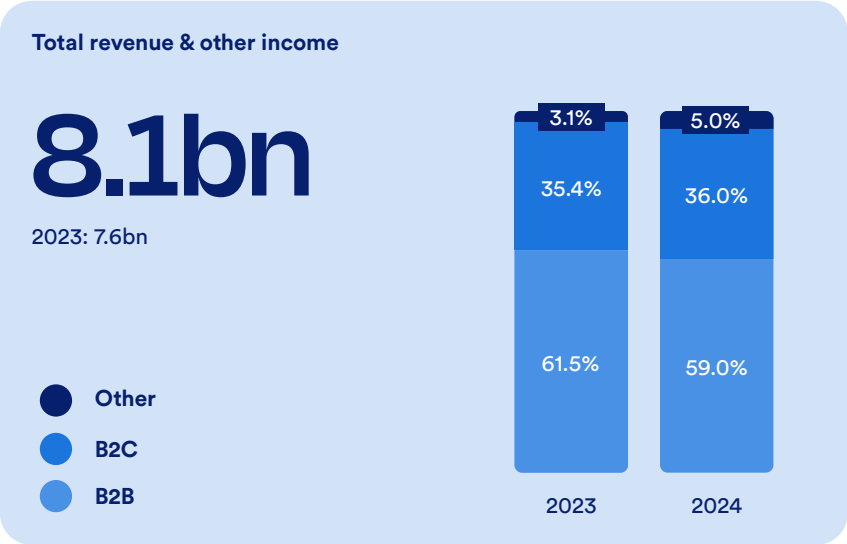


Annual & Sustainability Report 2024

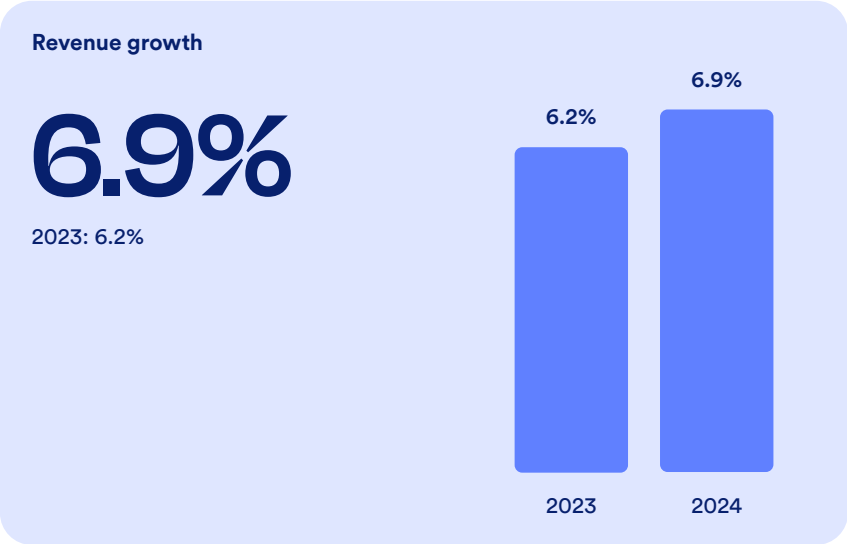
Building the Digital Future

Performance Highlights

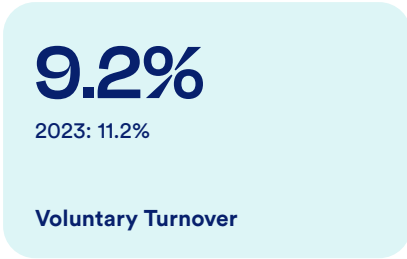
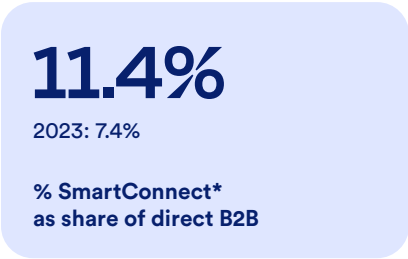
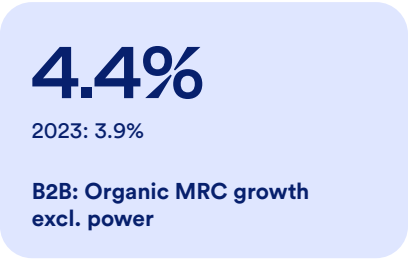
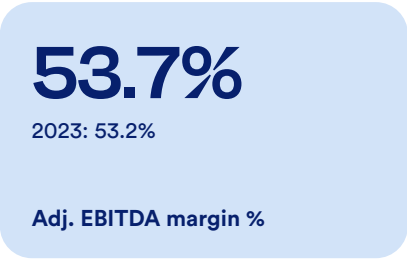
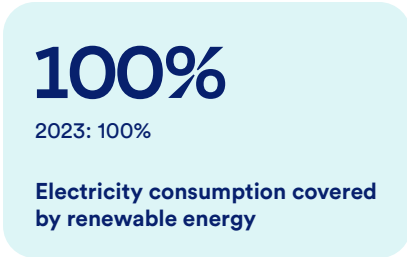
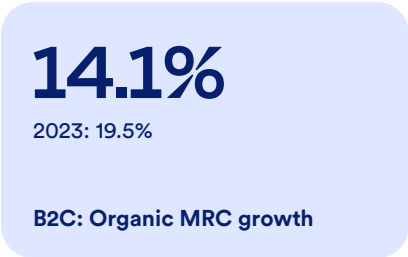
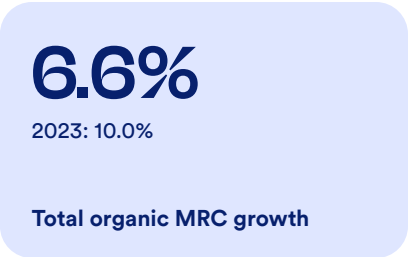
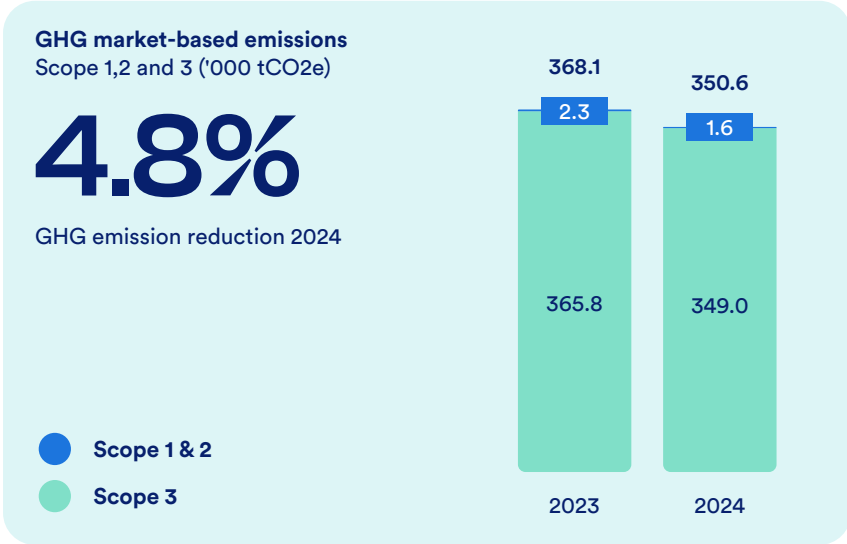
Financial



Performance



Sustainability



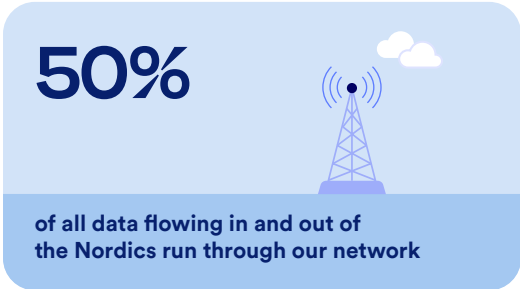
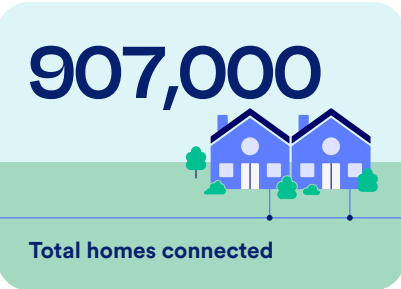
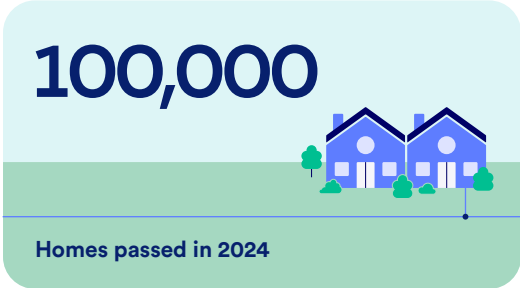
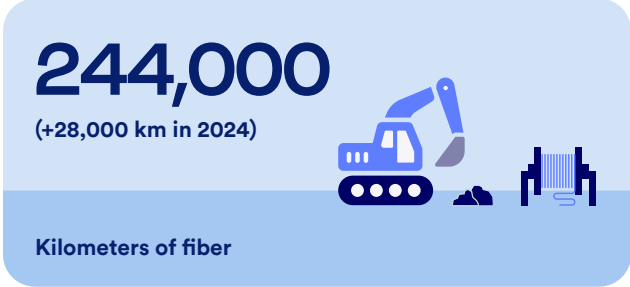
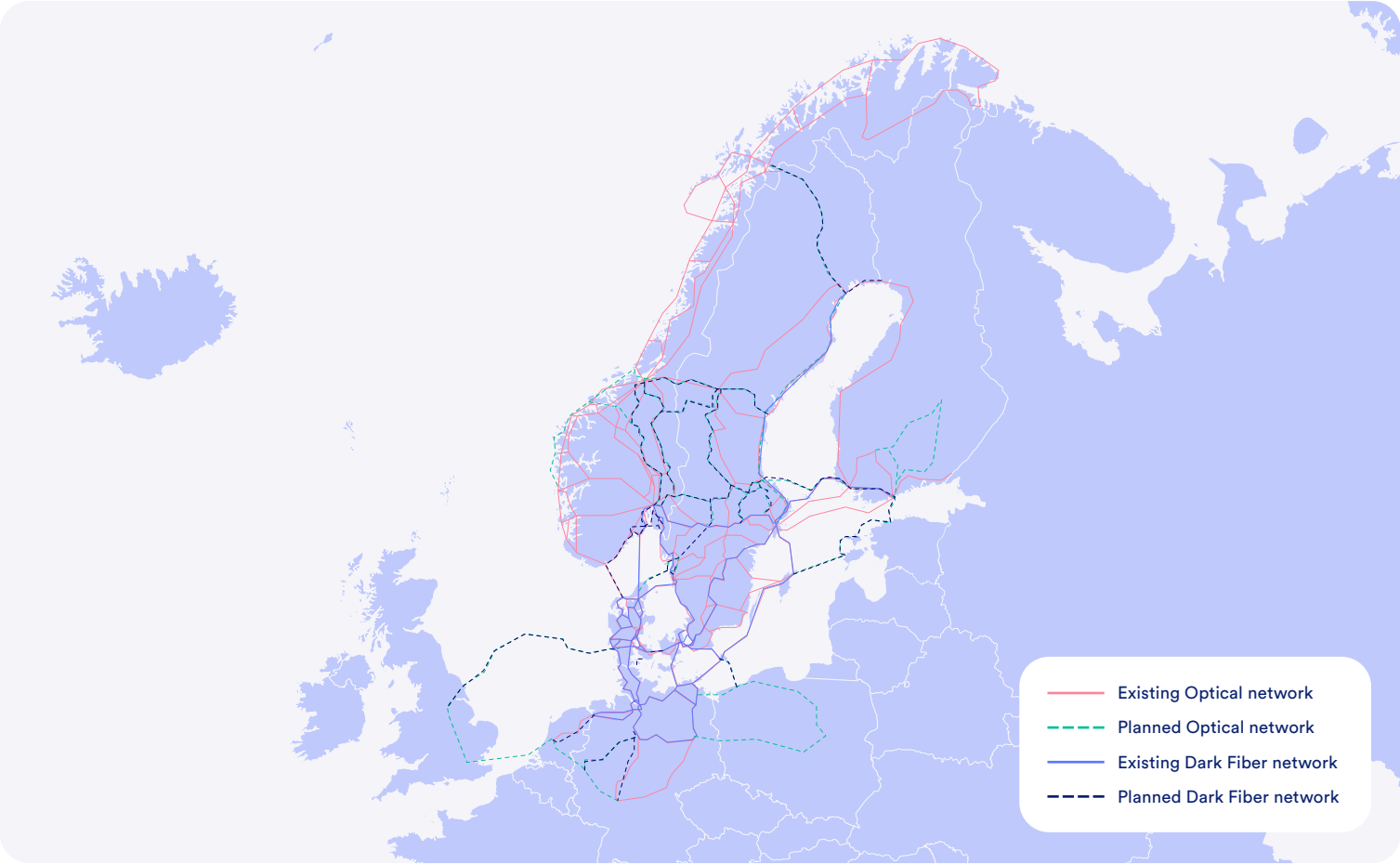
*SmartConnect is our integrated connectivity solution that consolidates various network and IT services into a single, manageable platform with embedded security services, providing businesses with a secure, scalable, and user-friendly network environment.

Our Footprint

The Largest Fiber Network in Our Region

GlobalConnect* is one of the leading digital infrastructure and data communication providers in Northern Europe, having the largest interconnected fiber network in the region.

We like to call ourselves the gateway to the Nordics. Our backbone network connects to local networks and data centers in Denmark, Finland, Norway, Sweden, and Germany, enabling a strong local presence with global reach.



*With Nordic Connectivity AB as the parent company of Nordic Connectivity Group, referred to as GlobalConnect

01

This is
GlobalConnect

CEO Letter	6
Strategy and Business	8
The Time is Now for Digital Infrastructure	9
Strategic Ambition and Growth Platform	11
Our Business Model	16
Strategy	19
2024 in Review	21
Corporate Governance	22
Corporate Governance in GlobalConnect	23
The Board of Directors	24
The Corporate Leadership Team	28

02

Sustainability
Statement

Introduction to Sustainability	31
ESG Champion Letter	32
Overall Sustainability Approach and Achievements	33
General disclosures	35
General Basis for Preparation of the Sustainability Statement	36
Sustainability Governance	37
Double Materiality Assessment	38
Value Chain	41
Overview of Material Sustainability-Related Impacts, Risks, and Opportunities	42
Stakeholders	46
Environment	47
Climate Change and Mitigation	49
Environmental Impact Stories	56
Social	58
Own Workers	60
Social Impact Stories	66
Governance	68
Governance Practices and Policy	70
Governance Impact Stories	73
Auditor's opinion	74
Appendix	76

03

Financial
Statement

Board of Director's Report	85
Financial Statements for Group	88
Notes for Group	93
Financial Statements for Parent	129
Notes for Parent	134
Auditor's Report	140

01 This is GlobalConnect

CEO Letter	6
Strategy and Business	8
The Time is Now for Digital Infrastructure	9
Strategic Ambition and Growth Platform	11
Our Business Model	16
Strategy	19
2024 in Review	21
Corporate Governance	22
Corporate Governance in GlobalConnect	23
The Board of Directors	24
The Corporate Leadership Team	28



CEO LETTER

Accelerating Growth and Connectivity: A Landmark Year for the Nordic Digital Infrastructure

8.1bn

2023: 7.6bn

Total revenue (SEK)

4.8bn

2023: 5.8bn

Capex (SEK)



At GlobalConnect, our mission is to deliver critical digital infrastructure that enables businesses, connects communities, and supports society’s digital transformation. In 2024, we upheld this commitment, meeting the growing demand for high-speed, reliable connectivity and further future-proofing our infrastructure while driving strong business performance.

Strengthening the Digital Gateway to the Nordics

The expansion of our fiber infrastructure has given it unparalleled reach and in 2024, we also strengthened our backbone infrastructure by finalizing new digital highways, adding more redundancy and resilience. A key highlight was the completion of the largest Nordic digital infrastructure project in a decade: a 2,600 kilometer super fiber cable connecting Northern Sweden to Berlin. This milestone project will serve as a crucial digital gateway between Europe and the Nordics for decades to come, and the timing of the completion couldn’t be better.

Critical infrastructure emerged as a pressing global concern in 2024, highlighting society’s growing reliance on our digital backbones. This shift was driven by the rise of hybrid warfare amid ongoing geopolitical tensions. The year saw several disruptions to subsea cables in the Baltic Sea, alongside an alarming increase in cyberattacks.

In response, the market demonstrated an increased awareness of the critical importance of connectivity. Businesses have increasingly invested in redundant solutions to safeguard their operations. Where a mobile router might once have sufficed as a backup, even smaller and mid-sized companies now opt for three independent fiber lines, often adding a fourth for additional redundancy.

The Growth Story Continues

This increasing demand for resilient and secure connectivity fueled our growth in 2024. As organizations prioritize robust digital infrastructure, our role as a trusted partner has only strengthened. Therefore, we are proud to announce an organic revenue growth of 5.8% in 2024, achieving a total revenue of SEK 8.1 billion. Our monthly recurring revenue also increased by 6.6%, highlighting our strong ability to deliver consistent value to our customers. This growth was mainly driven by the private household segment, where recurring revenue rose by 14.1% during 2024. Additionally, we achieved an adjusted EBITDA growth of 10%, reflecting our ability to drive profitability alongside revenue expansion.

Our growth was underpinned by a SEK 4.8 bn investment, which expanded our footprint by an additional 28,000 km of fiber routes, bringing our total network coverage to 244,000 km across Norway, Finland, Sweden, Denmark and the Northern part of Germany. This expansion increased the

capillarity of our network and enabled us to pass an additional 100,000 homes in the Nordics, leading to a total of 730,000 active households. And in the professional segment we have 97,000 active business locations.

In Finland, we gained significant momentum in 2024, connecting an impressive 10,000 new homes and reaching a total of 11,000. With fiber technology still in its early adoption phase in the country, we see tremendous potential to drive digital transformation by delivering high-speed, reliable connectivity.

Advancing Security and Innovation

At GlobalConnect, our top priority is to ensure seamless connectivity and smooth digital experiences every day across all the countries we operate in. But we also aim to make a more lasting impact by shaping the future of infrastructure in our region.

Over the years, we’ve grown significantly, transforming from a collection of national units into a true regional player with a vast pan-Nordic footprint. This growth and change in our organization has given us the scale, expertise, and resources to adopt a broader, international perspective on the development of infrastructure and resilience in our region.

In 2024, this led us to actively engage in quantum technology research. While quantum computers promise breakthroughs in solving complex problems, their extraordinary computational power could also render current encryption methods obsolete. To address this, we hired more specialist resources and collaborated with ministries and universities to establish Denmark's first quantum-safe communication network.

Another new risk to the digital infrastructure that emerged in 2024 was the rise in incidents of suspected sabotage targeting subsea infrastructure. In response, we heightened network surveillance, intensified readiness within our Network Operations Center, and established close collaboration with relevant authorities across all Nordic countries. Furthermore, we took decisive action by initiating a pioneering pilot project that tests more advanced monitoring solutions.

Positioned for Sustainable Growth

While our fiber technology is already among the most sustainable options for delivering connectivity, we remain committed to reducing our environmental impact. We are proud to be on track with our near-term Scope 1 and 2 emissions targets and to have already met our 2030 Scope 3 target, underscoring our commitment to sustainability across our operations.

One of the projects that led to substantial progress in 2024 was our decommissioning of a vast amount of legacy systems, devices, and servers. This initiative not only reduced energy consumption and emissions but also enhanced network resilience, improved security, and lowered costs, demonstrating the dual benefits of efficiency and sustainability.

A Unified Nordic Vision

A few years ago, we implemented a joint Pan-Nordic operating model with one integrated organization, and we are now on a transformative journey to cultivate a unified, cross-border culture. Having moved beyond nationally siloed operations, our focus is now on making this model fully operational, ensuring seamless, scalable, and future-proof solutions that drive greater value and growth.

In 2024, we achieved significant progress, with teams increasingly thinking, acting, and operating as one cohesive unit. I have no doubt that our history of growth and success is rooted in the strength of our people - competent, agile individuals with a strong sense of urgency and a passion for action. It's in our DNA to continuously explore new growth opportunities and act on them with speed and precision.

A prime example of our agility and ability to seize growth opportunities is our rapid expansion in Finland in 2024. This success was driven by strong support from our Swedish team, who leveraged their fiber rollout expertise and successfully applied Sweden's commercial playbook to the Finnish market.

As we reflect on 2024, it is clear that our collective efforts and unwavering commitment have positioned us as a key player in securing and advancing the region's digital infrastructure. We have demonstrated resilience in the face of new challenges, innovation in leveraging emerging technologies, and a unified spirit across our Pan-Nordic organization.

Looking Ahead

Since becoming a Nordic company in 2020, we have consistently invested more than we earned, peaking at over SEK 9 billion in 2022. While investments will remain high, Sweden and Norway's maturing private household markets require less expansion. As we leverage past investments, we expect to gradually reduce capital expenditure and increase scale effects.

Over more than 25 years of continuous investment, we have built the leading independent fiber infrastructure platform, securing our market leadership. With its unparalleled reach and capillarity, our network is difficult to replicate, and provides a strong foundation for continued growth in our established markets.

In 2025, we anticipate a key milestone: for the first time, earnings will surpass investments, reflecting increasing revenues. Looking ahead, we remain focused on driving sustainable growth, strengthening our partnerships, and continuing to deliver exceptional value to our customers. As we embark on 2025, I am confident that our talented teams, bold ambitions, and shared vision will enable us to navigate the future with purpose and determination.

Thank you for your trust and support on this journey. Together, we will continue to shape a more connected, resilient, and innovative tomorrow.



"I have no doubt that our history of growth and success is rooted in the strength of our people."

CEO, Martin Lippert

Strategy and Business

The Time is Now for Digital Infrastructure	9
Strategic Ambition and Growth Platform	11
Our Business Model	16
Strategy	19
2024 in Review	21



STRATEGY & BUSINESS

The Time is Now for Digital Infrastructure

The Outlook for the Digital Infrastructure Industry is Both Promising and Pivotal

As digital connectivity becomes ever more critical to the functioning of modern society, our core products play an increasingly essential role for individuals, businesses, and society as a whole. With data traffic projected to grow exponentially in the coming years, the demand for secure, reliable, and future-ready infrastructure is set to rise, driving significant opportunities and challenges to security and economic resilience.

Increasing Political Attention on Digital Infrastructure

Political Attention on Digital Infrastructure in 2024

In 2024, digital infrastructure emerged as a central topic of global importance, highlighted both by its immense potential and the growing threats against it. Geopolitical tensions, particularly those linked to conflicts in Eastern Europe and broader international challenges, underscored the need for robust and secure digital networks. Hybrid warfare tactics aimed at creating fear and uncertainty increasingly targeted critical infrastructure, further emphasizing its strategic importance. From rising concerns over cyber threats to the physical sabotage of undersea cables (though none belonging to GlobalConnect), it became evident that digital connectivity is no longer merely a business asset - it is now a cornerstone of national security and economic resilience.

