climate-related events become more frequent.

The report concluded that the largest gaps relate to transition planning, such as developing an emissions target and decarbonization plan, incorporating financial impacts from climate-related risks into budgets and engaging with stakeholders (suppliers, regulators/ municipalities, investors) to prepare for future climate-related impacts. These are all areas that will become more of a focus as Conterra's ESG program and processes evolve and develop.

ESG Risk Management

Conterra also conducted an internal enterprise risk assessment with focus on ESG risks. The assessment was led by the company's general counsel and included detailed reviews with all of the company's executive leadership team. While there was certainly overlap in terms of findings and output between the Climate Risk Assessment and the broader Enterprise Risk/ESG, the broader assessment identified several key additional risks relating to biodiversity and habitat loss, diversity and inclusion, fraud prevention, cyber security, and high priority safety issues (trenching operations, lift operations, traffic and vehicle safety, etc.). Risk owners have been assigned, and owners work to develop and implement short-, mid-, and long-term mitigation plans.

Social

As a people-centric culture, creating a sense of belonging and inclusivity is paramount to Conterra. 2023 saw many shifts in the social fabric of the workplace and society at large, and Conterra has remained steady in its commitment and its efforts to encourage and facilitate a caring, inclusive, and team-oriented environment. We have also increased resources, realigned leadership, and focused our efforts on our employees' safety and health. And Conterra remains rooted in our Core Values and are committed to creating policies and procedures that are centered on employee well-being, such as our highly rated (by employees) Sick/Wellness time for employees to use as they need for their wellness. And, of course, Conterra has an unrelenting focus on improving the overall quality of our customers' experience with Conterra – from first sales contact through final service delivery.

Customer Relations/Customer Experience

Customer satisfaction is of critical importance to every business and no less so at Conterra. Conterra is keenly focused on customer experience and has an entire team dedicated to improving customer experience. That team is constantly seeking feedback from customers through a variety of feedback mechanisms including customer surveys, net promoter score tracking, customer testimonials, feedback on the company's Facebook page, etc.

In this regard, Conterra wants its customers to firmly believe the following about us:

- 1. Conterra makes it easy to do business with them.*
- 2. Conterra is available and able to help...often on the first call.*
- 3. Conterra knows me as a customer, the services I have, and my history.*
- 4. Conterra knows about issues before I do.*

5. *Conterra resolves trouble issues quickly.*
6. *Conterra resolves complaints about my account promptly and fairly.*
7. *Conterra reaches out to me.*

To meet this strategic vision, Conterra's Customer Experience team works in concert with RevOps, Sales, and operations departments to manage the Customer Experience strategy, initiatives, and programs at our company. To ensure consistency throughout our services, the Customer Experience team employs systems and processes to measure, monitor, report, and improve the experiences we deliver. We firmly believe that the success or failure of this strategy relies in large part on our organization's commitment to improving the Customer Experience.

Employee Survey

In the fourth quarter of 2022, the company conducted a comprehensive employee survey. The survey included questions on most aspects of the employment experience at Conterra. While there was appropriate focus on key compensation and benefits, much of the survey was focused on culture. Trust in leadership, peer relationships, training and development, and communications were all key subjects covered in the survey.

The survey was deployed with a tool that allowed employees to disclose their names or, if they preferred, to remain anonymous. At the end of the survey, employees also had an opportunity to answer open-ended questions and provide customized feedback of their choice.

While many employee surveys receive responses from less than two-thirds of employees, Conterra received a very healthy 82% response rate. This is a very healthy percentage and provides statistically significant data. Initial reviews indicated that Conterra is doing well, and that employees are overwhelmingly positive about their experience at Conterra. However, there are areas where we do less well and where improvement is needed.

In the first quarter of 2023, the company presented the data to leadership and developed communications and other follow up plans in response to the feedback received from employees. Conterra also formed an Employee Action Committee (EAC), whose charter is specifically to take the feedback received through the employee survey and turn it into actionable initiatives. Through the EAC's work, Conterra introduced numerous employee recognition initiatives, enhanced employee communications by reinvigorating and improving a comprehensive monthly employee newsletter, as well as serving as a vehicle for enhancing the exchange of information to and from management.

