

2023

Sustainability Report



lumos Internet
built for
the future™

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Introduction

Together, we can make a lasting impact on the environment, our society, our communities, and the future of telecommunications through our fiber technology and industry leadership.

We are pleased to present Lumos' second annual sustainability report.

As a 100% Fiber Optic Internet provider, we aim to drive positive change and progress within our communities and the telecommunications industry as a responsible environmental, economic, and social steward.

In the following pages, we provide a transparent account of our sustainability performance, celebrate our achievements, and acknowledge the areas where we can improve. This annual document anchors our business practices and plans, allowing us to reach our aggressive growth goals.

Lumos' rapidly growing network today reaches more than 320,000 residences and businesses across North Carolina, South Carolina and Virginia, extending over 7,500 miles. We aim to reach one million households with our 100% fiber optic network by 2026. In the coming years, we will announce expansions in new states and new markets. Our multi-million-dollar commitment is changing hundreds of thousands of lives with the impact of fiber connectivity.

We believe the demands of tomorrow cannot be built on the infrastructure of today. That is why we are building a new network from the ground up. Fiber is internet innovation – for consumers and the environment. Fiber is made of sustainable materials, requires less energy, and reduces the release of greenhouse gas emissions compared to legacy technologies such as copper and cable. Additionally, fiber has nearly unlimited data capacity and speed, making it reliable and ready for whatever the future holds.

The following details our commitment to the future by outlining the initiatives we have undergone to minimize our environmental impact, foster progress, and ensure long-term business health. This analysis, paired with future reports, will serve as a marker of accountability for our business.

In our inaugural report, we performed a materiality assessment to identify the most critical issues to our stakeholders regarding our sustainability efforts. In this report, we will expand on the impacts we have made in each area as we continue to align our business priorities with our stakeholders' values and expectations to grow successfully and sustainably.

The following themes were identified as high priority for Lumos and have been a core focus for our company:



Data Security



Customer Privacy



Local Community Engagement



Mitigating Systemic Risk



Diversity and Equal Opportunity



Letter from Brian Stading

Looking back on 2023, it was another year of tremendous growth, successes and milestones for Lumos.

In 2023, we successfully passed 114,612 new addresses, expanding our services to nearly 37 counties across the Mid-Atlantic. We successfully signed a \$1.1B sustainability-linked infrastructure financing to fund our ambitious fiber roll-out plans and refinance existing indebtedness, representing the first-ever financing facility of its kind in the US. Our team also grew by 136 new full-time employees.

Social and environmental initiatives remain at the core of Lumos while driving business growth. Our aim for sustainable development focuses on creating digital equity to promote social progress. We understand the critical nature of high-speed internet today in providing access to things like telehealth, learning, remote work, and more. We are working diligently to bridge the digital divide by bringing 100% fiber internet services to communities that have previously lacked access.

Our expansion plan is ambitious, as we aim to bring fiber to hundreds of thousands more homes in the coming years. In 2023 alone, we laid 1,617 miles of fiber, enabling service for 114,612 new residences and businesses, helping to strengthen the local economies. I'm pleased to announce our initiatives have been acknowledged through the awarding of approximately \$7 million in public grants and funding.

Community events and initiatives like the "Borderless Classroom" Pilot in Guilford County have shown our dedication to educational access, while partnerships with organizations like the Virginia Telecommunications Initiative (VATI) and the GREAT grant program exemplify our efforts to bring high-speed internet to unserved and underserved areas.

We are committed to continuous improvement and expansion as we look to the future. By 2026, we plan to reach 1 million new households with our 100% Fiber Optic Internet, convert our copper network to 100% fiber, and engage with our communities to address the digital divide meaningfully.

I would like to express my heartfelt gratitude to our dedicated employees, our customers, and our community partners. Together, we are building a more connected and sustainable world where all have access to internet built for the future.