Strengthening Preparedness in the Nordics

The Nordic region responded decisively to these challenges, as well as to the growing impacts of extreme weather, by prioritizing defense, societal resilience, and safeguarding critical functions. In Denmark, a new Ministry for Preparedness and Societal Resilience was established to address these concerns, including the protection and advancement of digital infrastructure. Sweden took a significant step forward with a record €44.6 million in funding from the EU's Connecting Europe Facility to enhance its digital infrastructure and connectivity. Finland and Sweden's historic entry into NATO in 2024 further solidified the region's security framework. For the first time in centuries, all Nordic countries are aligned in a military alliance, paving the way for closer cooperation on defense and security, including the protection of critical infrastructure.

The EU's Call for a Digital Leap Forward

At the European level, Mario Draghi's landmark report highlighted the pivotal role of digital transformation in securing the EU's global competitiveness. Draghi emphasized that enhancing digital infrastructure is not only essential for economic growth and innovation but also for maintaining geopolitical stability. Policymakers across Europe echoed this sentiment, recognizing the foundational role of secure and accessible connectivity in ensuring the region's resilience and prosperity.

A Collaborative Path Forward

As 2024 has shown, digital infrastructure is no longer just a technical necessity - it is a strategic imperative. Addressing these challenges demands close collaboration between the public and private sectors. Encouragingly, we see a growing recognition among governments, businesses, and stakeholders of their shared responsibility to build resilient digital ecosystems. Looking ahead, we anticipate even greater support and collaboration with authorities to secure and futureproof digital infrastructure across Northern Europe in the years to come.

STRATEGY AND BUSINESS

The Nordic Connectivity Market Is Evolving With Rising Digital Demands

Internet Connectivity Is Becoming Ever More Important to the Nordic Population

The rapid growth in internet consumption highlights that fast internet is now a critical utility, almost comparable to water and electricity. As we store memories in the cloud, work from any device, and consume higher-quality video streams for work and entertainment, both the number of devices and traffic demands continue to rise—and this trend shows no signs of slowing.

In addition, with the rise of “mass market AI” it is likely that the pace could accelerate further over the next years. Generative Artificial Intelligence, exemplified by ChatGPT, was the first broadly adapted use case of AI for many. We can be sure to expect more to come from AI in the next few years. A recurring element of these tools is the reliance on massive amounts of data being accessible at several locations, both during the training of the algorithms and the consequent use of the engines. This is only made possible through high-capacity fiber optical infrastructure and resonates in calculations showing that Europe's data traffic is expected to increase by 428% from 2023 to 2030. Market developments clearly point to fiber as the dominant technology for connectivity in our region. Currently, 78% of private households in the Nordics choose fiber, reflecting its reliability and capacity to meet future demands. Meanwhile, the copper network is already being decommissioned in Norway and is expected to be fully phased out across the Nordics by 2030. And while

the capacity of a single fiber strain is immense, the demand from future use cases and the need for more diversity of traffic routes implies a continuation of fiber investments in many years to come.

Growing Focus on Security and Internet Reliability in the Professional Market

Businesses and public institutions have widely adopted fiber as the core connectivity technology to meet their needs. However, their demand for higher speed and greater capacity continues to grow, mirroring societal trends.

Alongside this, security has become an increasingly critical aspect of internet connectivity. This concern is twofold:

- 1. Reliability:** Businesses require uninterrupted access, making service reliability a key part of their risk assessments. Many are mitigating this risk with backup connectivity solutions and route diversity, ensuring multiple fibers are in place at each business location.
- 2. Internet Security:** The protection of systems and data from cyber threats is a complex issue, involving physical security, employee procedures, internet-enabled devices (such as servers, laptops, and mobiles), and the overall connectivity infrastructure.

As businesses prioritize security in their connectivity strategies, GlobalConnect commissioned a survey in collaboration with Demoskop in 2024 to explore this trend. The survey targeted IT Managers and Security Leaders in companies with 150+ employees across Sweden, Norway, and Denmark.

These findings highlight the increasing need for enhanced, integrated security in business connectivity solutions as companies seek to safeguard both their operations and data in a rapidly evolving digital landscape.

Key Findings

- Widespread concern over IT security**
More than 6 out of 10 respondents expressed concerns about IT attacks or system failures, emphasizing the need for secure connectivity solutions.
- Shortcomings in current security setups**
12% of respondents reported significant gaps in their security solutions despite available technologies.
- Frequent IT attacks**
Over half of large companies have experienced IT attacks, with one-third reporting incidents in the past two years.

6/10

of respondents expressed concerns about IT attacks or system failures

12%

of respondents reported significant gaps in their security solutions

Further Opportunities in a Growing Data-Driven Landscape

The wholesale market in the Nordics is poised for significant growth, driven largely by the ongoing AI boom. As large tech companies, also known as hyperscalers, continue to expand their operations globally, we anticipate a surge in the deployment of new data centers across the region. This expansion will inevitably result in a strong demand for enhanced connectivity, increased capacity, and heightened redundancy requirements to support the hyperscalers' infrastructure.

The Nordics offer several advantages that make it an attractive location for these developments. The region is known for its cool climate, which is ideal for reducing cooling costs for data centers. Additionally, the Nordics provide access to cheap, reliable power, making it an economically viable choice for hyperscalers looking to build scalable and sustainable operations. Coupled with stable macroeconomic conditions, the Nordics are well-positioned to become a key hub for data center operations and digital infrastructure in the coming years.

STRATEGY & BUSINESS

Strategic Ambition and Growth Platform

1998

GlobalConnect Denmark is founded

1999

IP-Only Sweden is founded

2001

BaneTele Norway is founded
(Broadnet 2012)

2020



GlobalConnect Group is established

2021

Entered German FTTH market

2022

- Acquired Open Universe and SDU fiber assets from Telenor Sweden
- Committed to science-based targets

2023

- Entered Finnish FTTH market
- Re-branded all B2C brands to GlobalConnect

2024

GlobalConnect completes largest Nordic digital infrastructure project in a decade with a 2,600 km super fiber cable between Northern Sweden and Berlin.

Our History

GlobalConnect was founded on the belief that the internet is the cornerstone of all future communication. Our journey spans more than 25 years, building on a bold vision to unite leading Nordic digital infrastructure companies into a pan-Nordic connectivity provider. This vision came to life through a series of transformative mergers, bringing together innovators such as GlobalConnect in Denmark, IP-Only in Sweden, and Broadnet in Norway. Each of these companies contributed a unique legacy of excellence in data communications and infrastructure, helping to build the scalable and resilient foundation that positions us as the regional leader today. What began as national challengers to incumbent telecom operators in each country has evolved into a unified, regional champion with a relentless drive to shape the future of connectivity.

Over the years, GlobalConnect has continued to grow both organically and through build-out and strategic acquisitions, with successful integration leading to significant value creation. Today, we are the only digital infrastructure provider owning, operating, and controlling a fiber network that spans the entire Nordic region, including Sweden, Denmark, Norway, Finland, and Northern Germany.

STRATEGY AND BUSINESS

Our Mission and Values

We Are on a Mission

Our mission is to keep society up and running and to enable innovations that deliver a better tomorrow. Guided by our commitment to innovation, sustainability and an easy customer experience, we have set ourselves the goal of being the leading digital infrastructure and connectivity provider in Northern Europe, shaping the future of the digital revolution.

Our Winning Recipe

EASY is the concept of how we want to be recognized as a company and should be the answer to the question: Why choose GlobalConnect? Because we have an easy customer experience, and that should reflect on anything we do, both internally and externally. To be known as EASY, we need to be EASY

EASY stands for – Expertise, Available, Speed and You.

The concept both defines our customer promise and our internal behaviors.

Our Customer Promise

We offer
Expertise
with insight

We are
Available
finding solutions

We offer
Speed
with quality

We focus on
You
what matters



Our behaviors

We value
Expertise
and act professionally

We are
Available
with a collaborative mindset

We deliver with
Speed
challenging old truths,
securing quality results

It's all about
You
who matters and will
make it happen

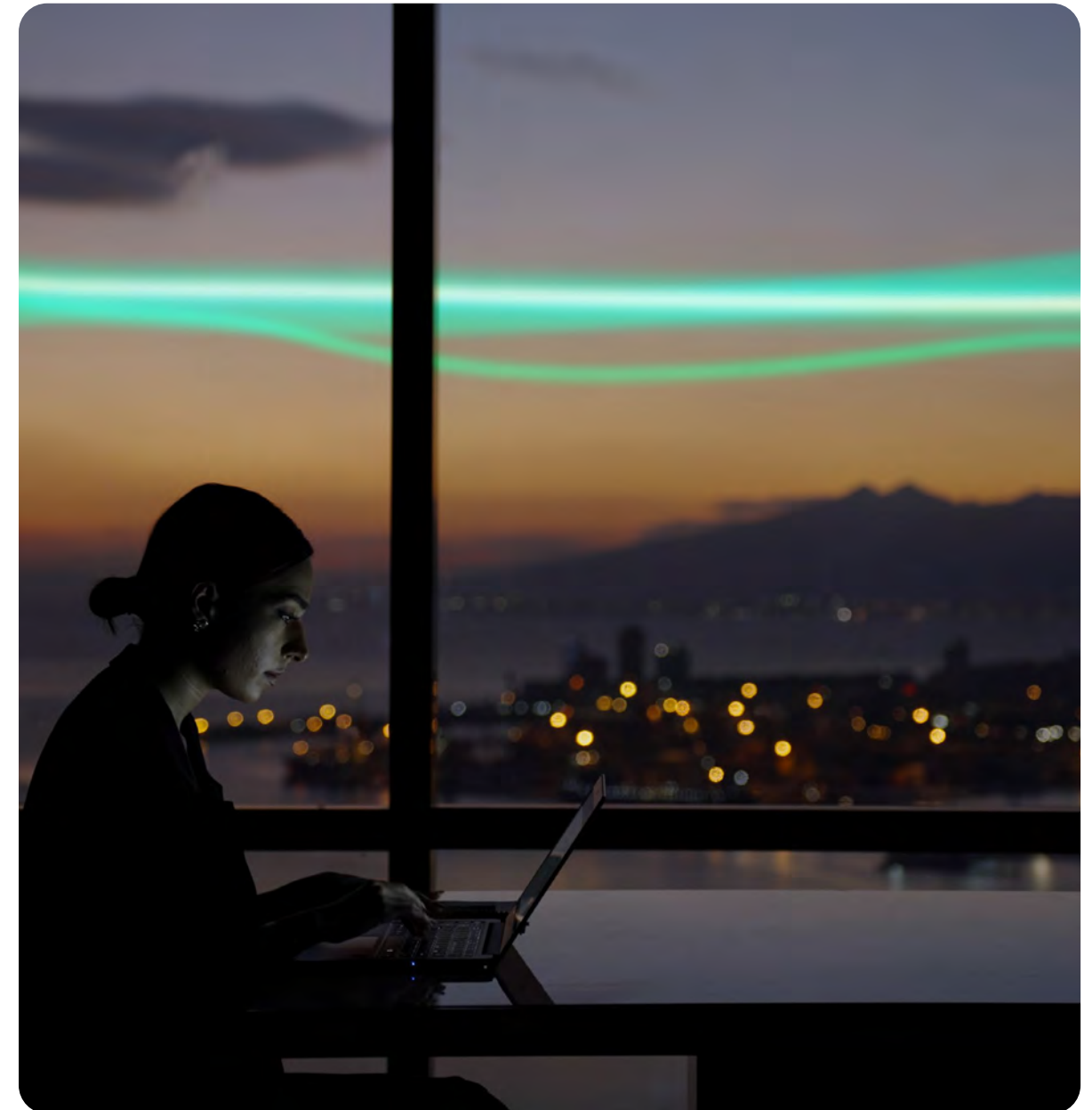
STRATEGY AND BUSINESS

Our Ambition: Leading Sustainable Connectivity

At GlobalConnect, we are driven by the ambition to become the leading sustainable connectivity provider in Northern Europe. We aim to be the preferred gateway to the Nordics and a trusted partner for organizations of all sizes - from global enterprises and tech companies to local businesses and public institutions - that rely on robust, secure, and future-proof connectivity. With unmatched scale, a strong regional presence, and an unwavering commitment to future-proofing our infrastructure across borders, we are setting the standard for connectivity in Northern Europe and beyond.

For many years, we have been investing heavily in critical digital infrastructure across Northern Europe. Since GlobalConnect became a true Northern European company in 2020, our annual investments have consistently exceeded our earnings, with a peak in 2022 of more than SEK 9 billion. While these investments will continue at historical levels, segments such as the private households in Sweden and Norway require less expansion. In 2025, we expect to reach a significant milestone: for the first time, our earnings (EBITDA) are forecasted to surpass our investments (CAPEX). This marks a pivotal moment where we will balance our growth aspirations with operational profitability, sharpening our focus on increasing efficiency, resilience, and sustainability while maintaining our commitment to ambitious growth.

As digitalization accelerates and AI adoption expands, the need for greater data capacity and advanced security solutions continues to rise. GlobalConnect is committed to staying ahead of these trends, ensuring our infrastructure is prepared to support the connectivity needs of tomorrow - for both private and professional customers. We are also dedicated to fostering innovation and attracting global tech investments to the region, such as the continued establishment of data centers, which are essential for driving digital transformation and an important area of business in itself.



STRATEGY AND BUSINESS

The Platform for Our Growth: GlobalConnect's Unique Infrastructure

At GlobalConnect, our infrastructure is more than just a network - it is the foundation of our growth and the enabler of digital progress across the region. As the only provider with a true pan-Nordic fiber infrastructure platform, we provide unparalleled connectivity.

Our infrastructure spans across borders, integrating national networks into a seamless regional platform. This unique position enables us to serve global enterprises and tech companies with mission-critical needs providing them with a gateway to the Nordics that offers the scale, resilience, and flexibility they require.

What defines our platform is an extensive long-haul network combined with an access network featuring dense metropolitan areas. With high capillarity and route uniqueness, our infrastructure has led to strong penetration and a vast network with unparalleled reach - making it impossible to replicate. The distinctive combination of high capillarity and route diversity provides a true 'one-stop-shop' for high-demand transport routes.

Furthermore, our common network allows us to address all customer segments effectively, offering tailored solutions that match their evolving needs. Our strength is not just in the infrastructure itself but in the expertise behind it. With strong engineering capabilities for expansion projects, we continuously enhance and extend our network, reinforcing our position as the leading digital connectivity provider in the region.

Digital Highways in the Making

In 2024, we completed the first of several large infrastructure projects: a 2,600 km super fiber cable connecting Northern Sweden to Berlin. This 'Digital Highway' runs from Berlin, Germany, through Bornholm, Denmark, onwards through Öland, Gotland, and Stockholm, and further north via Luleå to the northern parts of Europe. It includes 700 km of subsea cables, with Bornholm acting as a critical digital gateway between the Nordics and Europe.

The project required years of construction, including trenching through Northern Sweden's harsh winters, using submarines to trench the Baltic seabed, and deploying massive drills to create beachhead landing points. In Germany, over 200 WWII bombs were cleared from the Baltic Sea, and 1,300 sq km were scanned for archaeological findings.

The cable, finalized when the segments between Bornholm and Sassnitz were merged on the seabed, features 96 fiber pairs capable of transporting 3,052 terabits per second—equivalent to 1 billion simultaneous video streams. This vital infrastructure ensures seamless connectivity for decades, linking the Nordics to the world.

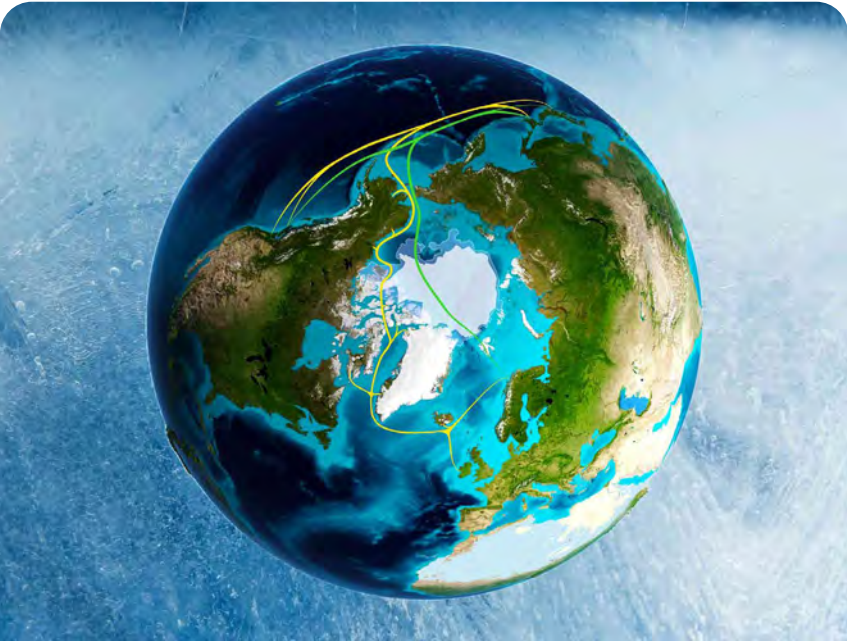


INFRASTRUCTURE STORIES

GlobalConnect Secures CEF Funding for Two Key Projects in 2024

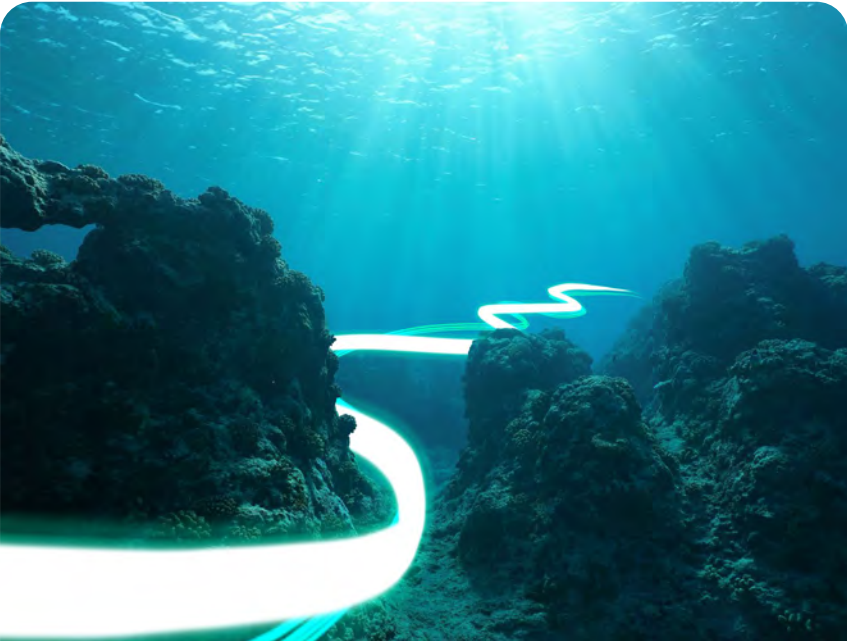
The Connecting Europe Facility (CEF) is an EU funding instrument designed to support the development of high-performing, sustainable, and efficiently interconnected trans-European networks in transport, energy, and digital infrastructure. Through CEF, the European Commission co-finances projects that enhance connectivity, strengthen cybersecurity, and improve the resilience of digital networks across Europe.

In 2024, GlobalConnect received CEF funding for two critical infrastructure projects:



Polar Connect Step 1

This new project aims to establish a fiber-optic connection between the Nordic region, Japan, and South Korea via the Arctic Ocean, with potential branches to North America. The first phase, Step 1, will lay the groundwork for a commercial submarine cable that enables fast and secure data communication, supported by EU funding. Additionally, the project explores integrating sensor technology into the cable to facilitate Arctic research and environmental monitoring. The initiative has been granted EUR 3,545m in 2024 and is a collaboration between the Swedish Research Council, the Swedish Polar Research Secretariat, NORDUnet, DeiC, and GlobalConnect.



Sweden-to-Estonia Subsea Cross-Connect

Led by GlobalConnect, this project focuses on the design and deployment of three new fiber-optic submarine cables between Sweden and Estonia. The initiative also includes the development of onshore connections in both countries to bolster the region's digital infrastructure. By addressing the growing demand for data capacity and improving redundancy in the submarine cable network, this project will enhance regional connectivity and resilience. The project has been awarded EUR 15,716m in funding.

Connecting Europe Facility (CEF) is a key EU funding instrument to promote growth, jobs, and competitiveness through targeted infrastructure investment at European level.

STRATEGY AND BUSINESS

Our Business Model

GlobalConnect provides digital infrastructure and scalable digital solutions. Our products and services are critical to connecting our society; homes, businesses and institutions, with the digital infrastructure of the future, composing our region's part of the global internet.

We procure components for fiber optical networks, excavate/roll out the cables, install the networks with the required signal amplification units, connect the cables to customer network equipment, and thereafter maintain and operate the fiber network and data traffic.

To deliver and operate our digital infrastructure, we procure components from international vendors. We use subcontractors for the construction part, i.e. excavations or sub-sea deployments and GlobalConnect technicians for installations. We are currently in the process of replacing combustion cars with electric vehicles to minimize our carbon footprint, just as all our electricity used is covered by renewable energy in consumption.

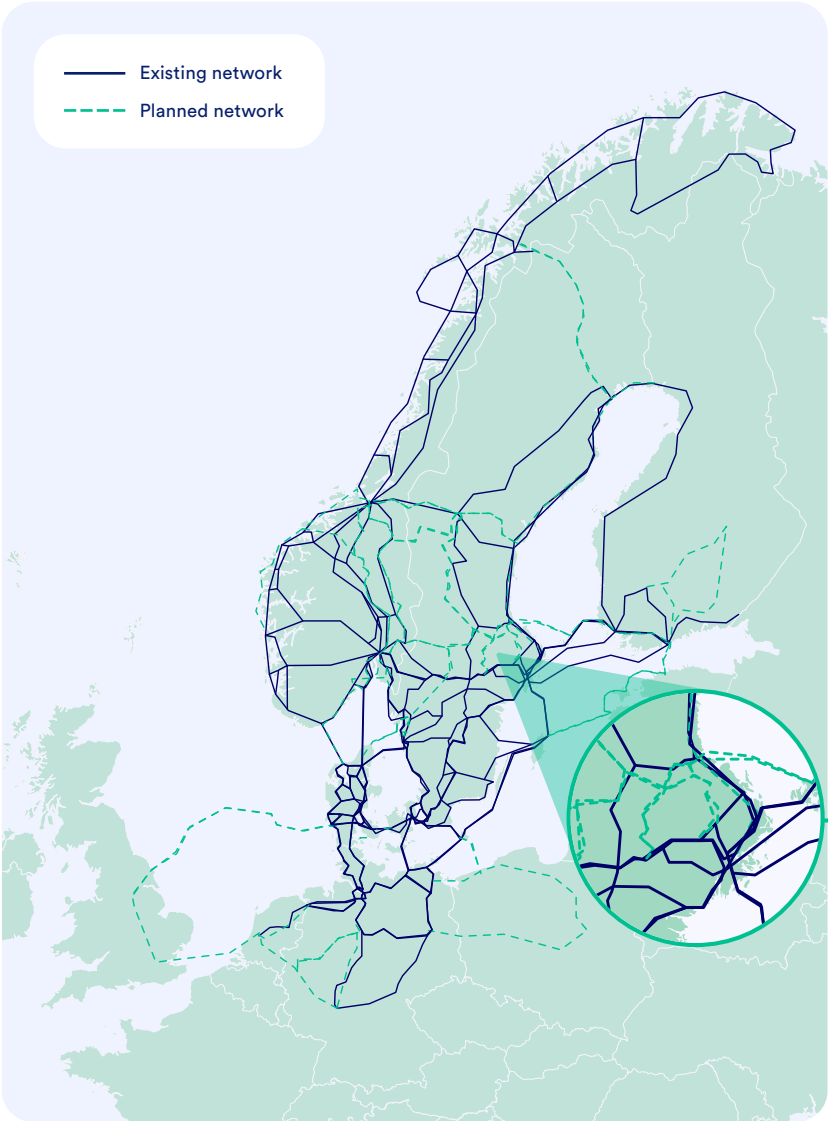
GlobalConnect does not have any related active revenues from fossil fuels, chemicals production, controversial weapons, or the cultivation and production of tobacco. GlobalConnect does not have any sustainability-related goals in terms of significant groups of products and services.