Conterra then conducted its second annual all-employee survey in the fall of 2023. While the response rate (~63%) was lower than for 2022, it is still indicative of solid employee interest in the survey. Conterra also added a net promoter score feature to the survey and received an overall positive employee rating of 8.2. While are pleased with this positive rating, our goal is to see that number improve over time as Conterra continues to strive to be an employer of choice in its various markets.

Conterra also continues to make improvements in its employee onboarding experience for new team members. Conterra is strongly committed to an excellent new employee onboarding experience, and while there is always a certain amount of administration associated with any employee onboarding,

Conterra is striving to include other significant enriching content to new employees such as role specific information for particular employees as well as cultural (e.g., ethics policy) and compliance (e.g., training on crucial industry requirements relating to protection of Customer Proprietary Network Information and training on the requirements of Conterra's "Team Telecom Letter of Agreement" requirements) content. We want new employees to feel both welcomed and prepared to succeed on day one!

Inclusion, Equity, Diversity

On the Inclusion, Equity, and Diversity front, Conterra has a diverse workforce overall but is constantly looking for opportunities to increase representation of talented women and minorities across the spectrum of our employee base. Targeted recruiting and use of agencies specializing in recruiting underrepresented groups are just two of the more prevalent recruiting strategies used at Conterra. In addition, ensuring fairness in compensation is another key people priority for Conterra, and in 2023, we engaged in a significant gender gap review across Conterra to help discover and address any pay gap issues.

Moreover, Conterra continues to focus on building a highly inclusive and team-oriented culture. We believe that the chief enabler of Teamwork, one of our core values, is inclusiveness. We value differences and believe that teams perform optimally when they are composed of individuals with differing backgrounds, beliefs, experiences, and expertise – especially when the teams are governed by an overarching belief that others must be welcomed and treated with mutual trust and respect, even when others are different from ourselves. This is the spirit we are trying to foster at Conterra and are committed to building the inclusive and diverse workforce of the future.

Employee Handbook

Conterra prepared a new employee handbook in 2022. The handbook sets forth policies that cover a wide variety of employee and employment issues ranging from ethics to communications, harassment, diversity and inclusion, safety, environmental responsibility, etc. The handbook went into effect on December 31, 2022.

As 2023 progressed, Conterra identified ordinary course of business changes that needed to be made to the handbook. We also identified new policies, such as our Supply Chain ESG Policy, and additions to other policies such as our enhanced an enhanced Forgeries and Falsifications section of the Ethics Policy.

Community Relations

Conterra also continues to believe that being an active positive contributor to local communities is a defining part of our success. It's critical to be well-known and positively perceived in the markets we serve. That combined with our overall desire to give back leads Conterra to actively participate in numerous diverse community activities ranging from support to local youth sports, to local chambers of commerce, food banks and food drives, etc. Conterra is also striving to include the community as part of its team building activities, and we look forward to sharing more details on that over time.

Health & Safety

Conterra has made significant progress in advancing employee safety initiatives. In late 2022, the company's safety function moved under the leadership of Conterra's Human Resources group and began developing a focused improvement strategy. In 2023, Conterra's safety department deployed numerous training programs to the entire company, such as driving safety, which affects every employee. Conterra also has increased the amount and formality of targeted training for safety sensitive functions such as forklift and bucket truck operators. We also began an initiative to report and learn from "near misses" and have implemented a company-wide physical on-site/worksites inspection process. While work remains, we are excited about the enhancements to and investments in the safety program at Conterra.

* * *

Looking Forward and Closing Thoughts

Conterra looks to build on the momentum we have created by adding some veracity to its policies and delivering on the goals we have set. Conterra is people-powered and as such will continue to focus on the issues that are most relevant to our employees, customers, and stakeholders. We will need to be innovative and forward-looking to build our efforts for the future.

Our key focus areas as we move forward will involve fully developing our emissions reductions strategy and setting precise emissions targets to track our progress towards our 2030 interim emissions target and eventually to a net zero carbon emissions future, a goal to which Conterra is committed. In addition, we will be implementing formal ESG Management Systems in line with ISO requirements and covering key areas such as environmental management and employee safety. Our goal is to further ingrain ESG principles into our culture and the day-to-day management of the company.

We cannot tell you what tomorrow will bring, but we can commit to being good stewards, with a people-centric mindset with a strong foundation for our business – and above all, a commitment to do the right thing and to continuously move forward.