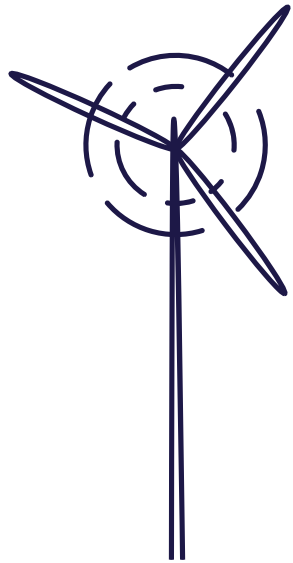
A handwritten signature in black ink, appearing to read "B. Stading". The signature is fluid and cursive, with a long horizontal line extending to the right.

Brian Stading, CEO

By the Numbers

114,612

new addresses
passed in 2023.



Serving nearly

37
counties

across the
Mid-Atlantic.



481 full-time employees.



3,245 underserved/unserved passed.*



1,617 miles of fiber laid.



136 new full-time employees hired.



30,191 small and medium sized
businesses passed.



~\$7M in public grants and funds awarded.

*based on the FCC definition for underserved/unserved

Social

For Lumos, sustainable development can be achieved by creating digital equity to ensure social progress. This section will shed light on our initiatives to support local communities and bridge the digital divide through the power of fiber internet.

From our materiality assessment, stakeholders evaluated social causes compared to environmental and governance topics. Of those selected by our stakeholders, data security, customer privacy, local community impact, and diversity were of the highest importance.

In the coming years, we will bring fiber to hundreds of thousands more homes and invest significantly in our communities via sponsorships, partnerships, and engagements, showcasing our commitment to our customers and their communities.

In 2023, we passed 114,612 new homes. Of those 3,245 qualified as underserved communities.* We expect

those numbers to soar as we progress through our five-year expansion plan. Many, currently served over copper wires, will receive fiber internet service, with some receiving service as a direct result of a federal or state grant.



*based on the FCC definition for underserved/unserved



President Biden understands that high-speed internet is a necessity to work, learn, and play in today's digital landscape. That's why the Biden-Harris Administration is investing more than \$2.8 billion to ensure communities and families in North Carolina have access to high-speed internet.

Today we're thrilled to see Lumos invest in expanding internet access to almost 40,000 people in Alamance County; that means 40,000 children who can more easily complete homework or 40,000 more patients who can access telehealth appointments."

- Asad Ramzanali

Chief of Staff for the White House Office of Science and Technology Policy



“ We thank NCDIT’s Broadband Infrastructure Office for accepting Wayne County’s GREAT grant application with Lumos Fiber. This announcement is truly exciting for the County as we not only expand access to high-speed internet, but we expand service for generations to come using grant funding. We will continue to work on broadband expansion and apply for grants to ensure that children are able to learn, businesses can flourish, and residents are connected.”

- **Barbara Aycock**

Chairwoman, Wayne County Board of Commissioners

We are actively working in the following counties to bring fiber internet to underserved populations:

- **Orange County, N.C.**
6,400 households by the end of 2025
- **Botetourt County, V.A.**
3,000 households by Q1 2025
- **Randolph and Alamance County, N.C.**
2,500 households by Q1 2025
- **Guilford County N.C. (GREAT Grant)**
287 locations by Q3 2025
- **Durham and Wayne Counties, N.C. (GREAT Grant)**
1,200 locations by the end of 2025
- **Spartanburg County, S.C. (CPF Grant)**
698 locations by the end of 2024

We are proud to receive funds and support from the Virginia Telecommunications Initiative (VATI). The organization extends broadband service to underserved areas in the state by preparing communities to build, utilize and capitalize on broadband service.

The Growing Rural Economies with Access to Technology (GREAT) grant program provides matching grants to internet service providers [and electric membership cooperatives] that may partner with individual counties to compete for funding to expand high-speed internet services to unserved and underserved areas of the state.



Data Security

Customer Obsession

Customer service is at the heart of our business. Every day, we strive to resolve issues, listen to customer concerns and take the steps needed to improve our customer experience.