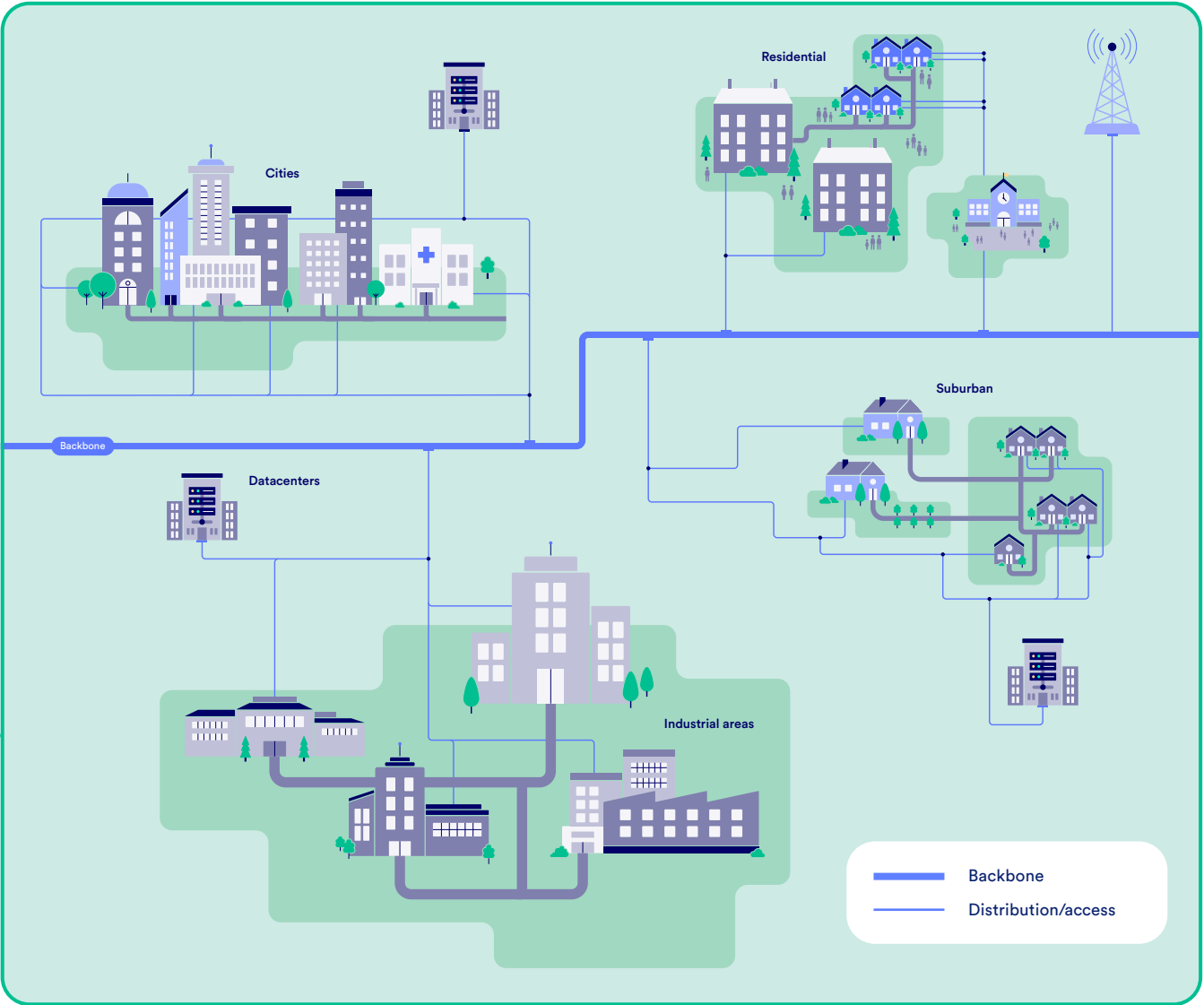
The Network Supporting Our Business

–from the Backbone to the Underlying Services

Backbone Network



Backbone to Local Network (Illustrative)



Products and Services Delivered

- B2C**
 - Direct consumer internet
- B2B - Long haul**
 - Dark fiber
 - Wavelengths
- B2B - Access**
 - Business infrastructure (incl. MLAN and SDWAN)
 - Network infrastructure
 - Security Infrastructure
 - Ancillary services (incl. Colocation)

Core Elements in the Business Model

- Search and selection**

Continuously assessing and secure pipeline of network infrastructure and backbone necessary to connect the Nordics and support future connectivity demands.
- Expanding our network**

Increasing our fiber infrastructure reach across the Nordics by expanding our backbone network and densifying our existing network in collaboration with sub-suppliers and -contractors.
- Installing, maintaining & operating the network**

We install, maintain, operate, and optimize our infrastructure across the network and at customer premises to ensure efficiency and scalability.
- Commercialisation of the network**

We leverage our Nordic synergies deliver seamless and secure connectivity and adjacent service on our network both directly and indirectly across our B2B, B2C and wholesale segments.

STRATEGY AND BUSINESS

The Segments We Serve and the Products We Offer

With our extensive 244,000 km fiber network, we serve both private households and a vast variety of businesses, including public institutions.

Connectivity for Private Households

We build fiber optical connections and provide internet products to private homes in all Nordic countries, with Finland being our most recent endeavor. Although there are differences in the market dynamics between the countries, GlobalConnect is, in general, an independent provider of fiber optical internet products sold to private consumers via independent Internet Service Providers (ISPs) at open platforms, effectively making the ISPs our customers. This setup is efficient from a societal perspective, as it allows for competition at the service layer while avoiding unnecessary overinvestment from ISPs overbuilding each other's infrastructure. Our principle is to offer equal, transparent, and non-discriminating products to all our ISP customers.

Sweden is our biggest consumer market, with almost 550,000 active households, of which almost half are villa homes. In Norway, there are 140,000 active households, and in Denmark 25,000 active households. As our newest market, Finland reached 11,000 active households in 2024, almost all built and activated that year.

The product offering for the private segment is simple, it is typically a symmetrical bitstream access, e.g. 1,000 mbps. Symmetrical speed, i.e. same upstream and downstream

speed, is a clear differentiator from other technologies such as coax, which typically have asymmetrical speeds significantly limiting the upstream speed. This feature has become more desirable with the increased use of video meetings and working with documents online through a cloud service.

The ISPs can choose how the product is sold to their end-customers, and can combine it with additional products, such as better WiFi, media content or antivirus software.

We expect the demand for even higher speeds will continue to increase. We are already offering super Giga-speeds, up to 10 Gbps (up- and downstream), which is starting to gain momentum in Norway after us being the first mover in the market.

Connectivity for Business Customers

The business segment covers both enterprises, public institutions, and SMBs served directly; and hyperscalers (e.g. global technology giants), carriers (e.g. other internet providers) and system integrators served through our wholesale organization GlobalConnect Carrier (GCC).

The business segment needs fast, reliable, and secure connectivity, but puts more emphasis on reliability and security than private households do. The differences between business customers typically depend on their size and network technological savviness.

SMB customers typically need an internet connection with additional features, such as 4G backup and a setup for connecting a few local branches. Our SmartFiber solution encompasses all these features with enhanced security features as an option – all in one box, making it as simple as possible for the customers. It is a managed solution that automatically upgrades firmware and switches to 4G backup in case of fiber interruption.

Enterprises and public institutions typically require more advanced integration of local networks, WiFi, multiple locations, and cloud services, coupled with higher SLAs and security features. Our primary offering to these customers is our SmartConnect solution. SmartConnect features the best SD-WAN solutions and can seamlessly be configured together with managed LAN and WiFi. It is a managed solution that can be configured to fit most needs a complex enterprise has for network connectivity and security and provides full transparency into all access points and traffic flows.

We directly serve business customers across Denmark, Norway, Sweden, and Northern Germany, leveraging our extensive and reliable network to meet their needs. As we are expanding our network into Finland, this represents a new market opportunity for the business segment, although we already serve the Finnish business market through the wholesale channel.

"Don't worry about IT"

This was the tagline in a new marketing campaign launched in 2024 to position GlobalConnect towards business customers as a one-stop-shop for connectivity services.

Our wholesale products range from dark fiber, wavelengths to internet access, typically chosen depending on the capacity needed.

In our region, GlobalConnect has uncontestedly the vastest fiber network, combining high capacity (many fiber pairs) backbone with a dense access network, rendering us a trusted partner for hyperscalers and global carriers needing connectivity in our region. Furthermore, we have a successful track record of completing large and complex fiber projects. The hyperscalers find this experience and our in-depth knowledge of our region valuable and key to the timely delivery on their connectivity needs to new data centers. In fact, many of our expansions are done in collaboration with such key customers, where we share some of the investments, which has synergetic network implications for other businesses and the private segment as we can connect even more geographical areas.

Our adjacent offerings to the business segment are Content Distribution Network, Unified Communications, security solutions, and Data center (Colocation). Albeit distinct network products, they are sold, delivered, and operated through the same platforms as the core connectivity offerings and are typically integrated parts of the core solutions.

STRATEGY & BUSINESS

Strategy

Our 3 Big Bets

Since 2020, our strategy has been anchored in three “Big Bets” that guide our efforts to drive connectivity and digitalization across Northern Europe. These bets reflect our commitment to leveraging our core strengths while evolving to meet the changing needs of our customers. Over the years, this strategy has not only provided a clear direction, but has also led to significant growth, enabling us to expand our footprint, strengthen customer relationships, and deliver innovative solutions that set us apart in the market and make us the leading connectivity provider in Northern Europe.

OUR BIG BETS 01

We Will Utilize and Expand Our Network

Continue to expand and maximize the usage of our fiber infrastructure to meet the growing market demand.

OUR BIG BETS 02

We Will Use Our Network Smarter

Deliver a seamless and secure customer experience through our managed end-to-end-connectivity solution.

OUR BIG BETS 03

We Will Scale Our Business as We Grow

Drive sustainable transformation of our business by continuously improving our efficiency and resilience.

STRATEGY AND BUSINESS

Executing Our Strategy in 2024

01

We Will Utilize and Expand Our Network

We expanded our fiber network to connect 50,000 additional homes in Finland in 2024, reinforcing our presence in this growing market. This achievement highlights our ability to anticipate and respond to customer demand in regions with high growth potential. In more mature markets such as Norway, we shifted focus to increasing network penetration, successfully adding 10,000 active customers over the year. Similarly, in Sweden, we capitalized on state subsidies to extend our network to underserved areas. In Denmark, where fiber expansion is nearing completion, we began replacing older coaxial networks with modern fiber technology to ensure superior service quality.

One of our most notable accomplishments was the completion of the super fiber cable linking Northern Sweden to Berlin, our largest infrastructure project to date. This new backbone enhances our capacity to serve international digital infrastructure users and lays the foundation for future cross-border projects. Additionally, we initiated discussions with key stakeholders to plan new strategic projects that will further solidify our position as a leading connectivity provider in Northern Europe.

02

We Will Use Our Network Smarter

In our business segment, we continued to see strong demand for our managed connectivity solutions, particularly Smart-Connect and SmartFiber. These offerings enable businesses to adopt secure, dynamic connectivity solutions that evolve alongside their needs. As cyber threats become more sophisticated, our integrated security features became a critical differentiator in 2024, positioning us as a trusted partner for business-critical solutions.

Our participation in the EuroQCI initiative underscored our commitment to innovation and security. By deploying Quantum Key Distribution (QKD) technology, we are addressing the potential threats posed by advances in quantum computing, ensuring secure data transmission over our fiber network. We also initiated a pioneering pilot project that will test more advanced monitoring solutions for our sea cables. These advancements reflect our ability to adapt and innovate in response to both customer needs and geopolitical developments.

To further improve customer experience, we invested in a state-of-the-art IT platform that streamlines operations and enhances service delivery. This platform includes a self-service portal, giving customers greater control over their services while enabling us to automate and optimize internal processes.

03

We Will Scale Our Business as We Grow

In 2024, our division serving business customers successfully transformed into a true cross-border organization, leveraging expertise and best practices across delivery, operations, and customer support in all our markets. We remain committed to continuously refining our solutions and operating model to meet customers' evolving connectivity needs.

Several initiatives were launched to further enhance our operational capabilities. These initiatives spanned the standardization of technical aspects of fiber rollouts, advancements in automation for delivery and operations, and the development of unified employee engagement strategies across geographies.

We also made significant progress toward achieving our target operating model for IT systems. Key milestones included implementing group-wide technologies and platforms such as CRM and ERP, and signing a contract with a leading provider of network and service monitoring solutions.

Our focus on sustainability and efficiency remains at the core of our efforts. In Denmark, we repurposed 15,000 km of inactive fiber, reducing excavation needs by an estimated 100 km. This initiative not only reduced environmental impact but also demonstrated the cost-efficiency of resource optimization.

By simplifying systems and processes, we have strengthened our operational resilience and scalability. These measures enable us to respond proactively to market opportunities, reduce waste, and improve margins, all while staying committed to sustainability and innovation.

The sustainability chapter provides a more detailed overview of our 2024 achievements in environmental, social, and governance (ESG) areas.

STRATEGY AND BUSINESS

2024 in Review

In 2024, we continued our trajectory of strong financial performance, reinforcing our position as the leading provider of critical digital infrastructure in Northern Europe. Despite a dynamic and evolving market landscape, we achieved significant growth across key financial metrics, underpinned by strategic investments, operational efficiency, and a commitment to delivering value to our customers.

We achieved substantial revenue growth, reflecting our ability to meet the increasing demand for secure digital infrastructure and to scale our business. Organic revenue growth stood at 5.8%, driven by an expanding customer base and market presence. Monthly Recurring Revenue (MRC), a cornerstone of our financial stability, showed consistent growth throughout the year, with organic MRC growth at 6.6% and organic MRC growth in the private household segment at 14.1%. Adjusted EBITDA increased by 10%, demonstrating our operational efficiency and focus on profitability.

Our strategic investments in network expansion and digitalization were reflected in a total CAPEX of SEK 4.8bn, enabling us to connect 907,000 homes to our high-speed network by the end of 2024. Additionally, our infrastructure now passes 1,150,000 homes, further expanding our market reach.

Our focus on strengthening our regional presence and enhancing service offerings continued to deliver results. Strategic investments in our backbone network and value-added services positioned us as the preferred partner for businesses and public institutions across the Nordics and beyond. In the business segment, we grew our customer base to 97,000 active households. SMARTConnect revenue, a key performance indicator measuring our ability to sell value-adding services to our business customers, reached an impressive organic growth rate of 56%, showing that our integrated approach to go beyond simply providing connectivity is taking off.



Corporate Governance

GlobalConnect is committed to ensuring good corporate governance behavior to enable long-term value creation. The objective of corporate governance is to regulate the division of roles and cooperation between shareholders, the Board of Directors, and the Corporate Leadership Team.

Corporate Governance in GlobalConnect	22
The Board of Directors	24
The Corporate Leadership Team	28



CORPORATE GOVERNANCE

Corporate Governance in GlobalConnect

**Implementation and Reporting on Corporate Governance**

GlobalConnect's Board of Directors ("The Board") is responsible for ensuring that GlobalConnect has good corporate governance. The Board believes that long-term value creation and sustainable business conduct are a result of good corporate governance.

As set out in the Code of Conduct, GlobalConnect is committed to acting with integrity in all business relations, believing that adherence to high standards of ethics and compliance is not a single event but an important part of its daily business practices.

GlobalConnect wants to be a trusted partner to its customers, stakeholders, colleagues, and partners and is committed to conducting business in a responsible, ethical, and lawful manner.

Business

GlobalConnect's business is defined in the Group's Articles of Association, which states that "the company's objective is to carry out business within telecommunications and any other related activities."

The Board reviews GlobalConnect's operational goals and strategy annually, and business risks are assessed on a continual basis.

CORPORATE GOVERNANCE

Board of Directors of GlobalConnect

The Board of Directors is elected at the AGM, except for the employee-elected members. The Board of GlobalConnect consists of nine members. The Board is responsible for the management of the Group, and the day-to-day management is delegated to the CEO.

Board Diversity by the End of 2024

Nationality
Denmark (1)
United Kingdom (1)
Netherlands (1)
Sweden (4)
Switzerland (1)
United Arab Emirates (1)

Independent Board members
5 (56%)

Gender
Female 2 (22%) / Male 7 (78%)

Age
30-50 years (4) / over 50 years (5)

Board ESG specific competences

The Board has broad competences in ESG and non-financial reporting, including across the material topics for GlobalConnect, such as energy, decarbonization and circularity, climate risk, DEI, people management and general business conduct.

Eric Elzvik
Chair of the Board

Year of birth 1960 Nationality/Residence Sweden/Switzerland



Board status
Independent

Tenure in GlobalConnect
2020 Joined as Chair of the Board

Education
Master of Business and Administration from Stockholm School of Economics

Experience
Eric Elzvik is a Senior Industrial Advisor and Former Chief Financial Officer of 35 \$Billion, 135,000 employee global company with 30+ year's leadership and industrial experience in positions in Sweden, Singapore and Switzerland. Proven finance functional and governance expertise with deep intercultural and international understanding. Extensive expertise in M&A, ESG, integration, portfolio management, cost reduction, turnarounds, and operational improvements. Results-oriented with strong strategic and analytical competencies. Strong project and risk management track record. Leader of Global Real Estate, Global Finance Business Services and Information Systems. Highly regarded in capital markets and the investor community.

Other management positions and directorships
Chair of Board, GlobalConnect
Chair of Board, Deutsche Glasfaser Group
Board member and chairman of Audit Committee, LM Ericsson
Board member and chairman of Audit Committee, Volvo Group
Board member and lead independent director, Landis + Gyr

Competences
Corporate strategy, M&A, ESG, Portfolio management, General Sustainability Expertise (ESG and CSRD) and Risk management.

Pernille Erenbjerg
Board Member

Year of birth 1967 Nationality/Residence Denmark



Board status
Independent

Tenure in GlobalConnect
2020

Education
Master of Science in Economics from Copenhagen Business School

Experience
Pernille Erenbjerg has broad executive experience across the telecommunications, media, and tech industries. Pernille is the former CEO and President of TDC Group A/S. She has a background as a Certified Public Accounting (no longer practicing) and has worked at Deloitte and Arthur Andersen.

Other management positions and directorships
Chair of Board, KK Wind Solutions
Deputy Chair, Genmab
Non-Executive Board member, RTL Group

Competences
Business Conduct, IT- and Cyber Security, Digital, Operational and Strategic Transformations, Innovation, M&A and Finance.

William Lindström

Board Member

Year of birth 1989

Nationality/Residence Finland/Sweden



Board status

Non-Independent

Tenure in GlobalConnect

2022

Education

Master of Science in Economics and Business Administration from Stockholm School of Economics

Experience

William Lindström is Managing Director in EQT's Infrastructure Team. Prior joining EQT he was an Associate at Jefferies' Stockholm office in the Nordic Investment Banking Team and a Corporate Finance Analyst at SEB Enskilda.

Other management positions and directorships

Board member, GlobalConnect

Board member and chairman of Audit Committee, Zayo Europe

Competences

Corporate Finance, Financial Analysis, M&A, Banking, Investments and Private Equity.

Mounir Taysir Barakat

Board Member

Year of birth 1963

Nationality/Residence UK/UAE



Board status

Independent

Tenure in GlobalConnect

2023

Education

Master of Business and Administration from the University of Warwick

Experience

Mounir Taysir Barakat is currently retired but was previously Senior Executive Director of Digital Infrastructure Investments at Mubadala. He has extensive expertise in data centers, fiber, satellite communications and telecommunications and has also held high-level positions in real estate investment and development, healthcare and venture capital.

Other management positions and directorships

Board member, GlobalConnect

Board member, CityFibre

Competences

General Business Management, Corporate Strategy, M&A, Board Experience, International Markets, Digital Infrastructure and Real Estate.

Carl Sjölund

Board Member

Year of birth 1983

Nationality/Residence Sweden



Board status

Non-Independent

Tenure in GlobalConnect

2021

Education

Master of Science in Finance from Stockholm School of Economics

Experience

Carl Sjölund is a Partner at EQT Partners and is co-Head of the Digital Infrastructure sector in Europe. Prior to joining EQT Partners, Carl was in the Mergers and Acquisitions team at J.P. Morgan in London, primarily focusing on telecom and transportation transactions.

Other management positions and directorships

Board member, GlobalConnect

Board member, Nordic Ferry Infrastructure

Competences

Extensive experience in investments, Value Creation, Corporate Governance, Capital Markets, Investment Management and the Digital Infrastructure Sector.

Sophie Khalid Ali Albustani

Board Member

Year of birth 1986

Nationality/Residence UAE



Board status

Independent

Tenure in GlobalConnect

2023

Education

Master of Science from the University of Exeter, UK.

Experience

Sophie Khalid Ali Albustani has 16 years of experience in international investments, asset management and strategy formation. Sophie is currently a Director in Mubadala's Infrastructure unit. Prior to joining Mubadala, Sophie was a management consultant with Boston Consulting Group (BCG).

Other management positions and directorships

Board member, GlobalConnect

Competences

Digital Infrastructure, Strategy Formation, Business Plan Diligence, and Commercial Growth.

Marco Visser

Board Member

Year of birth 1962

Nationality/Residence Netherlands



Board status

Independent

Tenure in GlobalConnect

2019

Education

Master of Business Administration from Temple University and Bachelor of Business Administration from Nyenrode Business University

Experience

Marco Visser has a background of over 20 years in senior executive roles and Board positions in the telecommunications industry. Since 2017, Marco has been a Senior Advisor to EQT Partners and is currently serving as CEO of DELTA Fiber, a key telecom player in the Netherlands. Previously, Marco served as CEO for M7 Group in Luxembourg and held various leadership positions at KPN in the Netherlands, where he led the Mobile and Consumer divisions.

Other management positions and directorships

Board member, GlobalConnect
CEO, Delta Fiber Nederland B.V
Board member, Deutsche Glasfaser Unternehmensgruppe

Competences

Telecommunications, Management, Business Strategy and Business Development.

Anders Ösmark

Company Representative

Year of birth 1961

Nationality/Residence Sweden



Board status

Non-independent

Tenure in GlobalConnect

2020

Education

Engineer's degree, Data and Telecommunication from Thorildsplans Technical Gymnasium

Experience

Anders Ösmark is currently employed as Head of Service Management for Global Connect Carrier based in Sweden. He has broad experience from many companies in the telecommunications industry. Before joining GlobalConnect, he was Manager for Sales Operations, Senior Manager in Product Development, Customer Service Manager, Product Marketing Director, and Business Development Manager.

Other management positions and directorships

Company representative, GlobalConnect

Competences

Network Engineering, Product Strategy, Strategic Planning, Economy, Telecommunications, Product Management, Product Development, Business Development, Service Support and Operations.

Billy Olsson

Company Representative

Year of birth 1993

Nationality/Residence Sweden



Board status

Non-independent

Tenure in GlobalConnect

2022

Education

Computer Systems Networking and Telecommunications, Mälardalens University

Experience

Billy Olsson is currently employed as System Developer for Global-Connect Sweden. Prior to the position of System Developer, Billy held the position of Change Manager and Change Management Coordinator. Billy has broad experience in Network Experience, Network Administration, and Network Design.

Other management positions and directorships

Company representative, GlobalConnect

Competences

Network Security, Cyber Security, Network Administration and Network Design.

The Work of the Board

The Board is responsible for overseeing GlobalConnect’s management activities. The Board ensures that all activities follow the Articles of Association, applicable licenses and permits, applicable legislation, and other obligations incumbent on the Group’s activities, such as applicable company law and the Rules of Procedures of the Board of Directors. The Board approves a high-level status update on compliance with laws and regulations, as well as internal guidelines, and rules on an annual basis. The Board also approves the Annual Compliance Plan and the Compliance Programs.

A structured approach is in place to ensure that our Corporate Leadership Team (CLT) and Board of Directors are properly informed on the status and progress of material ESG matters. BoD, CLT, and Executive Leadership Team (ELT) are informed monthly of the status of key ESG KPIs. Sustainability is a focus area on the BoD agenda bi-annually to ensure a good level of insight into material ESG matters and Impacts, Risk and Opportunities (IROs), and to gain input on trends and actions to drive the sustainability agenda at GlobalConnect. Furthermore, the Chairman of the BoD has also been appointed as the Board ESG Champion to anchor the sustainability agenda at the very top of the organization, and quarterly check-ins are conducted to report progress and ensure sparring on the direction. CLT is more frequently informed of sustainability-related initiatives and approves concrete initiatives on an ongoing basis.

The outcome of the Double Materiality Analysis (DMA) and the alignment of the DMA outcome into the Enterprise Risk Management (ERM) process is first discussed and approved by the CLT. Both members of the BoD and CLT are partaking in GlobalConnect’s Audit Committee, which serves as the final approval party of the full ESG Risk profile, including the material IROs identified throughout the DMA process.

The day-to-day management has been delegated to the CEO, who is responsible for the operational management of the Group.

The Board holds regular meetings. The meetings are held as physical meetings or as a digital conference. If necessary, extraordinary Board meetings are held between ordinary meetings.

As a preparatory committee, the Board of Directors has established an Audit Committee.

General Meetings

The Annual General Meeting (AGM) is at the top of the corporate governance structure. The Board is responsible for ensuring that the AGM is a forum for communication between shareholders and the Board. The Financial Statement and the Report of the Board of Directors are approved at the AGM.

External Auditor

EY is the Group’s auditor. The auditor attends one board meeting each year, during which the group management is not present. EY participates in meetings where the Board considers the financial statements and meetings of the Audit Committee.

Audit Committee

The Audit Committee has been appointed by the Board of Directors to support the Board in fulfilling its oversight responsibilities for the financial and non-financial reporting, the systems of internal control and risk management, the audit process, and the company’s process for monitoring compliance with laws and regulations, as well as GlobalConnect Group’s Code of Conduct. The Audit Committee meets on a quarterly basis. It receives reports on the work of the external auditor, as well as updates on financial results and the status of different compliance programs that are relevant to the Group’s risk management and internal control system, incl. ESG.

The members of the Audit Committee are:

- Pernille Erenbjerg (Chair)
- William Lindström
- Hugo Wieslander (Observer)

Executive Compensation

Remuneration of the Board of Directors

The remuneration paid to the Board members is decided at the Annual General Meeting. The notes of the Financial Statements for 2024 provide information on the remuneration in 2024.

Remuneration of Executive Personnel

The remuneration paid to executive personnel is decided by the Board of Directors. The notes of the Financial Statements for 2024 provide information on the remuneration in 2024.

CORPORATE GOVERNANCE

Corporate Leadership Team

The Corporate Leadership Team (CLT) is responsible for group level allocation, business development and prioritization. This also includes strategy formulation, tracking, follow-up, and execution of group strategy bets, as well as defining and approving initiatives to achieve ESG strategy driven in close collaboration with Group Sustainability ELT and the business.

Martin Lippert

CEO

Year of birth 1967 Nationality/Residence Denmark



Education
PhD Economics, Aarhus University

Experience
Experience Martin Lippert has more than 30 years of experience in the telecommunications industry. He became CEO of GlobalConnect in 2018 after the merger with the Norwegian telecommunications company Broadnet, where he had been CEO since 2013. He has also held management positions at TDC, including CEO for TDC Business and COO for TDC.

Other management positions and directorships
Board member, Danish Industry
Chair of Board, AS/3

Competences
Business Development, Business Strategy, Product Management, Sales Management, Telecommunication, Merges & Acquisitions, Market Expansion, Operational Efficiency, Risk management.

ESG-specific competences
General ESG and Non-financial Reporting, People Management, DEI, Business Conduct, Security and Human Rights

Lasse Pilgaard

Executive Vice President, CFO

Year of birth 1987 Nationality/Residence Denmark



Education
Master of Business and Economics, Aarhus University

Experience
Lasse Pilgaard has more than 10 years of experience in finance and the telecommunications industry. Prior to joining GlobalConnect, Lasse was Group CFO of Modern Times Group MTG AB and Group CFO of TDC Group. He has also held positions as COO in AutoButler, Investment Manager at Creandum, and Engagement Manager at McKinsey & Company.

Other management positions and directorships
Board Member, MFT Energy

Competences
Finance, Analysis, Management Consulting, Business Management

ESG-specific competences
General ESG and Non-financial Reporting, People Management, DEI, Decarbonization, Business Conduct, Climate Risk and Resiliency and Human Rights

Charlotta Rehman

Executive Vice President, B2C

Year of birth 1970

Nationality/Residence Sweden/Denmark



Education

Bachelor of Economics, Major in Information Technology, Stockholm University

Experience

Charlotta Rehman was appointed as Executive Vice President, B2C in 2023. Before that, she was CEO of GlobalConnect Norway and COO of GlobalConnect. She has more than 30 years of experience in the telecommunications industry. Prior to joining GlobalConnect, she spent 25 years with Telia in a variety of management positions, such as country CEO of Norway and Deputy CEO for Telia Sweden heading B2B Sweden.

Other management positions and directorships

-

Competences

General Management, Business Strategy, Business Development, Change Management, Go-to-Market, and Sales & Marketing.

ESG-specific competences

General ESG practices, People Management, DEI, health and safety, Biodiversity, Decarbonization and Business Conduct.

Anna Granö

Executive Vice President, B2B

Year of birth 1969

Nationality/Residence Sweden



Education

Master of Science, Industrial Engineering and Management, Linköpings University

Experience

Anna Granö has 25+ years of experience from B2B with a background in tech including positions at Telia, IBM, Microsoft and the latest Hewlett Packard Enterprise where she had the position as VP for Northern Western Europe Sales. She has extensive experience from the IT and telecommunication industry.

Other management positions and directorships

Member of Steering Committee, AI Sweden

Competences

Business & IT Strategy, Business Development, General Management, Sales Management, Consultant Services, Change Management and AI.

ESG-specific competences

General ESG, People Management, DEI, Decarbonization, Circularity, and Business Conduct.

Per Morten Torvildsen

Executive Vice President, NetCo

Year of birth 1961

Nationality/Residence Norway



Education

MBA, Organizational Leadership, BI Norwegian Business School and Master of Science in Technology Management, Massachusetts Institute of Technology.

Experience

Per Morten Torvildsen has a background of 35 years in senior executive roles and board positions within the telecommunications industry, including CEO of TDC Norway and CEO and Chairman of the Ventelo Group. Since 2011, Per Morten has been a Senior Advisor to EQT Partners. During his career, Per Morten has held over 20 board positions with telecom, technology, and energy companies.

Other management positions and directorships

Board Member, Zayo Europe
Chair of Board, Trisense AS

Competences

Business Development, Business Strategy, Change Management and Network & IT Technology.

ESG-specific competences

General ESG and Non-financial Reporting, People Management, DEI, Decarbonization, Business Conduct, Climate Risk and Resiliency, Circularity, Security, Biodiversity and Human Rights.

02 Sustainability Statement

Introduction to Sustainability	31	Environment	47
ESG Champion Letter	32	Climate Change and Mitigation	49
Our ESG Approach and Achievements	33	Environmental Impact Stories	56
General disclosures	35	Social	58
General Basis for Preparation	36	Own Workers	60
Sustainability Governance	37	Social Impact Stories	66
Double Materiality Assessment	38		
Value Chain	41	Governance	68
Material Sustainability-Related Impacts, Risks, and Opportunities	42	Governance Practices and Policy	69
Stakeholders	46	Governance Impact Stories	73
		Auditor's opinion	74
		Appendix	76



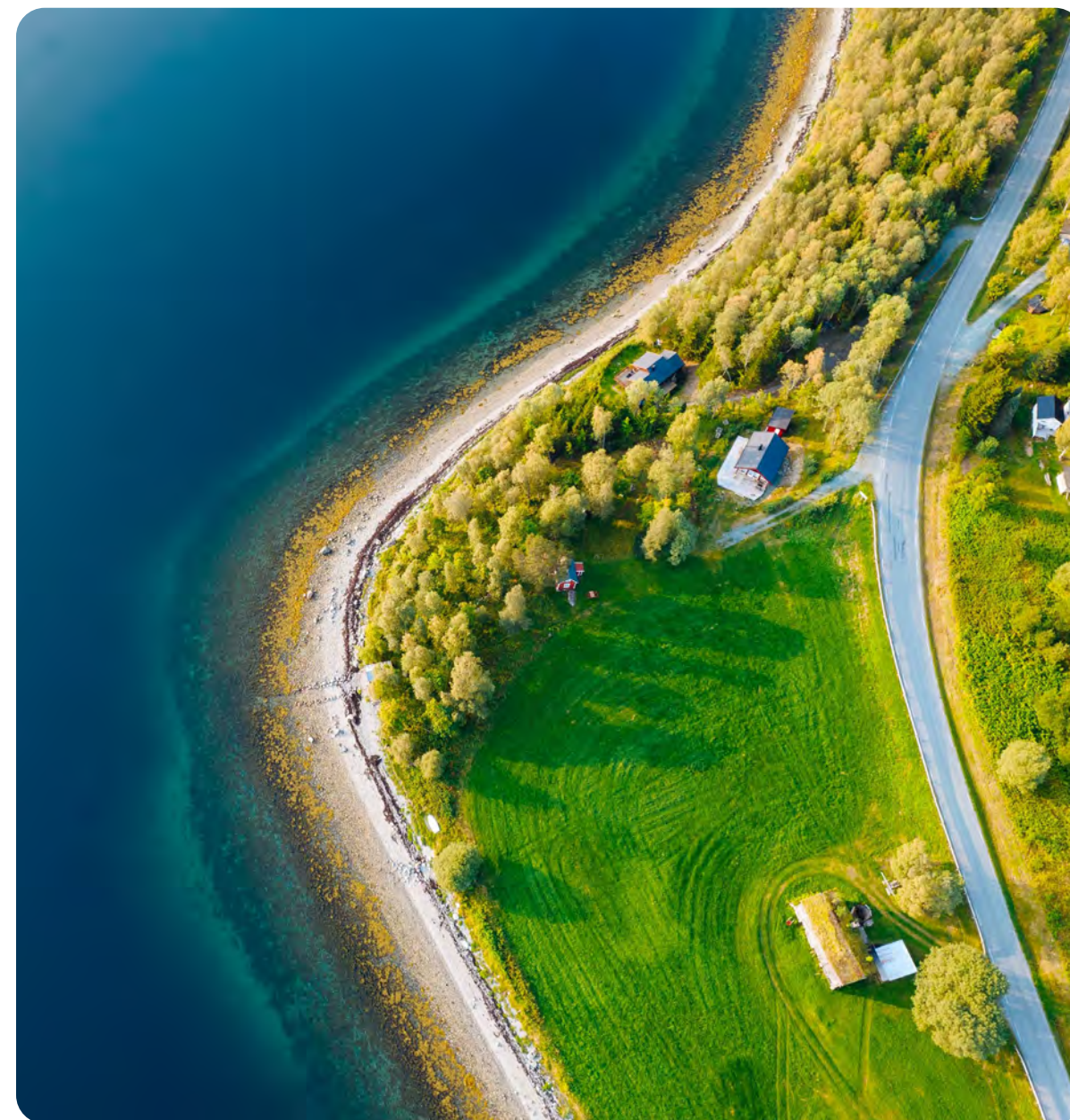
Sustainability Statement

As a leading provider of critical digital infrastructure across Northern Europe, we are committed to taking on the responsibility of driving progress toward a more sustainable, equitable, and resilient future. Sustainability is not just a part of what we do - it is fundamental to the way we deliver critical infrastructure to our customers, communities, and stakeholders. In 2024, we are advancing our mission to connect people, businesses, and the public while addressing the pressing challenges of climate change, resource efficiency, and ensuring continued secure connectivity across Northern Europe.

In a year defined by technological developments, our infrastructure continues to support the growth of data volume in our region¹. Through initiatives like the construction of our 2,600 km super fiber cable stretching from Northern Sweden to Berlin and traversing three countries, we are enabling seamless connectivity across the region. Additionally, our portfolio of data centers across Northern Europe provides energy-efficient hosting solutions, meeting the growing demand for sustainable digital infrastructure. At the same time, we are also future-proofing connections for the public, businesses, and individuals across our geographies, bridging the digital divide in rural areas while advancing the reliability and resilience of urban networks. By prioritizing safety and resilience in our connectivity offerings, we are helping ensure that communities across our regions can thrive in an interconnected and sustainable world.

Our commitment to sustainability and transparency is demonstrated by reporting partially in line with the Corporate Sustainability Reporting Directive (CSRD) ahead of regulatory requirements. In 2024, we have implemented an adjusted structure and are reporting partially in line with the European Sustainability Reporting Standards (ESRS). The focus of this year's reporting was two key material topics for GlobalConnect: E1 (Climate change) and S1 (Own workforce)². By taking these steps ahead of regulatory requirements, we aim to promote transparency, consistency, and accountability, while frontloading critical work to prepare for the upcoming full CSRD compliance. These efforts reflect our dedication to delivering comprehensive and forward-thinking sustainability reporting despite uncertainty about future regulation.

Building on our goal to decarbonize connectivity, we continue our progress towards our validated science-based targets. These targets guide our efforts to reduce emissions across our operations and supply chain. Achievements such as covering 100% of our electricity consumption with renewable energy and optimizing circular practices to minimize e-waste underline our dedication to aligning growth with sustainability. To us, sustainability goes beyond simply meeting targets - it is about making a meaningful and lasting impact. By integrating environmental, social, and governance principles into every aspect of our business, we ensure that connectivity acts as a catalyst for empowering people, businesses, and society while safeguarding the planet for future generations.



¹ European Commission (European data strategy and broadband strategy)

² Accordingly, the FY2024 report will not cover disclosure of other material topics, i.e. E4, E5, S2, S4, and G1. This also extends to mandatory disclosures under ESRS 2 Appendix C and the EU taxonomy reporting.

Board ESG Champions Letter

50% | 50%

2023: 57% | 43%

Diversity in Top Management
Men | Woman

8.0/10

2023: 8.0/10

Employee Engagement Score

4.8%

GHG Emission Reduction 2024

At GlobalConnect, we remain dedicated to supporting a more secure and connected society across the Nordic region and continue to be committed to delivering on our ambition to be a leading sustainable connectivity provider by future-proofing the Nordics. To achieve this, sustainability remains at the core of our business model. This means developing and operating an energy-efficient and resilient network that is circular and mindful of nature while also fostering a safe, healthy and diverse work environment.

In 2024, GlobalConnect reaffirmed our commitment to investing in and prioritizing sustainability to drive meaningful impact on people and the planet, while creating long-term value. A few highlights to mention is:

- **Delivering energy efficiency initiatives across the network.** While demand for connectivity is surging in the Nordics, we have maintained a strong focus on managing our energy usage. This is exemplified by dedicated efforts to decommission a large number of sites, devices, servers, and legacy systems and networks. Beyond optimizing our existing network, we will continue to roll out the next generation XGS-PON fiber technology supported by our expanded partnership with Nokia, which will drive significant energy efficiencies compared to Point-to-Point (P2P) technology.

- **Strengthened position on circular business practices,** particularly driven by improvements in our refurbishment processes and our efforts to provide generated heat to the district heating grid. Throughout 2024, initiatives to enhance our refurbishment process have resulted in significant cost savings, while extending the lifecycle of critical equipment. Additionally, the excess heat utilization setup at Hørskættten went live, delivering free excess heat to the local utility company, reducing the carbon intensity of the grid.
- **Enhancing diversity and prioritizing the physical and mental well-being of our employees,** we have 50% female representation in our Executive Leadership Team and an employee engagement score of 8.0. These results underline our commitment to fostering an inclusive workplace with a strong sense of belonging for the employees and has been enabled by several initiatives and milestones throughout the year.

As we move forward, we will continue to embed sustainability at the core of our business and leverage increasing regulatory and customer requirements as strategic tools. As part of this, we are sharpening our focus on material ESG topics for GlobalConnect and expanding our initiatives across the value chain. We firmly believe that our focus on strategic sustainability initiatives that drive real impact will ensure that our business remains resilient and well positioned for the future.



Eric Elzvik
Sincerely, Eric Elzvik
ESG Board Champion
& Chairman of the Board

OUR ESG APPROACH AND ACHIEVEMENTS

Working to Deliver
Efficient and Future-Proof
Connectivity Across
Northern Europe

At GlobalConnect, delivering efficient, responsible, and resilient infrastructure is embedded into the core of the GlobalConnect vision and strategy, which sets the ambition and direction for our ESG efforts, and the imperative of driving measurable impact.

We have defined our ambition, focus areas, and targets based on the ESG, environment, social and governance, and framework - these respond to the core challenges that GlobalConnect and our stakeholders face across the value chain. The focus areas support our efforts towards strengthening our organization and set us up for continued growth.



Environment

Reducing our impact on the climate

APPROACH

GlobalConnect has set carbon reduction targets for our direct and indirect emissions and have defined an ambitious emission reduction roadmap. The target emission reductions across our own operations and in the value chain are in line with climate science, validated by the SBTi, and are consistent with limiting the global temperature increase. The emission reduction targets are defined relative to our 2022 baseline.

The decarbonization efforts will require dedicated effort across our own operations and strong collaboration with stakeholders in our value chain.

READ MORE

ESRS E1 Climate change, page 47
Environmental Impact Stories, page 56



Social

Fueling truly collaborative workforce for
sustainable growth and innovation

APPROACH

GlobalConnect creates meaningful change and has a direct positive impact on society. We recognize that our unique position carries a great responsibility to consciously, systematically, and sustainably address community needs, ensuring that everyone can live safe, well and without being left behind.

We are committed to enhancing our organizational sustainability knowledge and culture through education, training and awareness building. At the same time, we accelerate progress toward becoming a preferred workplace by fostering a diverse and inclusive workforce.

Finally, we prioritize a high level of employee health, safety and wellbeing – caring for both minds and bodies.

READ MORE

ESRS S1 Own Workforce, page 58
Social Impact Stories, page 66



Governance

Be the pioneering driver for a sustainable
digitized eco-system

APPROACH

GlobalConnect is a trusted partner and provider of critical digital infrastructure. We believe that implementing strong governance principle - from decision-making to the distribution of rights and responsibilities - is essential to meeting the expectations of customers and society while protecting stakeholders and supply chains.

We empower fair and forward-thinking management of sourcing, contractors, and suppliers, including financial suppliers and hardware partners.

As a proactive partner, we enable customers to achieve their visions and goals by providing data transparency, exceptional service, and tailored solutions.

Ultimately, we act as the enabler of a secure, resilient, and connected society for all.

READ MORE

Governance, page 68
Governance Impact Stories, page 73



OUR ESG APPROACH AND ACHIEVEMENTS

ESG Achievements 2024

E

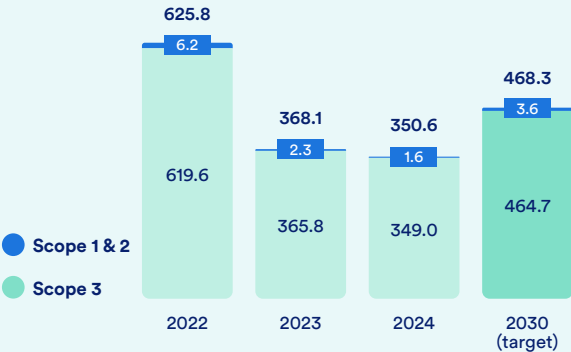
Environment

Reducing our impact on the climate

ACHIEVEMENTS 2024

- Reduction in Scope 1 GHG emissions of 36.9% compared to 2023
- 100% of electricity consumption covered by renewable energy.
- Reduction in Scope 3 GHG emissions of 4.6% compared to 2023
- Increasing energy efficiency in our network enabled by rolling out efficient XGS-PON technology in new areas and decommissioning legacy networks and sites
- Reducing environmental impact of excavation by promoting and deploying low-impact methods across geographies
- Go-live with excess heat utilization at data centers in Taastrup, providing free excess energy to the local district heating network

GHG market-based emissions
Scope 1,2 and 3 ('000 tCO2e)



S

Social

Fueling truly collaborative workforce for sustainable growth and innovation

ACHIEVEMENTS 2024

- Maintained overall employee engagement score of 8.0
- Achieved 50/50 gender distribution in top management (CLT and ELT) in 2024, up from 43% women in 2023
- Improved gender distribution balance across all employees, with 27% women in 2024, up from 26% in 2023
- Voluntary turnover of 9.2% in 2024, down from 11.3% in 2023
- Promoting employee wellbeing through various initiatives, including well-being week and recovery training sessions
- Fostering collaboration and innovation through a more office-centric way of working, balanced with flexibility and work-life harmony

50% | 50%

2023: 57% | 43%

Top Management Diversity
Men | Women

73% | 27%

2023: 74% | 26%

Employee Diversity
Men | Women

9.2%

2023: 11.2%

Voluntary Turnover

8.0/10

2023: 8.0/10

Employee Engagement Score

G

Governance

Be the pioneering driver for a sustainable digitized eco-system

ACHIEVEMENTS 2024

- Selected partner for the EU project QCI (Quantum Communications Infrastructure) developing next generation quantum resilient network to ensure secure data traffic across the region
- Advancing processes to strengthen our supplier due diligence
- Maintaining high standards for security and compliance e-learning incl. courses rolled out to all employees
- Strong focus on security with proactive measures taken, such as DDoS protection, improving the resilience of our customers

WE SUPPORT



We remain an active signatory to the UN Global Compact and committed to the 10 principles defined.



We remain committed to our SBTi target and publicly disclose our GHG emissions and progress annually.