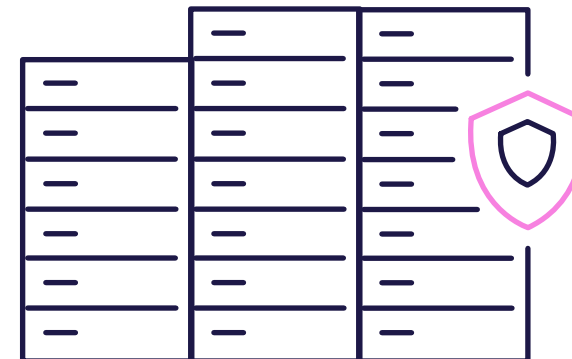
Routine analyses are performed to understand our process, training, and education needs for the sales and customer service teams. From entry-level to senior leadership, our entire team constantly works to improve the customer experience and our industry-leading net promoter scores (NPS) show it.

Cybersecurity is a growing concern for Americans, particularly as our society grows more dependent on the digital economy.

In the materiality survey, our stakeholders highlighted customer privacy and data security as key priorities. Customer privacy is defined as “effective management of customer data such as personal, demographic, content and behavioral data to reduce privacy data.” Lumos is proud to report that we don’t allow third-party providers to resell our customer data as it relates to any of the customer data defined above.

Data security is defined as “effective management of growing data security threats from cyber-attacks, ensuring data privacy for the employees and customers.” The Lumos team consistently ensures customer experience is as secure as possible. We use the latest technology to ensure customer data is backed up, and preserved in a way that cannot be altered, deleted, or exposed.

Our team of in-house and external data security specialists reduce the possibility of data exfiltration by ensuring our networks are segmented so that only necessary systems can communicate and share data. The company enlists the help of outside experts and security firms for day-to-day security activity, ongoing assessments, periodic penetration tests and tabletop exercises to ensure our practices and procedures are up-to-date and effective. In 2023, Lumos completed a penetration test and incident response exercise that validated our current operations.



Community

Lumos is a company that values serving the communities where our customers and employees live, work and play. We encourage our employees to be outstanding citizens by giving back to their local communities.

In 2023, Lumos was pleased to have been selected as the Technology & Data Institute's (TDI) broadband partner for the "Borderless Classroom" Pilot in Guilford County Schools, making Lumos the in-home high-speed internet provider for over 900 students across the county.

In June 2023, TDI sought proposals for a pilot program to bring broadband service with minimum speeds of 100Mbps x 20Mbps to student's homes by the fall of 2023. Lumos' proposal of its 500Mbps x 500Mbps service, Total Home Wi-Fi and dual SSID support for the school systems' educational network greatly exceeded the requirements.

After a competitive process, TDI awarded Lumos the opportunity to provide the pilot services to students. The total funding secured (through two grants) totals \$3.5M and will provide high-speed internet service to student's households for three school years.

"In the digital age, it is critically important that all K-12 students have access to the internet to participate in online learning. I was proud to secure federal funding for the Technology Data Institute, and I'm pleased to see Lumos partner with TDI to launch this transformative program, which will initially deliver high-speed internet to 1,000 households in High Point," said Congresswoman Kathy Manning (NC-06). "This program will bridge the digital education divide, improve equitable outcomes in education for low-income homes, and set the standard for the future of broadband initiatives."

In 2023, Lumos hosted six interns from our local communities representing different areas of the business, including Market Development, IT, Human Resources, Operations and Finance. In the same year, Lumos was recognized as a recipient of the



2023 Top Virginia Employers for Interns Awards, an annual award that recognizes Virginia employers who provide high-quality internships for students.

During Lumos' celebration of the launch of fiber services in Mebane, NC, East Carolina University student entrepreneur Elizabeth LaFave was honored with a \$1,500 grant for her company, Invenire. Through its Invenire App, Invenire provides a digital platform to rural museums and libraries that organizes, digitizes, and advertises archival content. The platform connects museums with a broader audience, showcasing the internet's ability to educate and connect. Invenire will work with the Mebane Historical Museum to digitize its core exhibits to reach more North Carolinians and future generations.