General disclosures

General Basis for Preparation of the Sustainability Statement	36
Sustainability Governance	37
Double Materiality Assessment Introduction	38
Double Materiality Assessment Outcome	39
Double Materiality Assessment Methodology	40
Value Chain	41
Material Sustainability-Related Impacts, Risks, and Opportunities	42
Stakeholders	46



GENERAL DISCLOSURES

General Basis for Preparation of the Sustainability Statement

Framework and Data Selection

GlobalConnect’s sustainability statement for FY2024 is developed in accordance with CSRD and reflects a limited implementation of the full ESRS reporting guidance. For FY2024, we have chosen to report on material topics related to E1 and S1, which have been integrated in line with an ‘incorporation by reference’ structure. See references to disclosure paragraphs in Appendix¹. Additionally, the report will include elements from previous years’ sustainability reports, reflecting a hybrid approach between full ESRS implementation and our historical sustainability reporting.

Data points included in the report have been assessed as material according to our Double Materiality Assessment (DMA). All greenhouse gas (GHG) data points have been prepared based on the Greenhouse Gas Protocol.

The sustainability statement covers GlobalConnect’s own operations and upstream and downstream value chains, and it is specified across relevant areas whether these apply specifically to our own operations or extend to the value chain. The sustainability and financial statements are prepared on a consolidated basis, encompassing GlobalConnect through its parent company, Nordic Connectivity AB, based in Sweden. The consolidated financial statements comply with the International Financial Reporting Standards (IFRS) as adopted by the European Union. Additionally, the group accounts adhere to Swedish regulations, following the Swedish Financial Reporting Board’s recommendation “RFR 1 Kompletterande redovisningsregler för koncerner”, ensuring compliance with the Swedish Annual Accounts Act (ÅRL).

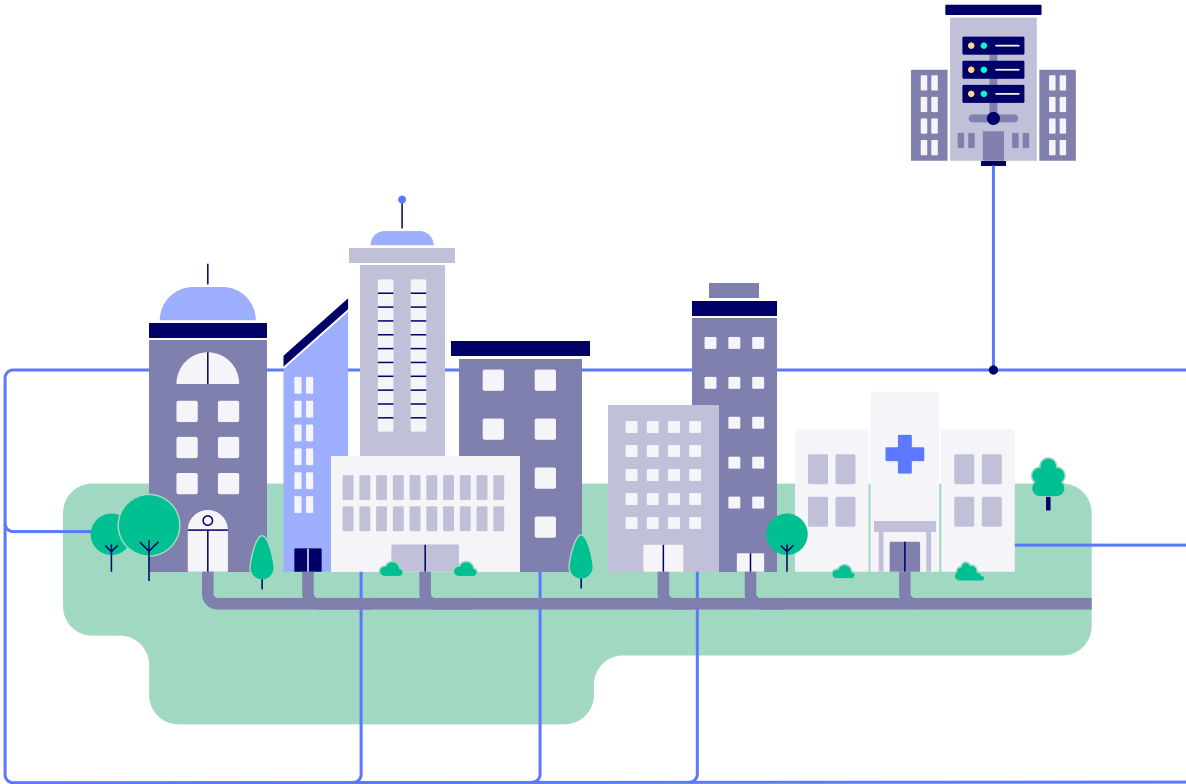
To ensure compliance with the requirements outlined in the Swedish Annual Accounts Act (ÅRL 6 kap12 §) according to the wording in the Annual Accounts Act that applied before July 1, 2024 and the NFRD, GlobalConnect has prepared an overview addressing key non-financial aspects of our operations. This includes our business model, policies pursued, policy outcomes, principal risks, risk management approaches, and relevant key performance indicators. Our report also provides necessary references and explanations in alignment with financial statements.

External Review

This report constitutes our statutory sustainability report in accordance with the Swedish Annual Accounts Act wording that applied before July 1, 2024. Please see the Auditor’s opinion on the statutory sustainability report on page 74. Numbers related to key KPI’s, namely greenhouse gas (GHG) emissions, top management gender diversity, and overall employee engagement, have been subject to limited assurance by the Auditors. See their report on page 75 for further information.

Use of Estimates

Where estimates are used to provide, e.g. consolidated group-wide reporting, such estimates and practices are described in the accounting principles applicable to the data or information, including any related measurement uncertainty. See accounting policies related to the energy consumption and GHG emissions, incl. the Appendix² to the sustainability statement.



Key Non-Financial Aspects of Our Operations

Subject Area	Overview	Social Conditions and Employees	Environmental	Human Rights	Anti-Corruption
Business model	3, 11, 16, 19	-	-	-	-
Policy and results	68-73	60-63, 70	33-34, 45, 49-55	70, 73	70, 71
Risk and management of those	42-46	44-45, 70	42, 43, 49-55	44-45, 70, 73	45, 70, 71
Objectives and results	33-73	33-34, 60-63, 70	33-34, 49-55	70, 73	70, 71

¹Appendix: Disclosure requirements and index of incorporation by reference ²Appendix: Notes to the GHG Emission

GENERAL DISCLOSURES

Sustainability Governance

At GlobalConnect, we acknowledge the urgency of taking the steps to make our business fit for purpose for the future. Therefore, our Board of Directors and management are strongly committed to ensuring sustainability matters go hand in hand with financial matters. In short, GlobalConnect is committed to acting now to create a better future, where we can deliver innovative and sustainable connectivity for all.

This commitment requires a strong sustainability governance structure and a diverse organization as the foundation for ensuring the commitment is implemented and executed.

Supporting this, sustainability is strongly anchored in the governance structure in GlobalConnect, where the Chairman of the BoD has also been appointed as the Board ESG Champion to anchor the sustainability agenda at the very top of the organization.

The Board of Directors approves major new strategies and group-wide sustainability policies. Focus areas and metrics in the ESG framework are approved by the ELT and the Board of Directors annually. Progress has been reported monthly since 2021. The owner of the sustainability targets is the Group CEO. The associated action plans and progress reviews are owned by the central sustainability team. With a group function for sustainability, we ensure implementation in the networks of the operating units through a community of

practice and reporting. The responsibility for national implementation lies with the business and country managers.

For more information about the administrative, management, and supervisory bodies and their responsibilities, expertise, and experience, see the Corporate Governance section describing their roles work. The ESG competencies of the Board of Directors and Executive Management have been supplemented with internal and external subject matter expertise when relevant.

The Board of Directors and relevant committees are regularly updated on and address sustainability. Sustainability matters are discussed regularly at the general meeting(s) to ensure that they are informed and to get input on the strategic sustainability direction.

The Corporate Leadership Team and Executive Leadership Team are informed monthly of progress on key sustainability KPIs in addition to relevant day-to-day information on activities and specific project-related updates and approvals. In 2024, sustainability information included the annual reporting, input and results from the DMA assessment incl. material IROS and affected stakeholders, overall ESG and ESG reporting risk and input to the sustainability strategy process.

Risk Oversight and Sustainability Reporting Risk Management

With ESG established as a separate domain, the responsibility for IROs lies with the Board's audit committee. This ensures that the governance of IROs is integrated into the Board's oversight processes.

In relation to enterprise risk management (ERM), the risk areas we report to AuditCo are directly aligned with our identified IROs and material topics. The Corporate and Executive Leadership team considers material sustainability matters as part of the company operations and when developing and overseeing the corporate strategy. This includes applying a sustainability lens to strategic business decisions to ensure that we are governing our business in a way that limits financial risks as well as environmental and social risks and impacts.

Supporting the integration of sustainability into core operations, the Double Materiality Assessment ("DMA") result and identification of Impact, Risk and Opportunities ("IROs") are integrated into the risk management framework, aligning processes and actions across the organization. To support the risk assessment, GlobalConnect performed a gap assessment to evaluate data deficiencies and ensure a solid foundation for future CSRD reporting.

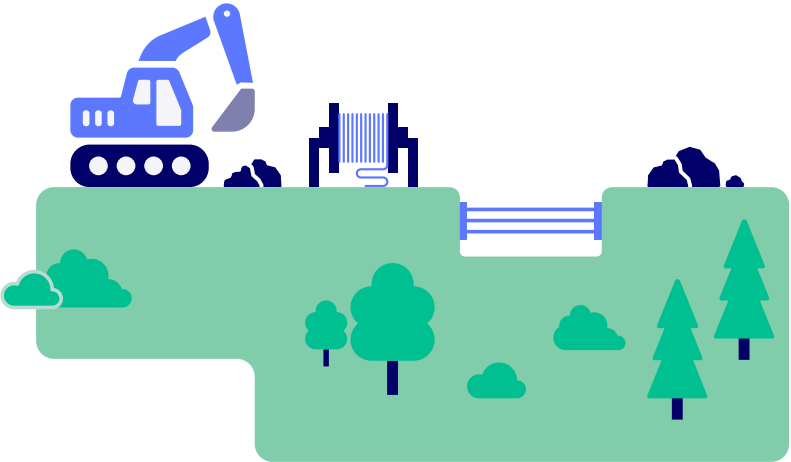
Facilitated by Group Sustainability, the assessment involved business-wide collaboration to evaluate data completeness, accuracy, and timeliness. Workstreams were initiated to address identified gaps and improve data collection processes.

To mitigate risks, GlobalConnect is implementing partial CSRD reporting in FY2024. The status of sustainability reporting readiness for GlobalConnect has been presented to the Audit and Risk Committee. Going forward, GlobalConnect will continue to work to mitigate reporting risks related to inadequate data availability, accuracy or completeness. This work includes working with subject matter experts and increasing collaboration with suppliers in the value chain.

Integration of Sustainability-Related Performance in Incentive Schemes

The remuneration of the administrative, management, and supervisory bodies is linked to the overall performance of the company. Through our sustainability-linked loan, there is a direct relation between financial performance and sustainability performance.

There is currently no other specific sustainability-linked KPI/performance in the remuneration.



GENERAL DISCLOSURES

Double Materiality Assessment Introduction

In 2024, we conducted a double-materiality assessment (DMA), according to the requirements of the European Sustainability Reporting Standards (ESRS) with support from the European Financial Reporting Advisory Group (EFRAG) guidelines¹.

The DMA process serves as the foundation for identifying and assessing information about impacts, risks, and opportunities (IROs) relevant to GlobalConnect across environmental, social, and governance matters. Based on this assessment, topics have been determined to be material or non-material from an impact and/or financial materiality perspective. The findings from the DMA assessment are integrated into the risk management and strategy review process.

The process followed the double materiality logic, examining ESG matters from two perspectives: an inside-out view assessing GlobalConnect's actual and potential impacts on society and the environment, and an outside-in view evaluating the financial risks and opportunities posed to GlobalConnect by external factors.

The process involved and included input from a broad selection of stakeholders across our own operations and the value chain. Internal stakeholders, such as Finance, HR, NetCo, B2B, Carrier, Compliance, Data Centers, the Chief Security Officer, Group Treasury, People and Culture, and the Board of Directors, contributed insights on financial sustainability, employee well-being, network operations, customer needs, security, and corporate strategy. External stakeholders, including investors, network partners, energy suppliers, and other value chain partners, helped address environmental impact, infrastructure sustainability, and energy solutions. This collaboration ensured that we balanced the needs of investors, customers, employees, and the environment, aligning our goals with long-term sustainability and operational efficiency.



¹ EFRAG IG1 – Materiality assessment implementation guidance

GENERAL DISCLOSURES

Double Materiality Assessment Outcome

Our impacts on the environment and society (impact materiality assessment), as well as its sustainability-related risks and opportunities (financial materiality assessment), have been identified. The IROs were consolidated and mapped into 13 material sustainability matters, corresponding to seven ESRS topics.

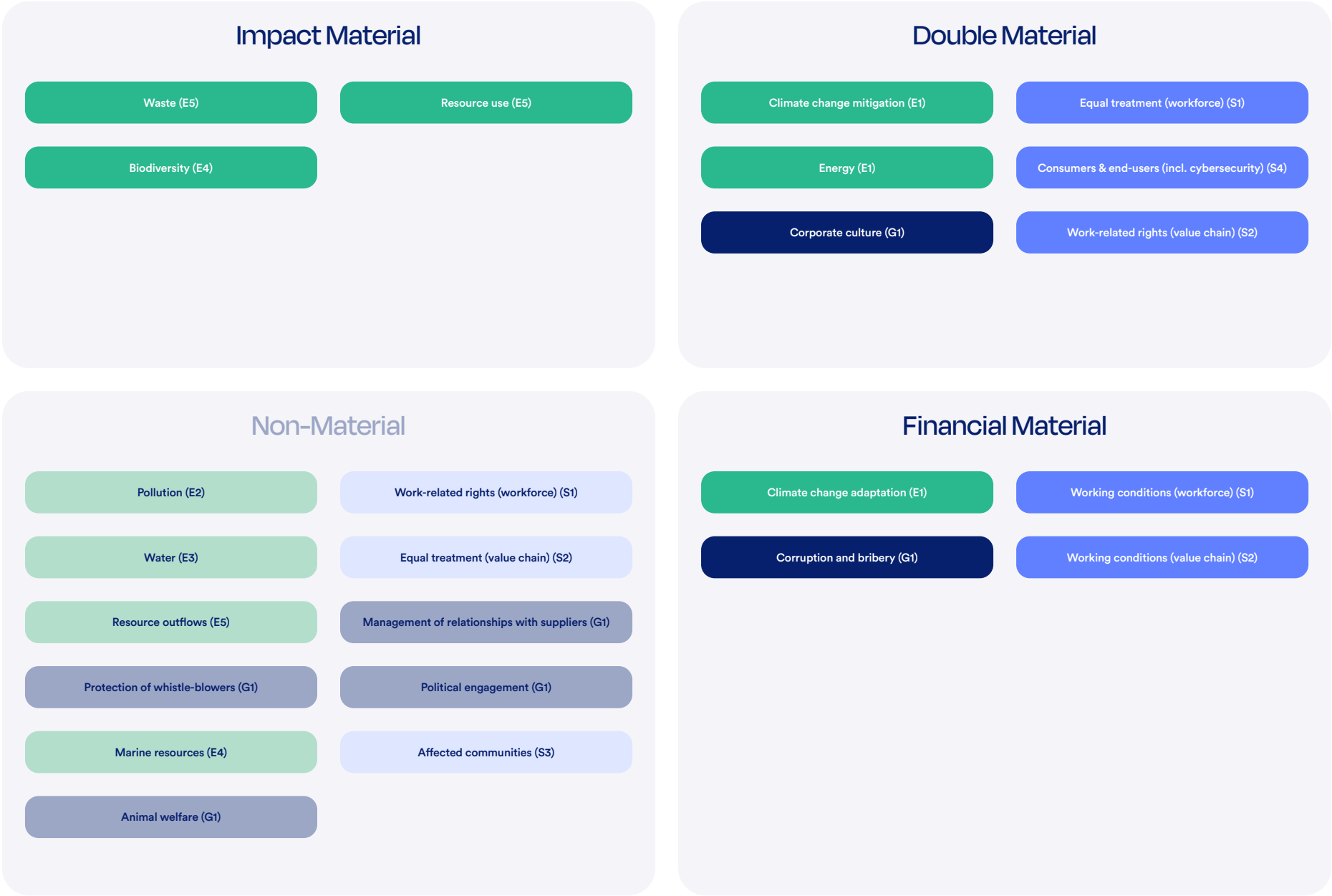
The materiality assessment concluded that ‘Climate mitigation’, ‘Energy’, ‘Corporate culture’, ‘Equal treatment of own workforce’, ‘Consumers & end-users’ and ‘Work-related rights in value chain’ are material from both an impact and financial perspective (double material). ‘Biodiversity’, ‘Waste’ and ‘Resource use’, are material from an impact perspective, and the topics ‘Climate adaptation’, ‘Corruption and bribery’, and ‘Working conditions in workforce and value chain’ are material from a financial (risk and opportunity) perspective.

The material impacts, risks, and opportunities identified during the materiality assessment are described on [page 42](#).

The overview and reasoning for IROs and ESG matters deemed non-material can be found in [Appendix¹](#).

For detailed information on how we respond to the effects of our IROs, see the [Environmental](#), [Social](#), and [Governance](#) sections.

¹Appendix: ESG Matter That Have Been Deemed Not Material to GlobalConnect



GENERAL DISCLOSURES

Double Materiality Assessment Methodology

Based on company-specific facts and circumstances, we conducted a DMA process following the EFRAG materiality assessment implementation guidance¹ on materiality assessments as closely as possible, following a 4-step process according to the ESRS:

Step 1: Understanding

For our DMA process, we initially conducted a detailed mapping of our value chain, incl. upstream, own operations, and downstream activities, as well as direct and indirect business relationships. This was complemented with an assessment to identify, and initiate engagement with, relevant stakeholders. An initial gross list of ESG topics was defined applying a top-down approach, leveraging input from ESRS, SASB industry materiality suggestions, sector-specific standards, and internal documentation, incl. previous materiality assessments.

Step 2: Identification

For the identification of IROs, we leveraged findings from step 1 and adopted bottom-up approach to map and understand specific effects and their causality across the value chain. The identification of the IRO's was based on internal expertise, stakeholder views, and review of other relevant information and research. Smaller and closely interlinked impacts were compiled into overarching IROs when relevant to ensure comparability.

Throughout the process, we engaged key internal and external stakeholders to capture their perspectives on IROs and their severity, likelihood, and time horizons. Engagement with stakeholders was conducted through semi-structured interviews, workshops, written communication, and survey(s).

Step 3: Assessment

Criteria for impact and financial materiality were defined in strict alignment with the CSRD requirements, incl. the application of time horizons across impact and financial materiality, influencing both scale, magnitude, and likelihood.

Impact materiality:

Impact at IRO level is assessed using a guiding formula consisting of severity and likelihood. Severity is based on the scale, scope, and irremediability (if negative).

- **Scale:** The severity of the impact, either positive or negative.
- **Scope:** The extent of the impact, e.g. individuals affected or geographical scope or quantity.
- **Irremediability:** The extent to which the negative impact can be remediated, e.g. through compensation or restitution. Only applied to negative impacts.
- **Likelihood:** The probability of the effect occurring, ranging from rare/remote (<20%) to almost certain (>80%). This only applies to potential impacts.

Financial materiality - risks and opportunities:

Financial materiality is assessed using a guiding formula consisting of financial magnitude and likelihood.

- **Magnitude:** The significance of the financial impact, measured by its effect on GlobalConnect's financial performance.
- **Likelihood:** The probability of the effect occurring, measured as the gross risk, i.e. without considering mitigating actions/control. Likelihood is assessed from rare/remote (<20%) to almost certain (>80%).

As recommended by EFRAG guidelines, magnitude, and likelihood are based on GlobalConnect's internal risk management methodology.

Materiality thresholds:

Thresholds are defined in close alignment with EFRAG guidelines and follow the same logic for impact and financial materiality, defined at IRO level. IROs assessed above the thresholds in the DMA may be impact material, financial material, or double material (impact and finance). As per requirements in ESRS1, negative human rights impacts have a lower threshold for impact materiality.

Step 4: Materiality

Based on the assessment, IROs above the threshold(s) were deemed material and thereafter translated into material sustainability matters. Material sustainability matters were allocated as per the 'DMA Outcome' matrix based on their underlying material IROs, determining the disclosure requirements for reporting.

The results from the materiality assessment were reviewed and validated with the Corporate Leadership Team (CLT).

Decision-making process, internal controls and continued work

The DMA process was facilitated by Group Sustainability and included internal stakeholders and subject matter experts. The IROs and full DMA results were confirmed with key stakeholders and further discussed and approved by the CLT, which includes the CEO and CFO, and were also presented to the Board of Directors.

Additionally, we have conducted a data gap analysis and formed relevant workstreams, action plans and delegated responsibilities to ensure proper resource allocation and effective management of material ESG matters.

¹ December 2023

GENERAL DISCLOSURES

Value Chain

As part of the double materiality assessment, GlobalConnect conducted a comprehensive value chain mapping to assess IROs and material impacts across the value chain, as well as the relevant activities and business relationships. Some activities occur both within our own operations and across our value chain. For example, the “Installation and construction of fiber networks” take place in our own operations as well as in the upstream value chain. For information on how we manage IROs, see the relevant ESG chapters.

Environmental sub-topics

1 Climate change mitigation

2 Climate change adaptation

3 Energy

4 Biodiversity loss

5 Resource inflows

6 Waste

Social sub-topics

1 Working conditions (Own operation)

2 Equal treatment (Own operation)

3 Other work-related rights (Value chain)

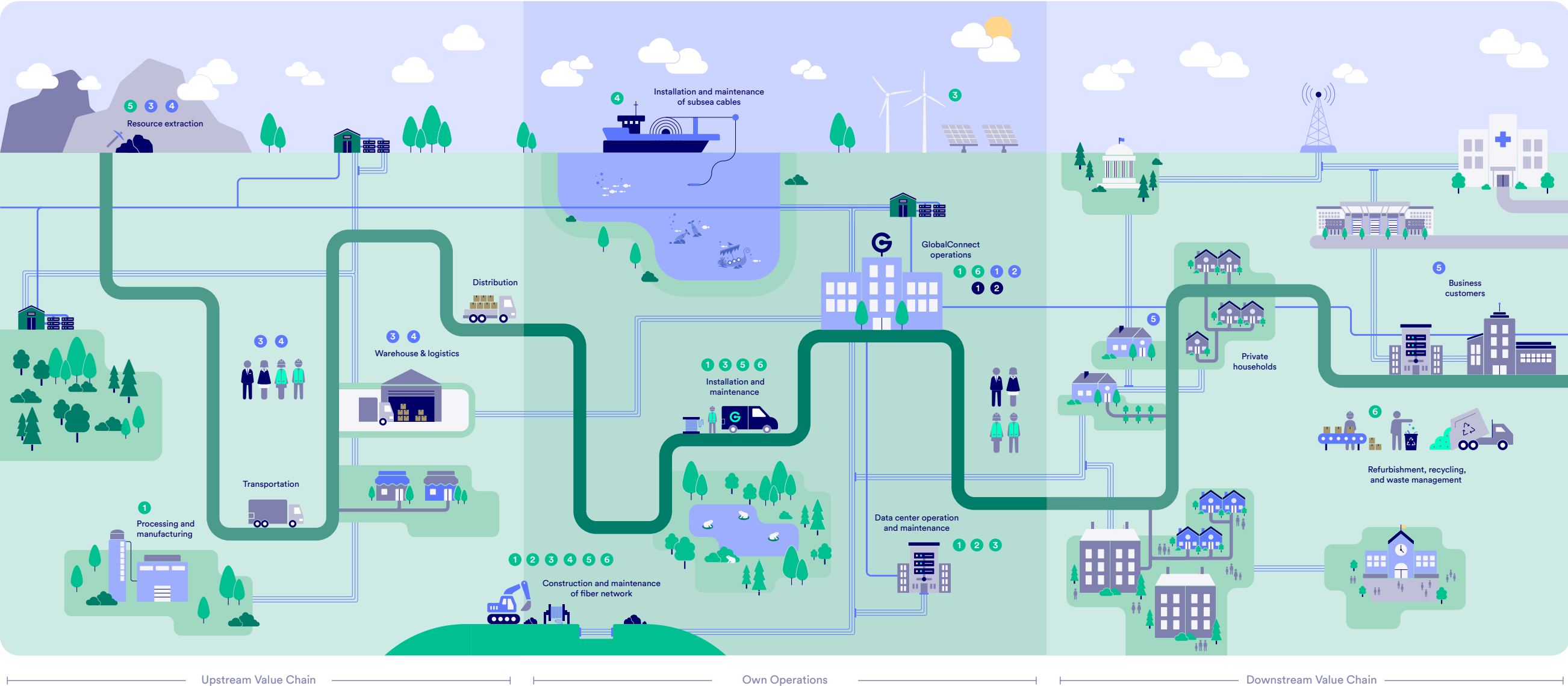
4 Working conditions (Value chain)

5 Consumers and/or end-users

Governance sub-topics

1 Corporate culture

2 Corruption and bribery



GENERAL DISCLOSURES

Material Sustainability-Related Impacts, Risks, and Opportunities

The following tables list the material sustainability-related impacts, risks, and opportunities we have identified as part of our double materiality process.

A comprehensive evaluation identified 50 IROs (Impact, Risk, and Opportunity factors), of which 23 were classified as material. Among these, 28 impact-related IROs were assessed, with 11 deemed material. Additionally, 22 risks and opportunities were identified, with 12 being material.

The tables indicate whether the impacts and risks are present in ‘own operations’ (OO) or ‘value chain’ (VC) and the time horizon.

Environment E1 Climate Change

Material Risk, Impacts and Opportunities		Description	Time Horizon (S/M/L)
CLIMATE CHANGE MITIGATION			
Actual negative impact (OO, VC)	Contributing to GHG emissions from own operations and the value chain	Emissions from our own operation of fiber network incl. the operation and expansion of our network and datacenters and emissions from across the value chain.	Long
		We are actively working on decarbonizing our operations and value chain in line with our validated science-based targets (SBTs). This includes working with innovative technologies to reduce our energy consumption and efforts to decarbonize our value chain, which is the primary source of our emissions.	
Potential risk (OO)	Direct financial effects of climate change mitigation performance through sustainability-linked loan (SLL) agreement	Financial risk from climate change mitigation efforts includes financial effects from climate change mitigation performance in our Sustainability-Linked Loan (SLL) agreement.	Medium
		We are actively assessing and managing our decarbonization efforts to mitigate this.	
Potential risk (OO)	Ability to meet increasing requirements from customers and stakeholders	Increasing importance of supplier sustainability efforts to our customers and stakeholders which accentuates financial and commercial importance of GlobalConnect's continued commitment to measurable and significant emission reductions.	Medium
		We expect sustainability to play an increasing role in the decision-making processes for customers and stakeholders. We are prepared for this development through our continued effort to decarbonize and drive strategic sustainability initiatives across our value chain.	

Material Risk, Impacts and Opportunities		Description	Time Horizon (S/M/L)
CLIMATE CHANGE ADAPTION			
Potential risk (OO)	Physical climate-related risks impacting our operations	Financial and operational risks due to the physical impacts of climate change on our infrastructure. This includes the impact of temperature changes on energy usage and optical network performance (chronic) and frequency and severity of extreme weather events and climate related-hazards (acute). As part of our core operations, we work to operate a future-proof network, incl. assessing the integrity and exposure of our network and acting proactively to minimize the impact of any extreme weather events.	Long
ENERGY			
Potential negative impact (OO)	Increasing demand driving energy consumption across our data centers	We operate a broad portfolio of network sites and data centers across Northern Europe. These sites consume a substantial, and growing, amount of energy, with increasing demand for data center capacity across the Nordics, particularly driven by AI deployments. We continuously work to increase our energy efficiency and reduce the PUE(Power Usage Effectiveness) of our sites, as well as working to recover and utilize the excess heat produced. This includes the implementation of new and innovative technologies, incl. submerged cooling.	Long
Potential risk (OO)	Lack of access to renewable energy across Northern Europe	In the long-term and with the significant growth in data center capacity demand, there is a risk of insufficient access to renewable energy presenting a potential financial risk for the entire industry, incl. GlobalConnect. We operate in the Nordics which offers an environmentally advantageous location for data centers due to the region's abundant green energy resources, which support future growth and GlobalConnect's commitment to secure renewable electricity to cover our energy consumption.	Medium

Environment

E4 Biodiversity

Material Risk, Impacts and Opportunities		Description	Time Horizon (S/M/L)
DIRECT IMPACT DRIVERS OF BIODIVERSITY LOSS			
Actual negative impact (VC)	Impact on ecosystems from excavation/installation of network infrastructure	Excavation and installation of network infrastructure which may disrupt local ecosystems impacting biodiversity.	Short
		We actively work with managing and minimizing our impact on projects through dialogue with the municipalities and adhering to relevant laws, regulation and frameworks.	

Environment

E5 Resource Use and Circular Economy

Material Risk, Impacts and Opportunities		Description	Time Horizon (S/M/L)
RESOURCE INFLOWS INCLUDING RESOURCE USE			
Actual negative impact (VC)	Consumption of natural resources and virgin materials in our supply chain	Environmental impact and availability of resources required for our network, data centers, and related services. This includes consumption of natural resources such as silica, germanium, copper, and rare minerals used in fiber cables and electronic components. Additionally, there is the use of plastic and metal in the network and data center sites.	Short
		We are working continuously on managing our value chain impact, including collaborating with vendors and suppliers on material selection, reuse, and recycling.	
WASTE			
Actual negative impact (VC)	Waste generation from disposal of active network equipment and products	Generation of waste, particularly electronic waste, through the use and disposal of Customer Premise Equipment (CPEs) and active equipment in our own network operations and downstream value chain.	Short
		We are focused on extending the lifespan of our assets by prioritizing repair, restoration, and reuse of equipment. Additionally, we work with partners in the value chain to ensure that our electronic waste is recycled and that materials are utilized to the fullest extent possible.	
Actual negative impact (VC)	Waste generation from passive products and civil works	Generation of waste from civil works, including discarded construction materials, soil, and cable cutoffs. This waste is primarily a result of activities such as excavation, trimming ducts and cables, and handling materials like cable drums and micro-ducts.	Short
		We are focused on improving waste handling and preventing waste generation from passive products and civil works. This includes a focus on all waste materials from excavation and construction work, including cables, ducts, and wood from cable drums, to be managed responsibly and systematically.	

Social S1 Own Workforce

Material Risk, Impacts and Opportunities		Description	Time Horizon (S/M/L)
WORKING CONDITIONS			
Potential risk (OO)	Direct financial effects of employee engagement through sustainability-linked loan (SLL) agreement	Direct financial risk from failing to achieve targets defined in the sustainability-linked loan (SLL) agreement related to employee engagement. The direct linking of financial performance to employee well-being underlines our commitment to fostering a positive work environment, which we work on continuously, incl. training programs, promoting trust, and well-being initiatives.	Medium
EQUAL TREATMENT AND OPPORTUNITIES FOR ALL			
Potential positive impact (OO)	Diversity, equity, and inclusion driving improved culture and performance	GlobalConnect operates in a male-dominated industry, but can through our focus on diversity & inclusion, promote and influence women to join the industry. We recognize diversity as encompassing various dimensions, including gender, ethnicity, age, national origin, religion, political beliefs, sexual orientation, marital status, disability, and other protected characteristics. Given the gender distribution within our industry, we place special emphasis on promoting gender diversity, confident that this focus will foster a more inclusive culture overall.	Medium
Potential risk (OO)	Direct financial effects of diversity through sustainability-linked loan (SLL) agreement	Direct financial risk from failing to achieve targets defined in the sustainability-linked loan (SLL) agreement related to gender diversity. The direct linking of financial performance to employee well-being underlines our commitment to promoting diversity in GlobalConnect. Actions include promoting female leadership, inclusive recruitment training, and supporting women in the industry.	Medium

Social S2 Workers in the Value Chain

Material Risk, Impacts and Opportunities		Description	Time Horizon (S/M/L)
WORKING CONDITIONS			
Potential risk (VC)	Poor labor conditions for downstream supply chain workers and sub-contractors	Poor working conditions can lead to significant health risks for workers, highlighting the critical need for robust labor standards. Beyond the impact on workers' well-being, inadequate conditions at subcontractor sites also present reputational and financial risks for GlobalConnect, underscoring the importance of addressing this issue proactively. We actively promote fair and safe labor conditions across our supply chain. This includes conducting on-site inspections, enforcing our Supplier Code of Conduct, and engaging with subcontractors to ensure compliance with ethical standards.	Long
OTHER WORK-RELATED RIGHTS			
Potential negative impact (VC)	Poor labor conditions/rights at suppliers (upstream)	GlobalConnect acknowledges the potential risks of poor labor conditions and workers' rights violations within its supply chain. Upholding fair labor practices, such as the prohibition of child labor, is essential to maintaining ethical operations and safeguarding our integrity. Strengthening supplier management helps mitigate risks and reinforces our commitment to responsible sourcing. We require suppliers to sign our Supplier Code of Conduct (SCoC), or equivalent, and conduct risk assessments across the supply chain.	Short
Potential risk (VC)	Human rights breaches in the value chain	Human rights are needed to protect and preserve every individual's humanity, to ensure that every individual can live a life of dignity and a life that is worthy of a human being. We actively promote fair and safe labor conditions across our supply chain. This includes conducting on-site inspections, enforcing our Supplier Code of Conduct, and engaging with subcontractors to ensure compliance with ethical standards.	Long

Social

S4 Consumers and end-users

Material Risk, Impacts and Opportunities		Description	Time Horizon (S/M/L)
INFORMATION-RELATED IMPACTS FOR CONSUMERS AND/OR END-USERS			
Potential negative impact (VC)	Responsibility for protecting critical infrastructure	GlobalConnect's services are essential to consumers and society, which means a failure to protect them—whether from cyberattacks, data breaches in cloud environments, or other threats—could have significant negative consequences. We leverage our extensive experience and a comprehensive set of tools, ensuring robust protection for critical infrastructure. This commitment includes ongoing preparedness and continuous development of strategies to enhance security and safeguard network and data center operations.	Medium
Actual positive impact (VC)	Connecting communities	GlobalConnect strives to expand data access and improve connectivity for local and rural communities, democratizing access to data. As a leading digital infrastructure provider in Northern Europe, it plays a key role in connecting end-users securely and reliably while collaborating with national authorities to ensure network stability. We place connectivity at the heart of GlobalConnect's mission, emphasizing its transformative impact on consumers and end-users. Our commitment to secure, reliable, and accessible connections drives us to build a more connected and inclusive society.	Short
Potential risk (OO, VC)	Keeping our critical infrastructure safe (Cybersecurity)	GlobalConnect faces cybersecurity risks that could impact consumers and end-users, particularly in scenarios where connectivity breakdowns affect critical infrastructure. These incidents present a financial risk related to remediation and reputational damage. We leverage our extensive experience and robust cybersecurity measures to mitigate these risks effectively, ensuring continuity and protection for end-users and critical societal functions.	Medium

Governance

G1 Business conduct

Material Risk, Impacts and Opportunities		Description	Time Horizon (S/M/L)
CORPORATE CULTURE			
Potential negative impact (OO, VC)	Negative impacts by potential lack of strong corporate culture	Without a strong and responsible corporate culture, GlobalConnect, the employees, internal and external stakeholders, and the environment may be negatively impacted. We are deeply committed to building a strong and responsible corporate culture, founded on strong principles and behaviors (based upon the EASY framework and employee code of conduct). Additionally, we are continuously improving our cross-country efforts, aligning processes and ways of working while fostering a culture of accountability and responsibility.	Medium
Actual opportunity (OO)	Improving GlobalConnect's position towards investors and customers	A strong position on sustainability is essential to showcasing the value and competitiveness of GlobalConnect. Measurable results on sustainability and robust disclosures are increasingly important for investors, banks, and customers. We have included sustainability as a topic at the core of our vision and strategy and are working continuously to develop secure and efficient connectivity across Northern Europe. Through our efforts within sustainability and improved transparency, we can effectively meet and exceed stakeholder expectations.	Medium
Potential opportunity (OO)	Opportunity to further strengthen employees' sense of belonging through a strong culture	A strong corporate culture fosters employee loyalty and commitment. When employees feel a sense of purpose and see the impact of their work, they are inspired to stay. A cohesive culture unlocks potential and drives profitability. We are reinforcing our corporate culture as GlobalConnect transforms, ensuring we fully leverage our capabilities and align our workforce with strategic goals. Our culture and clear organizational purpose, centered on the societal value of our mission, are key to attracting and retaining talent. By prioritizing culture, we build a foundation for long-term success.	Medium
CORRUPTION AND BRIBERY			
Potential risk (OO)	Cases of corruption & bribery	Corruption and bribery pose significant risks to companies like Global-Connect, with the potential for severe reputational damage and financial penalties. As a decentralized organization with substantial annual spending, the risk of unethical practices, such as collusion with suppliers, demands heightened vigilance and a proactive approach to uphold integrity. We have implemented robust policies, strict guidelines, and comprehensive structures to prevent, detect, and manage potential cases of corruption and bribery. These measures ensure that any incidents are identified and handled swiftly and appropriately.	Long

GENERAL DISCLOSURES

Stakeholders

The ongoing engagement with stakeholders is managed decentrally across the organization and takes on various forms, including biweekly employee surveys, ongoing engagement and interviews with customers, and participation in dialogue and public discourse with governments and industry organizations. The feedback from our active stakeholder engagement is critical in supporting our ongoing business and is used actively in our efforts to manage material sustainability topics and for the management and board when defining the strategic direction.

Overall engagement with key stakeholders is guided by our code of conduct, which is in accordance with international norms and guidelines, incl. UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Stakeholder	Type of Engagement(s)	Purpose and Value of Engagement	Outcome of Engagement
EMPLOYEES	- Employee relations and representation - Bi-weekly employee survey - Personal development dialogues - Internal networks - Leadership training	- Creating a sense of belonging among our employees - Ensuring a diverse and passionate workforce - Supporting a sustainable and healthy work environment	- Improving employee and talent retention and attraction - Result of employee engagement survey(s) - Development of employee skills and capabilities
CUSTOMERS	- Ongoing customer dialogue - Customer satisfaction surveys, interviews, and follow-up - Customer care and support - Customer escalation procedures when necessary	- Being a partner and collaborating with customers - Building relationships and trust	- Continuous customer feedback and customer satisfaction score - Improved customer and brand awareness - Positive client relationships and performance
SUPPLIERS	- On-going dialogue and supplier collaboration - Supplier evaluation(s)	- Establishing strong partnership - Compliance with our SCoC, incl. protection of human and labor rights - Promoting sustainable practices and decarbonizing our value chain	- Stable and consistent delivery of goods and services - Mitigate risks and negative impacts in the value chain, incl. GHG-emissions
OWNERS/INVESTORS AND BANKS	- Direct feedback and input from board meeting(s) - Participation in Audit and Risk committee - Active ownership and involvement in the daily business - Recurring ESG reporting and review, incl. sustainability linked-loan KPI's - Network meeting with operating companies	- Understanding expectations for sustainability - Enhancing transparency - Learning from peers - Access to financing	- Managing expectations and ensuring adequate flow of information, incl. financial and non-financial reporting - Active investors in business strategy and direction
AUTHORITIES AND INDUSTRY ORGANIZATION(S)	- Direct dialogue - Responding to public consultations - Engaging actively in network(s) - White papers and opinion pieces	- Ensuring regulatory compliance - Promoting sustainable practices - Shaping a business environment that supports fair competition, innovation, and optimal conditions for growth	- Compliance to mitigate risks and drive value, incl. alignment of business practices - Promote and adopt good industry practices
SOCIETY AND LOCAL COMMUNITIES	Dialogue with municipalities and local representatives in areas we are establishing or operating connectivity	- Understanding and addressing community needs - Mitigating risks through a deep understanding of local factors - Understanding and complying with local regulations	Deliver efficient, secure, and high-quality services to connect society mindful of the local context

Environmental

Environmental	48
Climate Change Mitigation Transition Plan	49
Our Approach and Policies	49
Actions	50
Targets	51
Energy Consumption	52
Greenhouse Gas Emissions	53
Environmental Impact Stories	56



Environmental

The climate crisis continues to accelerate, driving extreme weather events, rising global temperatures, and a rapid decline in biodiversity. These interconnected challenges pose significant risks to ecosystems, societies, and economies, underscoring the urgent need for collective action.

At GlobalConnect, we are deeply committed to addressing these environmental challenges. For several years, we have proactively worked to reduce our impact and enhance our contributions to a more sustainable world. We are continuously monitoring our greenhouse gas (GHG) emissions and have committed to an ambitious carbon reduction journey supported by targets validated by the Science Based Targets initiative (SBTi). These targets were validated in 2023, and we have been able to meet and exceed the targets for 2024.

Supporting the ambition, GlobalConnect’s sustainability-linked loan agreement connects our performance on specific sustainability KPIs to financing costs. As part of this, we have committed to linear year-on-year emission reductions.

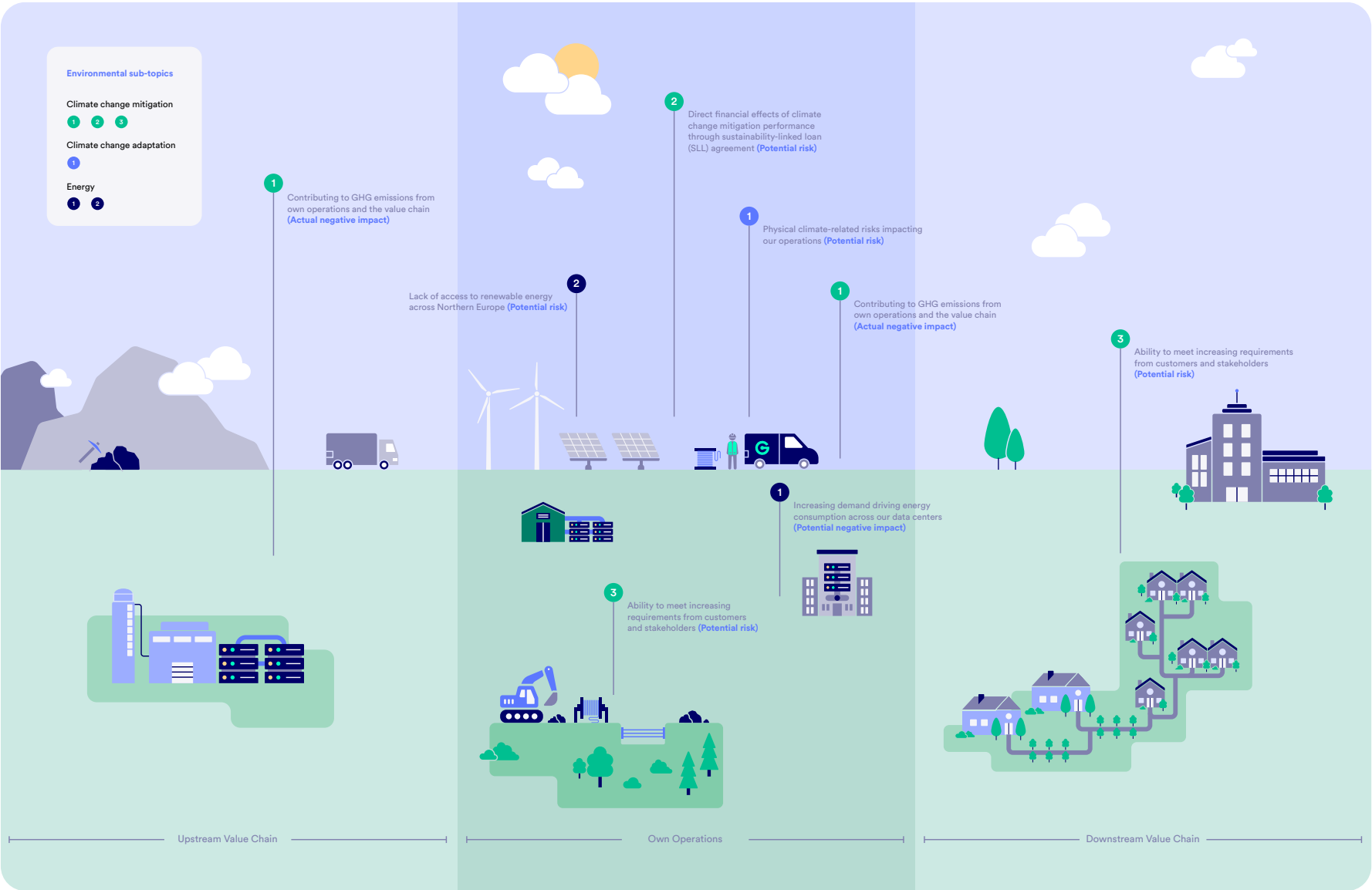
Across 2024, we have made significant efforts toward our goal of decarbonizing connectivity and managing our environmental impact:

- Microtrenching when expanding the network
- Circularity and refurbishment of CPE’s
- Efficient network deployment
- Waste-heat utilization go-live at our Hørskættø Data Center

For FY2024, GlobalConnect will report on ESRS E1 – Climate Change.



IRO E1



ENVIRONMENTAL

Climate Change Mitigation Transition Plan

Addressing climate change is at the core of our business model and strategy, delivering energy-efficient and future-proof digital infrastructure that connects Northern Europe. The targets, strategy, and plans to support the transition are integrated into our strategy and funded through our annual business and financial planning process, which receives approval from both the Corporate Leadership Team and the Board of Directors. In 2025, we will work to detail our transition plan, incl. climate scenario analysis.

At GlobalConnect, we are dedicated to reducing our carbon footprint across Scope 1, 2, and 3 emissions. To achieve this, we have embarked on an ambitious reduction journey toward 2030. Our targets, aligned with a well-below 1.5°C pathway for Scope 1 and 2 emissions and a well-below 2.0°C pathway for Scope 3 emissions, were validated by the Science Based Targets initiative (SBTi) in Q2 2023. These efforts reflect our commitment to the Paris Agreement's goal of limiting global warming to 1.5°C. We are continuously working on implementing decarbonization levers on both a short- and medium-term basis. Further, we have embedded emission reduction targets into our financial performance, interlinking our business model and strategy with reductions in line with the Paris Alignment and EU climate goals.

The reductions proposed across Scope 1, 2, and 3, are aligned with the core operations of GlobalConnect and are not expected to drive significant OpEx or CapEx investments to achieve.