"Our future goal is for Invenire to be viewed as a digital learning resource, reinforcing the importance of small museums and libraries," said Lafave. "Our partnership with Lumos is a vital building block in our aligned mission for digital equality."

Lumos DEIB Mission Statement:

At Lumos, we believe the world will be a better place when it's covered by a 100% Fiber Optic Network. We also believe that diverse teams fuel the ideas required to ensure success for our customers today - and tomorrow. Our efforts change people's lives.

Diversity

Diverse teams fuel creativity, ideas and problem-solving to ensure success for our company and communities. As we expand, attracting high-performing employees and creating impactful teams is crucial to meeting our goals.

We believe that diversity in race, ethnicity, gender, socio-economic background, and more are essential factors when considering our workplace's makeup.

In 2023, Lumos expanded on the Diversity Equity Inclusion and Belonging (DEIB) Group. The team reviewed and recommended training, evaluated what would be required to support various employee engagement events and planned for the annual transition to the next group of DEIB members.

Lumos introduced new DEIB training initiatives to enhance inclusivity and respect within the workplace. In the training, employees explored the fundamentals of DEIB, including the impact of unconscious bias, the importance of diverse perspectives, and strategies for

creating a culture of inclusion. Employees learned about best practices for promoting equity and belonging in the workplace and how leaders can support DEIB initiatives.

In 2023, over 70% of our workforce completed DEIB training. In 2024, the DEIB group will offer additional training (1 per quarter) to all Lumos employees. As we increase training opportunities, our goal is that 100% of our employees complete at least one DEIB-focused course annually.

In 2023, we ensured all job postings were available across diversity-targeted job boards with over 11,000 views from diverse groups and 635 applications received. Utilizing relationships with technology-based vendors to augment our talent acquisition and management has greatly increased our reach to diverse groups.

We're thrilled to have a team of employees with various backgrounds, talents, and qualities, both evident and subtle. We aim to build an inclusive work environment that celebrates our differences and ensures everyone feels valued, respected and empowered.

DIVERSITY BY THE NUMBERS

29% of our board members identify as women.

30% of our senior leadership team identify as women.

21% of our extended management team identify as women.

37% of Lumos employees identify as women.

Environmental

As we build a 100% fiber optic network, we must act as responsible corporate citizens to preserve and maintain the health of our communities. We recognize the pressing need to combat climate change and reduce our ecological footprint.

In our 2022 survey of stakeholders, energy management ranked the highest, with waste management and emissions coming in second and third, respectively. In 2023, Lumos is happy to report we secured renewable energy certificates (RECs) to offset our non-renewable energy consumption. A renewable energy certificate or REC is a market-based instrument that represents the property right to the environmental, social, and other non-power attributes of renewable electricity generation. RECs are issued when one megawatt-hour (MWh) of electricity is generated and delivered to the electricity grid from a renewable energy source.

We are constantly looking for ways to become more efficient in energy use. Fiber technology is more energy efficient compared to service historically provided over copper wires. It also requires far fewer materials to manufacture and lasts longer, making it a more environmentally friendly option for customers looking to decrease their carbon footprint.

In addition to energy management, waste management was ranked second in importance. With that in mind Lumos encourages all customers to opt into receiving electronic billing statements and will continue to focus on reducing paper consumption. We are proud of the progress we have made this past year and are eager to continue the trajectory.

2022
2023

23% of customers are receiving electronic bills

45% of customers are receiving electronic bills



Governance

Economic performance and business health have been and always will be top priorities for the company. Every Lumos employee plays a crucial role in managing economic performance, alongside the Board, Audit Committee, and our equity partner.

This collaborative initiative focuses on the successful implementation and supervision of the ESG strategy established by the management team.