We do not have any GHG-intensive assets or products and have not invested any CapEx amounts related to coal, oil and gas-related economic activities during the reporting period. We are not excluded from Paris-aligned benchmarks.

Our Approach and Policies

At GlobalConnect, we address the global climate crisis through mitigation and adaptation, reducing our environmental impact while ensuring the resilience of critical digital infrastructure.

Our Group ESG Policy provides a strategic framework for advancing Environmental, Social, and Governance (ESG) priorities and is reviewed annually. Complementing this, our Group Environmental Policy expands upon environmental topics, such as energy usage and resource management. These policies apply to all geographies and stakeholders, including board members, employees, and partners, ensuring a unified approach to sustainability. The ESG and environmental policy is organizationally anchored in the Sustainability team, placed centrally within the CEO office. The policy is available to all stakeholders via our intranet and is additionally shared, when relevant, with suppliers and other stakeholders.

Mitigation:

We are strongly committed to achieving measurable reductions in GHG emissions across our value chain. Through the adoption of energy-efficient technologies and operational optimization, we strive to contribute significantly to the global transition toward a low-carbon future. To support our climate mitigation efforts, we incorporate sustainable procurement practices into our operations. By collaborating with suppliers who emphasize sustainability and resilience, we aim to procure materials, equipment, and services that align with our environmental and durability goals.

Our Environmental Policy underscores this commitment by prioritizing climate change mitigation and establishing clear targets to reduce Scope 1, 2, and 3 emissions by 2030, covering both direct operations and our value chain. This is done through initiatives such as reducing energy consumption in our own operations and network and procurement of green energy.

Recognizing the critical role of IT equipment in our operations, we have furthermore implemented initiatives that emphasize responsible resource management and are intensifying efforts to enhance circularity.

Adaptation:

As a trusted provider of digital infrastructure, our priority is to ensure uninterrupted connectivity and data integrity in an era of increasing environmental uncertainty. This includes 24/7 network monitoring to identify risks early, enabling proactive investments to strengthen our systems. We continually upgrade our infrastructure to enhance network redundancy to ensure reliable services, even in the face of climate challenges and withstand extreme weather. This includes preparing for extreme weather events like storm 'Ingunn' in January 2024, Norway's most severe storm in 30 years, which caused significant damage in the Nordic region and British Isles. As GlobalConnect was well prepared and had a good collaboration with the government our customers only experienced minor impacts.

ENVIRONMENTAL

Actions

WE ADDRESS OUR SCOPE 1&2 EMISSIONS THROUGH THE FOLLOWING LEVERS AND ACTIONS:

Electrical Vehicle Transition

Aiming to electrify most commercial and service vehicles by 2030, GlobalConnect is transitioning our fleet to electric vehicles. While we are already electrifying small service vans, we are working on customized solutions for larger service vehicles, which currently face technical limitations. In the meantime, exploring partnerships to tailor electric solutions for larger vehicles.

Improving Efficiency and Lowering Emissions Through Alternative Sustainable Solutions

By implementing advanced technologies like submerged cooling and lifecycle management to phase out inefficient equipment, we are continuously working to optimize energy efficiency across our data centers, network sites, and offices. We are also exploring sustainable alternatives, such as biofuels, and work to reduce emissions from the use of refrigerants. Future efforts will focus on enhancing data center efficiency to improve Power Usage Effectiveness (PUE), reusing waste heat, and adopting sustainable network designs.

Streamlining Operations Through Decommissioning of Legacy Systems

To reduce energy consumption GlobalConnect is continuously decommissioning outdated systems, sites, leased lines, network devices. These efforts help us reduce emissions while enhancing resilience, improving security, and reducing costs. As our company grows and technologies changes, we will continue to decommission to improve performance and reduce energy use.

Effective Network Design

Delivering ultra-fast speeds of up to 10 Gb/s to households, businesses, and municipalities, we are driving energy-efficient digital infrastructure forward with next-generation XGS-PON fiber technology. With scalability for future speeds of 25, 50, and 100 Gb/s, these fiber networks reduce energy consumption by 6 to 15 times compared to traditional Point-to-Point systems, maintaining a lower carbon footprint (Read more about this on [page 57](#)).

Procurement of Renewable Electricity

Since 2020, we have procured 100% renewable electricity, and we continued to do so in 2024. By using Guarantees of Origin (GoO's), we ensure that all the electricity powering our operations is based on renewable energy sources.

At GlobalConnect, we actively work to reduce carbon emissions across our operations and value chain in line with our SBTi-validated targets. We work continuously to further detail our decarbonization levers and roadmap.

WE ADDRESS OUR SCOPE 3 EMISSIONS THROUGH THE FOLLOWING LEVERS AND ACTIONS:

Supplier Engagement Program

To advance sustainability and reduce emissions, GlobalConnect engages with existing suppliers and works with sustainability criteria in the supplier assessment process. In 2024, we conducted a sustainability maturity assessment of key suppliers, yielding insights to strengthen collaboration and drive improvements. We are enhancing our data foundation through our ERP system to better report on refurbishment and circularity, developing tools to support suppliers in their green transitions, and pursuing joint initiatives to promote low-emission technologies, more sustainable product alternatives, and sustainable practices like waste management and refurbishment.

Refurbishment and Circularity

To reduce emissions and minimize new equipment purchases, we are advancing refurbishment initiatives. Moving forward, we will further develop sustainable delivery practices with a focus on waste management and circularity (Read more about this on [page 56](#)).

Sustainable Expansion of Network Capacity

As a sustainable and cost-effective alternative to traditional excavation methods, we use micro trenching alongside other low-emission technologies. Micro trenching can reduce emissions by up to 90%, and we have adopted this technology across all our operating regions. Initially used in urban areas with asphalt, we have expanded its use in rural areas with rocky terrain, such as Norway and Finland, where it has proven particularly effective. By leveraging micro trenching, we minimize environmental impact while improving the efficiency of our network expansion efforts (Read more about this on [page 56](#)).

Wi-Fi-Power Control

We provide our B2B customers with a specialized tool to switch off Wi-Fi access points in office spaces during nighttime hours, when the Wi-Fi is not in use. This solution helps reduce emissions and lower energy costs. For example, a company with 100 Wi-Fi access points can reduce its GHG emissions by up to 1.2 tons annually.

Enhancing Transparency for Customers

Enabling customers to make informed, sustainable choices and enhancing transparency, we will also expand the use of our customer carbon calculator. This tool will show the GHG impact of their solutions and help them select more environmentally conscious, energy-efficient alternatives, supporting their sustainability goals, and reducing the emissions from use of leased and sold products.

ENVIRONMENTAL

Targets

GlobalConnect’s Near-Term Science-Based Targets

With 2022 as the baseline year, we have committed to linear year-on-year reductions towards 2030. GlobalConnect’s science-based targets are:

- **Scope 1:** 42% reduction
- **Scope 2:** 100% renewable electricity
- **Scope 3:** 25% reduction

As of today, we are on track to meet our near-term scope 1 and 2 target, and have so far reduced scope 3 emissions beyond our 2030 absolute scope 3 emissions target.

The targets are set using the absolute contraction method and have been evaluated and validated by SBTi against the SBTi’s Criteria v5.0. The ambition of the proposed scope 1 and 2 target exceeds the minimum ambition for the 1.5°C pathway in the target year of 2030. For scope 3, ambitious targets have been set, significantly below a 2°C pathway.

Committing to this agenda by formally becoming part of the SBTi is not only important for us as a company today, it also proves our long-term commitment to reducing our environmental footprint and to cementing what type of company we want to be.

The decarbonization levers required to reach these targets are described above and are subject to continuous development as we implement technologies and quantify the financial and environmental impact of each lever.

We have committed to validated SBTi GHG emission reduction targets. Since 2022, we have achieved significant reductions.

Scope 1

Target: 42% reduction by 2030
GlobalConnect scope 1 emissions has decreased by 80.2% (4,979 tCO2e) compared to 2022 baseline

Scope 2

Target 100% renewable energy
100% of GlobalConnect's electricity consumption in 2024 was covered by certified renewable power

Scope 3

Target: 25% reduction by 2030
GlobalConnect scope 3 emissions has decreased by 43.7% (270,585 tCO2e) compared to 2022 baseline

Market-based emissions (tCO2e):



ENVIRONMENTAL

Energy Consumption

The total energy consumption increased from 129,086 MWh to 131,651 MWh, an increase of 2.0% from 2023. The energy consumption mainly consists of electricity and diesel for our datacenters and network sites, energy for our car fleet, and district heating and electricity for our office buildings.

Total energy consumption from non-renewable sources was 5,205 MWh in 2024, a 16.5% decrease from 2023, primarily driven by less fuel consumption for vehicles . As we transition towards a fully electric fleet, fossil-fuel consumption is expected to decline even further in the coming years.

Total share of energy consumption from renewable sources has slightly increased from 95% in 2023 to 96% in 2024. Electricity consumption increased to 124,848 MWh in 2024, reflecting expanded data center activity and demand, and the ongoing transition of our car fleet, which resulted in an increase in electricity consumption for the fleet in 2024. All electricity consumption is covered by renewable energy, which is achieved by sourcing renewable Energy Attribute Certificates (EACs).

Accounting Policies

Energy consumption from non-renewable sources

Energy consumption from non-renewable sources includes all fossil fuels used for our car fleet and back-up generators for data centers and network sites, as well as consumption of purchased or acquired heat from fossil sources , i.e. non-renewable fraction of district heating across administrative/office locations, based on national estimates, DC fuel consumption, based on expense reports, and fleet consumption based on leasing vendors and kilometers driven reports.

Energy consumption from renewable sources

Energy consumption from renewable sources includes all acquired electricity for data centers, network sites, and facilities, electricity for cars, district heating used at administrative buildings, as well as all renewable fuels used for our vehicle fleet.

Power consumptions at our sites and facilities are primarily based on direct measurements from our electricity providers. For consumption related to smaller facilities, consumption is based on estimates. Power consumption from electrical vehicles is estimated based on kilometers driven. For consumption related to administration and other processes, we calculate direct consumption on the basis of invoices.

Energy consumption from heat sourced for own consumption is based on input from landlords, and is estimated for smaller facilities. The split between renewable and non-renewable sources is based on national statistics data from Sweden, Denmark, Norway, Finland and Germany.

Heat consumption is split between renewable and non-renewable sources based on a calculation using data from national heat sources from Sweden, Denmark, Norway, Finland, and Germany.

Data Point	Unit	2024	2023	Δ
Total fossil energy consumption	MWh	5,205.9	6,235.2	-16.5%
Share of fossil sources in total energy consumption	%	3.95	4.83	-18.1%
Fuel consumption from crude oil and petroleum	MWh	4,462.1	5,538.2	-19.4%
Vehicles	MWh	4,143.7	4,991.1	-17.0%
Diesel (Data centers and network sites)	MWh	318.3	547.2	-41.8%
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources	MWh	743.8	697.0	6.7%
Heat sourced for own consumption - district heating ¹	MWh	743.8	697.0	6.7%
Consumption from nuclear sources	MWh	-	-	-
Share of consumption from nuclear sources in total energy consumption	%	-	-	-
Total renewable energy consumption	MWh	126,445.3	122,851.4	2.9%
Share of renewable sources in total energy consumption	%	96.05	95.17	0.9%
Consumption of purchased or acquired electricity, heat steam and cooling from renewable sources	MWh	126,180.7	121,702.5	3.7%
Acquired electricity (Data Centers, network sites, and facilities)	MWh	124,180.7	120,575.0	3.6%
Electricity (Cars)	MWh	79.2	13.2	502.1%
Electricity consumption covered by renewable energy certificates ²	%	100	100	-
Heat sourced for own consumption – district heating ¹		1,252.6	1,114.4	12.4%
Fuel consumption for renewable sources	MWh	264.6	1,148.9	-77.0%
Biodiesel	MWh	264.6	1,148.9	-77.0%
The consumption of self-generated non-fuel renewable energy	MWh	-	-	-
Total energy consumption	MWh	131,651.2	129,086.6	2.0%

¹Share of District heating has been calculated based on public data indicating the renewable share of District heating within each country. ²Electricity for carfleet was not covered as part of our EAC's in 2023.

ENVIRONMENTAL

Greenhouse Gas Emissions

Results and performance

We have continued our strong performance from 2023, building on our goal to decarbonize connectivity, and are ahead of plan towards achieving our absolute reduction targets in 2030.

In 2024, we have been able to reduce our market-based GHG emissions across our own operations and in the value chain by 4.8% compared to 2023 and by 44.0% compared our 2022 baseline (reduction of 275.205 tCO₂e). The reduction has been driven by targeted efforts across all three scopes, including reducing emissions from diesel and refrigerant consumption across our sites, reduction in emissions from our vehicle fleet, energy efficiency initiatives and decommissioning of legacy sites and systems, lower emission factors, and increasing focus on our resource use, scaling our infrastructure platform, and refurbishment processes. Additionally, changes to methodology from 2022 and 2023 has impacted the overall emissions, which will be reflected going forward.

Scope 1

Scope 1 greenhouse gas (GHG) emissions decreased by 36.9% from 2023 to 2024. This reflects an 80.2% decrease (reduction of 4,979 tCO₂e) compared to our 2022 baseline. This is primarily driven by a continued focus on emissions from refrigerants, a reduction in fuel consumption for our vehicles, and in emissions from diesel used for backup generators across the datacenters and network sites. In 2024, fuel for vessels accounted for 87% of the total scope 1 emissions, with refrigerants and diesel for backup generators being responsible for the remaining 13%.

Scope 2

Location-based scope 2 emissions increased by 1.6% from 2023 to 2024. The main driver of the increase was power consumption for GlobalConnect data centers driven by customer demand, offsetting impact of energy efficiency initiatives across the network. Throughout 2024, GlobalConnect have continued to procure renewable energy certificates covering the total electricity consumption, incl. electricity used for customer equipment at our sites and our electrical vehicles. Therefore, market-based emissions from electricity consumption amounts is zero. The relatively small increase in market-based emissions compared to 2023 (23 tCO₂e) is driven by an increase in district heating use across our office locations.

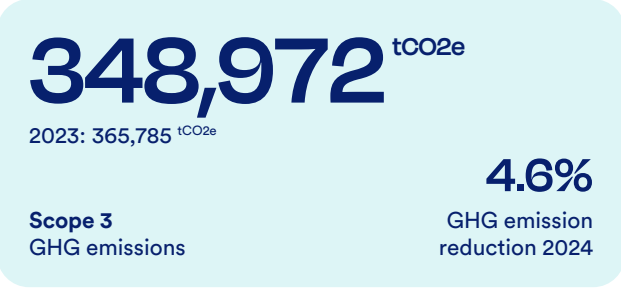
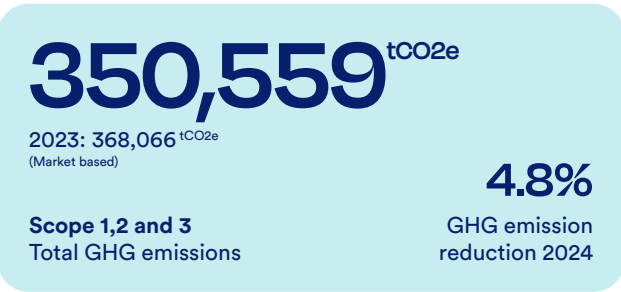
Scope 3

In 2024, we reduced scope 3 GHG emissions by 4.6% compared to 2023, and by 43.7% compared to the 2022 baseline. The decrease in emissions in 2024 is driven by a continued emphasis on supplier spend and refurbishment, although offset by continued expansion in Finland, as well as improving emissions factors and accuracy in methodology.

Revisiting methodology for calculating Scope 3 emission

In 2025, we will update our GHG emissions calculation methodology, to reflect adjusted categorization of spend, changes to emission factors and to increase the accuracy in our reported emissions. These changes will also be applied retrospectively to previous years to ensure continued comparability between years.

The expected impact is a reduction in emissions across years, but it is not expected to significantly impact the overall reduction trajectory. Additionally, continuous improvements to our supplier data quality is expected to drive further reductions in current and future GHG emissions.



Greenhouse Gas Emissions

Data Point	Unit	Target	2024	2023	2022 (Baseline)	Δ (23/24)
Direct GHG emissions (scope 1)						
Total scope 1 GHG emissions	tCO2e	-42% (2030)	1,228	1,945	6,207	-36.9%
% of scope 1 GHG emissions from regulated emissions trading schemes		%	0%	0%	0%	-
Indirect GHG emissions (scope 2)						
Location-based	tCO2e		10,766	10,598	8,998	1.6%
Market-based ²	tCO2e	100% RE ²	359	336	0	6.8%
Indirect GHG emissions (scope 3)						
	tCO2e	-25% (2030)	348,972	365,785	619,558	-4.6%
1: purchased goods and services	tCO2e		248,352	253,746	487,239	-2.1%
2: capital goods	tCO2e		78,508	79,404	115,481	-1.1%
3: fuel-and-energy-related activities	tCO2e		3,805	2,606	3,351	46.0%
4: upstream transportation and distribution	tCO2e		1,850	7,842	0	-76.4%
5: waste generated in operations	tCO2e		136	84	132	61.7%
6: business travel	tCO2e		1,140	2,182	210	-47.7%
7: employee commuting	tCO2e		3,951	4,142	3,326	-4.6%
9: downstream Transportation and distribution ³	tCO2e		-	-	868	-
11: use of sold products	tCO2e		301	-	-	-
12: end-of-life treatment of sold products	tCO2e		211	-	-	-
13: downstream leaded assets	tCO2e		9,583	14,236	8,951	-32.7%
15: investments	tCO2e		1,136	1,544	0	-26.4%
Total GHG emissions (Location-based)						
	tCO2e		360,966	378,328	634,763	-4.6%
Total GHG emissions (Market-based)						
	tCO2e		350,559	368,066	625,765	-4.8%

¹GlobalConnect does not apply disaggregation of Scope 1 and 2 emissions between the consolidated accounting group, investees, and subsidiaries. Emissions reporting is conducted at the aggregated level to ensure consistency with our reporting framework. There are no significant changes in the reporting undertaking and its value chain. ²Through procurement of 100% renewable energy. GlobalConnect is purchasing Energy Attribute Certificates (EAC's) for all the electricity we consume to ensure 100% renewable energy. ³Downstream transportation and distribution was defined as a separate category in 2022 baseline, but has been reassessed and included in category 4 from 2023 and 2024 onwards. Emissions from category 9 is generally not relevant for GlobalConnect, with relevant downstream emissions from our suppliers accounted for as purchased goods and services.

Total GHG Emissions Intensity in Metric Tons of CO2eq per Net Revenue

Data Point	Unit	2024	2023	2022 (Baseline)	Δ (23/24)
Revenue					
Total GHG emissions (location-based) per net revenue	tCO2e/mSEK	44.36	49.71	88.61	-10.8%
Total GHG emissions (market-based) per net revenue	tCO2e/mSEK	43.08	48.36	87.35	-10.9%

The table shows the reconciliation of revenue in the financial statement.

GHG intensity (metric tons of CO2 per net revenue)

Our GHG intensity per net revenue decreased by 10.8 % (location-based GHG emissions) and 10.9% (market-based GHG emissions) from 2023 to 2024. This was driven by the combination of the 4.8% decrease in GHG emissions and 6.9% increase in revenue. The GHG intensity (market-based) per revenue has decreased by 50.7% compared to our 2022 baseline. The reduction in GHG emission intensity highlight that we have been able to scale our infrastructure platform and grow the business while reducing our absolute emissions.

GHG removals and GHG mitigation projects financed through carbon credits

GlobalConnect does not have any GHG removals or GHG mitigation projects financed through carbon credits.

Internal carbon pricing

GlobalConnect does not apply internal carbon pricing schemes.

§Accounting Policies

Direct GHG emissions (Scope 1)

Scope 1 emissions are calculated based on the Greenhouse Gas (GHG) Protocol and cover all direct emissions of greenhouse gases from GlobalConnect. Quantification methods used for the inventory are in accordance with best practice as followed by WRI/WBSCSD GHG Reporting Protocol. Fuel-specific emission factors for CO2, CH4, and N2O are used for all sites using the DEFRA emissions dataset and IPCC AR6 GWP values, while IPCC AR6 values are also used for refrigerant-specific emissions factors. Activity data from emission sources (incl. data on kilometers driven from leasing companies or liters of fuel consumed, invoices for refilled refrigerants and diesel, and similar) is used for calculating Scope 1 emissions. The activity data is multiplied by the correlating emission factor, as defined in the GHG Reporting Protocol.

The consumption of diesel for backup generators and refrigerants are reported once refilled, leading to potential spikes in the underlying data in case e.g. new generators are installed and need to be filled out.

Indirect GHG emissions (Scope 2)

Scope 2 emissions are reported based on the GHG Protocol using emission factors from the DEFRA dataset and the IEA National Emission Factors and include indirect GHG emissions from the generation of power and, heat, and steam purchased and consumed by GlobalConnect. Location-based scope 2 emissions from procured energy are calculated as the power volumes purchased multiplied by country-specific emission factors. Market-based emissions from procured energy include the procurement of renewable power and assume zero emissions for regular power that is delivered as residual power. Scope 2 also includes energy

consumption and emissions from charging of electric vehicles and district heating. Electricity procured for charging of electrical vehicles are also covered by the energy attribute certificates. Emissions from procured heat is calculated using location-based DEFRA emission factors.

Electricity consumption is measured directly from meters across our sites and larger facilities. For smaller offices, where power meters are not installed, electricity consumption is estimated based on square meters or as a fraction of the power consumption of the building where we are renting space. Emissions from electricity procured to drive electrical vehicles is estimated based on kilometers driven. Energy consumption for district heating is collected from landlords, invoices or estimated based on square meters for smaller offices.

Indirect GHG emissions (Scope 3)

The inventory is compiled in accordance with the WRI/WBSCSD Greenhouse Gas (GHG) Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard and Corporate Value Chain (Scope 3) Standard Scope 3 (value chain) emissions or indirect emissions generated from the results of activities from assets not owned or controlled by GlobalConnect.

If not otherwise indicated, scope 3 emissions are calculated using spend data and relevant emission factor datasets. To consider inflation in line with the emission factor dataset, relevant inflation rates for 2024 compared to 2022 and 2023 have been applied. Inflation is calculated using the US Bureau of Labour Statistics (BLS) inflation calculator. To convert EUR to USD we used an average 2024 exchange rate.

Scope 3 emissions are reported based on the GHG Protocol, where the scope 3 inventory is split into 15 subcategories (C1-C15):

Category 1 - Purchased goods and Services and Category 2 - Capital Goods: Calculated from categorized spend data multiplied by relevant spend-category-specific emission factors. Spend is categorized to category 1 and 2 based on GHG protocol guidelines.

Category 3 - Fuel and energy-related activities: Calculated based on emissions from emissions from fuel and energy, accounted for in scope 1 and 2.

Category 4 - Upstream transportation: Includes emissions related to logistics, transport and distribution of our products and services, based on spend data and relevant emission factor(s).

Category 5 - Waste: Calculated based on spend data for 3rd party treatment and disposal of waste, based on relevant emission factor(s).

Category 6 - Business travel: Calculated based on mileage allowances, and a combination of activity data from our travel platform partner, and spend data for all additional business travel, incl. public transport, cars, flights and hotels.