The Board has embraced the finest governance practices of corporate entities, complete with robust audit and compensation committees.



Audit Committee

The Board established the audit committee to carry out duties that include:

- Overseeing the integrity and accuracy of the company's financial statements.
- Ensuring compliance with legal and regulatory requirements.
- Recommending the company's independent auditors, pre-approving all audit and non-audit services to be provided and establishing fees to be paid to the independent auditors. Continuously monitoring the independence and performance of auditors.
- The authority to supervise, examine, and implement corrective measures concerning any complaints submitted via the company's whistleblower program or through comparable means.
- Overseeing the company's Environmental, Social and Governance (ESG) issues, including oversight of the company's ESG policies and procedures as established by management.
- Overseeing cybersecurity issues including oversight of the company's cybersecurity policies and procedures as established by management.



Since its inception, evolving into a publicly traded entity and now a private company under EQT's ownership, Lumos has prioritized customer satisfaction, employee well-being, and shareholder value. Traditionally, the focus for owners has been on maximizing financial ROI. However, under the influence of EQT, our lenders, and other similarly-minded investors, this outlook has broadened. Lumos is committed to cultivating an environment where sustainability, inclusion, community involvement, and diversity of thought are core elements of our ESG strategy. Thanks to our commitment to continuous improvement, we have successfully integrated these principles, already yielding significant results as we continue to evolve our ESG strategy.”

- **Richard Ruben**

Board of Directors & Audit Committee Chair

Employee Commitment

Our employees are our strongest asset. Without the teams out in the field, in our corporate headquarters, or those working remotely across the country, we would not be able to achieve our mission to bring a 100% Fiber Optic Network to communities across the Mid-Atlantic and beyond.

Our goal is to provide the best, most technologically advanced products, and services available, supported by knowledgeable, motivated individuals who seek to exceed customer expectations.

We value the work ethics that each of our employees brings every day. Our progressive work culture celebrates constant innovation, change and disruption in the hopes of building a brighter tomorrow. Employee physical, mental and emotional health is of the utmost importance. Our benefits exceed national benchmarks, helping employees stay healthy, feel secure and maintain work-life balance.

We are proud of our industry-leading employee retention rates. Additionally, the most recently reported (2022) National Total Recordable Incident Rate from the Bureau of Labor and Statistics for wired telecom companies was 2.5. Lumos is proud to report we are less than half of the national average in our space.

Employee safety is of the utmost importance. We ask all employees to participate in regular training relevant to their job descriptions. In 2022, nearly 100% of eligible employees completed trainings for defensive driving, forklift operation and First Aid/CPR/AED, allowing reportable incidents to be minimal. In 2023, we continued this training as certifications expired.

In addition to the programs above, in 2023, we started in-house OSHA 30/10 certification training through OSHA's Outreach Training Program. This training enhances the safety knowledge of our frontline teams. It moves us closer to our goal of recognition through OSHA's Safety & Health Achievement Recognition Program (SHARP), for companies that operate exemplary safety and health programs.

Anti-corruption

With the launch of our new brand, we refined our employee code of conduct to include new tactics, such as our whistleblower hotline and anti-corruption training, that will improve our transparency and operations. We expect all our employees and Board members to know and follow the Code.

For those not following the Code, we have a whistleblower hotline provided and operated by an independent third party to ensure anonymity. The Board of Directors' Audit Committee is anonymously notified of whistleblower hotline inquiries and takes action accordingly.

To submit a report, you can find the form located at www.fraudhl.com

Looking Ahead



By 2026, we plan to reach

1 million

with 100% Fiber Optic Internet, passing ~125,000 new homes in 2024.



Build 18,000 more miles of fiber.



Convert our copper network to **100% Fiber Optic Internet** by 2026.

(At the end of 2023, ~95% of our copper network has been converted to Fiber Optic Internet.)



Engage with communities meaningfully and partner with organizations that address the digital divide.



Ensure **equitable access** to ultra-fast internet by partnering with local, state, and federal programs.