Category 7 - Employee commuting: Estimated based on number of employees and emission factor for commuting.

Category 11 and 12 - Use of sold products and End-of-life treatment of sold products: Emissions from use and end-of-life treatment of sold products, estimated based on LCA analysis from the supplier and volumes of sold goods.

Category 13 - Downstream leased assets: Emissions from downstream leased assts is estimated based on the expected energy consumption from the equipment leased to customers, multiplied by location-based emissions factors from IEA National Emission Factors.

Category 15 - Investments: Calculated based on size of investments in USD and relevant sector specific emission factors.

Exclusions: GlobalConnect have excluded the following scope 3 categories: 8, 9, 10, and 14. These were evaluated and deemed not relevant for GlobalConnect in 2023 and 2024.

GHG emissions intensity (scopes 1, 2, and 3), net revenue

The calculation of GHG intensity based on net revenue divides the total scope 1-3 GHG emissions (numerator) with the total net revenue as shown in the financial statements (denominator).

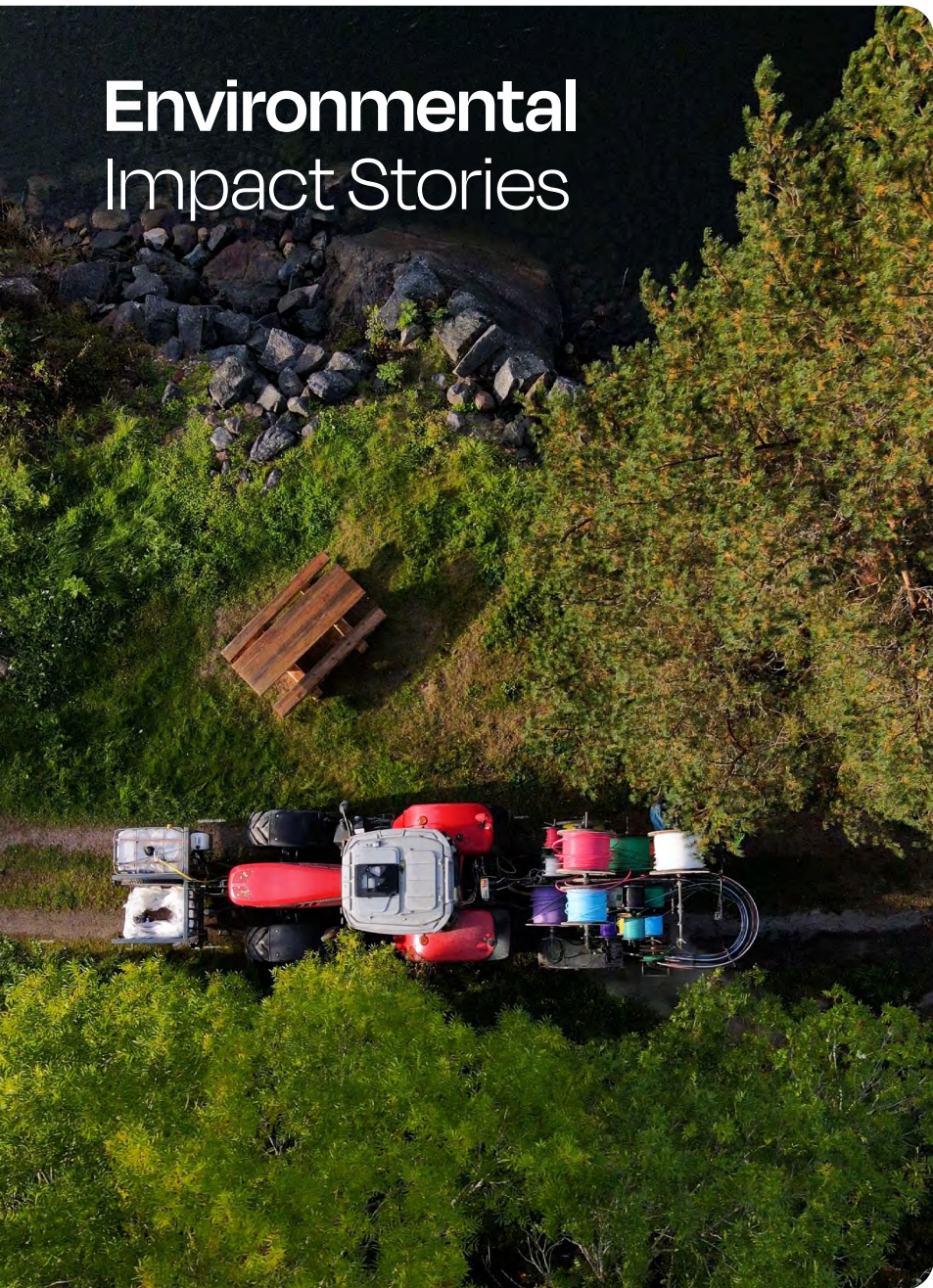
Organizational boundaries

GlobalConnect has applied the principles of the Operational Control Approach. GlobalConnect accounts for all emissions where we have direct control over the operations and where we can influence the decisions that affect GHG emissions. This includes all owned or leased facilities, vehicles operated by GlobalConnect, and facilities where GlobalConnect has operational control but does not wholly own facilities. This approach is consistent with the WRI/WBSCD GHG Protocol and general sustainability reporting protocols and guidance.

For information regarding the data foundation and changes made from 2023 to 2024, please see Appendix¹.

¹Notes to the GHG Emission

Environmental Impact Stories

An aerial photograph showing a red tractor parked on a dirt path in a dense forest. The tractor is loaded with several large spools of fiber optic cable in various colors (red, blue, green, yellow). The surrounding area is lush with green trees and vegetation. In the background, a pile of dark rocks is visible on a slight incline.

Microtrenching

Reducing environmental impact through low emission deployment methods

At GlobalConnect, we are committed to adopting innovative construction techniques to minimize environmental impact and efficient network deployment. A prime example is the increased utilization of microtrenching across our geographies, a sustainable approach that significantly reduces emissions and environmental disruption during fiber rollout.

In Norway and Finland, microtrenching, once reserved for densely populated areas with asphalt roads, is now being employed in rural regions with challenging ground conditions, such as areas with substantial rock. This method has proven particularly advantageous on public and private gravel roads. By cutting narrow trenches, microtrenching minimizes the area disturbed, resulting in up to 90% lower carbon emissions compared to traditional excavation. Additionally, it is cost-effective, making it a win-win solution for both the environment and GlobalConnect.

When microtrenching is not feasible due to rocky terrain or unsuitable road conditions, we employ plowing as a reliable, faster alternative for long-distance fiber deployment, meeting the 40 cm covering requirement and maintaining nearly the same environmental benefits, ensuring that each solution balances financial and environmental considerations.

However, implementing microtrenching on a larger scale comes with challenges. Awareness and acceptance of this method vary across municipalities, requiring close collaboration with public authorities. To address these barriers, we actively participate in industry initiatives to promote green technologies for fiber network installation.

Looking ahead, we will continue to work closely with our contractors to refine processes, reduce emissions, and optimize deployment methods.

Circular Business

Championing sustainability through circular resource management

In 2024, we integrated further circular resource management practices into our operations, with a clear focus on reducing waste and extending the lifecycle of equipment. Through initiatives centered on reuse, recycling, and responsible disposal, we achieved significant environmental and economic benefits.

One of our achievements was the restoration and reuse of approximately 2,400 network units (switches and routers) within our business-focused network infrastructure in Denmark. By choosing refurbishment over replacement, we actively reduced our need for new materials, thereby minimizing the environmental impact of our operations.

For equipment that is no longer usable, we partner with Stena Recycling and other suppliers to ensure that all end-of-life hardware is responsibly and efficiently recycled. However, our commitment goes beyond recycling - we actively promote resource efficiency by prioritizing the reuse and refurbishment of high-quality equipment. By combining responsible disposal with extending the lifespan of our hardware, GlobalConnect helps reduce electronic waste and address global resource scarcity. Our approach reflects a dual ambition: to take meaningful environmental responsibility while delivering cost-effective solutions for our operations.

More Efficient Network

GlobalConnect partners with Nokia to drive energy-efficient fiber expansion in the Nordics

We are advancing energy-efficient digital infrastructure in the Nordics through our partnership with Nokia to deploy next-generation fiber technology. This initiative utilizes advanced XGS-PON technology to deliver ultra-fast connectivity while cutting energy consumption by 6 to 15 times compared to older Point-to-Point systems, reinforcing GlobalConnect's commitment to reducing environmental impact.

The new fiber networks deliver speeds of up to 10 Gb/s to households, businesses, and municipalities, with scalability for future speeds of 25, 50, and 100 Gb/s - all while maintaining a lower carbon footprint.

This project highlights our ambition to invest in energy-efficient technologies that reduce emissions and help customers lower their energy consumption. Starting in Finland, this rollout marks the first step in a Nordic-wide initiative that will extend to Norway and Sweden, reinforcing GlobalConnect's role as a leader in combining technological innovation with environmental responsibility.

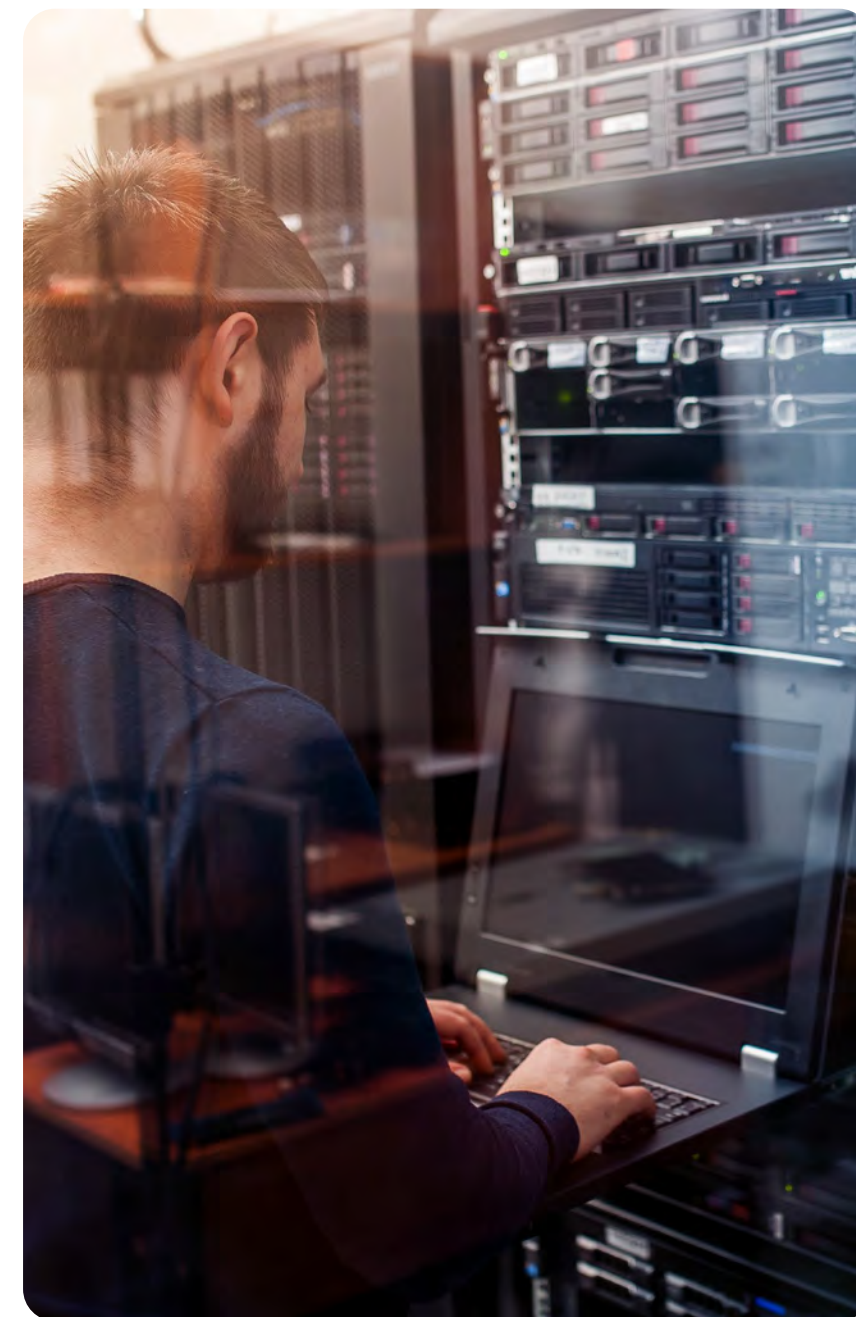
Circular Use of Resources

Utilization of excess heat from data centers in the local district heating system

In 2024, GlobalConnect began delivering waste heat from our data center at Hørskættens 12 to Høje Taastrup Fjernvarme. The initiative involves installing a high-capacity heat pump near our facility, enabling the generation of heat to meet the needs of approximately 1,500 households. While Høje Taastrup Fjernvarme invests 27 million DKK in the infrastructure, GlobalConnect will provide the waste heat at no cost.

As part of this partnership, we transform a byproduct of our data center operations - heat from server cooling - into a valuable resource for the local community. By contributing waste heat to the district heating system, we support Denmark's green transition.

This collaboration highlights our commitment to sustainable practices and the circular economy. Waste heat, typically regarded as an unavoidable byproduct, becomes a critical input for local renewable energy production. This partnership reflects GlobalConnect's broader sustainability goals of minimizing energy waste and integrating its operations into the communities it serves. Initiatives like this help emphasize how surplus products from deployments of data center capacity and AI in the Nordics may be utilized.



Social

Social	59
Policies Related to Own Workforce	60
People Quantitative Data	64
Gender Diversity, Gender Pay Gap and Remuneration	65
Social Impact Stories	66



Social

At GlobalConnect we are committed to take responsibility in relation to the social dimensions of the 2030 Agenda for Sustainable Development. We are doing this together as one company through tools such as our improved and unified HR system and PeopleConnect which are fostering an inclusive, supportive environment for our employees.

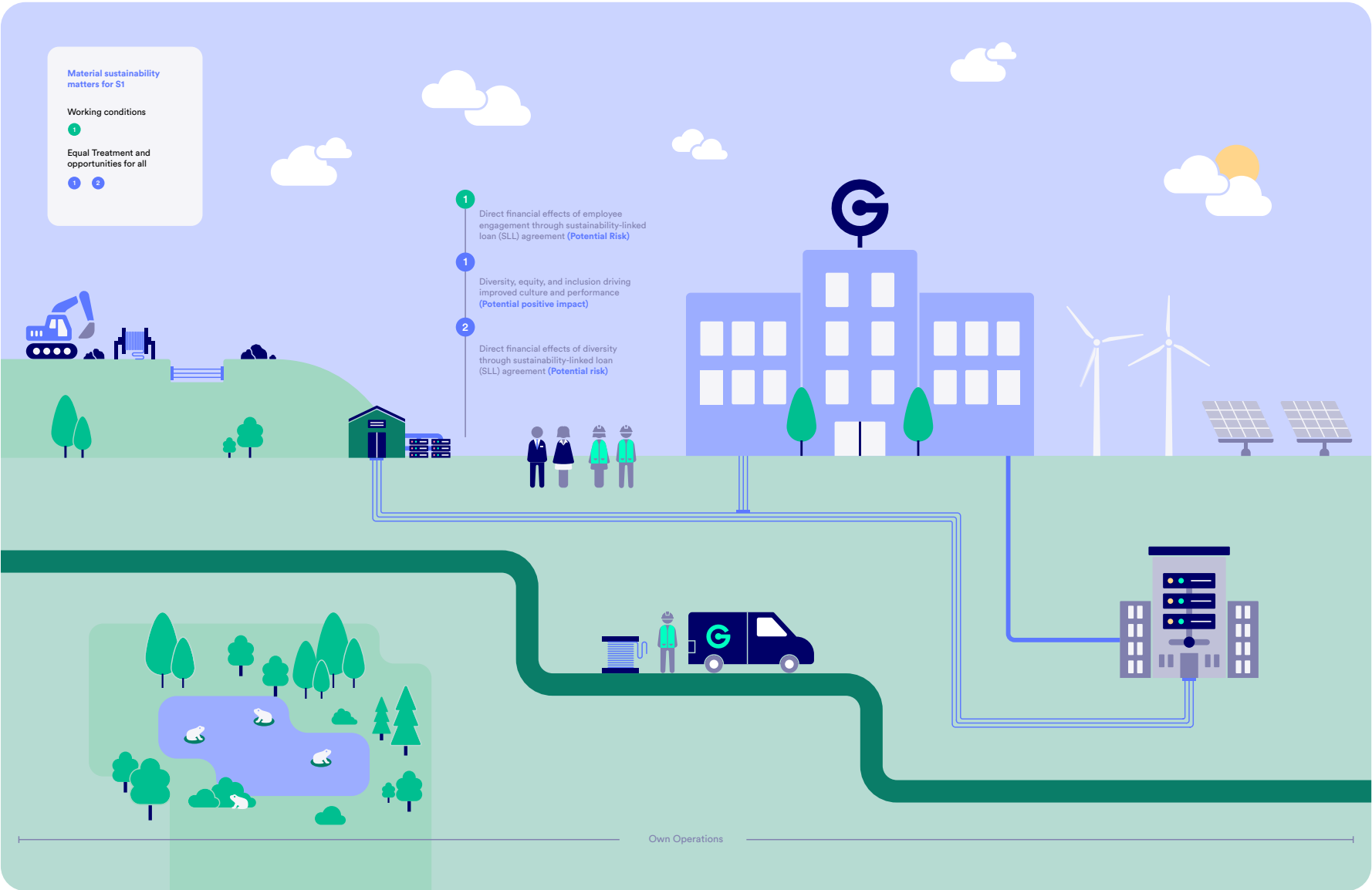
Across 2024, we have made significant efforts to support our own workforce and manage our social impact:

- Streamlining processes to support equal treatment and promote well-being
- Partnership with F1rst - Inspiring young talent from underrepresented groups
- Spotlight on employee week-being
- Ways of working and an inspiring new office

In advance of evolving regulatory requirements, GlobalConnect will report on ESRS S1 – Own Workforce already for FY2024. Moving forward, we will continue to report in line with the CSRD requirements, further solidifying our commitment to become one company through the implementation of one culture and EASY behaviors.



IRO S1



SOCIAL

Policies Related to Own Workforce



Human and Labor Rights



Approach and Policies

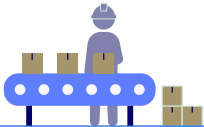
Our people are the foundation of GlobalConnect, and we are deeply committed to fostering a work environment where employee safety, health, well-being, and engagement are prioritized. We view respect for human rights as a fundamental principle that underscores human dignity and individual freedom. This commitment is guided by key international standards, such as the UN Guiding Principles on Business and Human Rights and the ILO Fundamental Principles, and is embedded in GlobalConnect’s Code of Conduct, which governs all people-related policies and procedures across the organization.

In alignment with the principles and our Code of Conduct, we ensure that all employees receive market-benchmarked and competitive employment terms and conditions. Our internal policies and procedures reflect the fundamental principles of human rights, defining employee rights, obligations, and terms and conditions throughout the group. Where applicable, we adhere to labor market collective bargaining agreements in the countries where we operate, ensuring that our workforce is covered in accordance with local market standards. In Sweden, 100% of our workforce is covered by collective agreements, in Denmark, approximately 25% is covered, and in Norway, 37% is covered. For Norway, however, the invariability principle entails that the remaining 63% of employees enjoy the same terms and conditions as the biggest collective agreement in GlobalConnect, the EI & IT collective agreement. No employees are covered by collective agreements in Germany and Finland. We adhere to national legislative and collective agreement rules on employee representation and work councils. No international work council has been requested by our employees.

Actions

To further uphold our commitment to human rights, we actively promote non-discrimination and equal opportunities across all levels of the organization. We engage with our workforce through regular feedback systems, employee surveys, and open dialogue platforms to ensure their voices are heard and their concerns are addressed.

Health, Safety and Wellbeing



Approach and Policies

At GlobalConnect, fostering a sustainable work environment that emphasizes employee health and wellbeing is fundamental to our commitment to our people. We believe that a healthy workforce is vital for a thriving organization, and we aim to be recognized as an employer that values its employees' wellbeing through preventive measures and timely support.

Health and Safety Policies

All health and safety policies and principles in GlobalConnect are covering the full GlobalConnect workforce. All GlobalConnect employment-related policies, instructions etc. are made available for all employees via the GlobalConnect Intranet and – in some cases – directly via email or comparable communication format. Employees are requested to make themselves aware of the employee handbook as the contents form part of the employment terms and conditions. This applies to our individual employment agreements. When implementing new policies etc., the normal approach – depending on content - is communication via Intranet messages and/or training meetings. Furthermore, leaders are pre-onboarded and required to support the policy implementation. This obligation relies upon the hierarchical leadership structure – all levels are responsible. The Senior Vice President of HR is accountable for the implementation of these policies. The executives reporting to the Senior Vice President are responsible for ensuring that the Policies are communicated, implemented, and followed within his/her area of responsibility.

Support for Illness and Mental Wellbeing

We have implemented a comprehensive sickness policy that guides employees on necessary steps when experiencing illness and where to seek support, with an emphasis on mental wellbeing. The communication also includes guid-

ance on addressing mental strain, such as stress and anxiety, and provides resources for both employees and leaders to address these issues effectively. Our support setup and systems vary by country, but they all offer access to health insurance, psychologists, and other mental health professionals.

Safety and Preventive Activities

We are continuously working to preserve our robust health and safety record. Our commitment to safety includes an active working environment organization per country in accordance with local law and regulations and regular preventive activities such as evacuation drills and a wellbeing week held annually.

Based on our employee composition and task composition, we have chosen not to have a workplace accident policy but a guideline in our employee handbook that describes our attitude and process.

We register work-related injuries in country-based systems as required by national law. We have had no work-related injuries or fatalities during the past two years. Consequently, we have suffered no work injury-related loss of working hours. All people in GlobalConnect's own workforce are covered by our health and management system.

Flexible Work-Life Balance

We seek to provide our employees with a flexible approach to their work life while still holding on to the human benefits of being a member of a team of people. We believe that our work environment greatly benefits from being together with others. So do GlobalConnect's business results.

All employees are subject to GlobalConnect's child leave policies, ensuring beneficial rights to absence from work in

connection with childbirth and adoption. The national leave rights are diverse and in accordance with national market benchmarks.

All GlobalConnect companies are residing in EU or EES member states. Consequently, all companies and all employees are subject to national legislation on family-related care leave, deriving from the EU's Leave Directive. In 2024, we have no registration of employees using this particular entitlement. This type of leave is registered as unpaid leave, covering also agreed leave periods.

Actions:

Leadership and Psychological Safety

We are committed to fostering a healthy work environment by equipping leaders with a clear understanding of their responsibilities in creating and maintaining such a space. To achieve this, we have designed and implemented training programs that emphasize the importance of psychological safety, empowering leaders to promote open communication, trust, and inclusivity within their teams. These principles are integrated into our internal leadership development programs, ensuring that leaders have the tools and knowledge to prioritize the wellbeing of their employees.

Wellbeing Resources and Initiatives

We prioritize the health and wellbeing of our employees by providing a range of accessible resources designed to support their physical and mental health. These resources are readily available to both leaders and employees through our intranet, ensuring ease of access. To further promote a culture of wellbeing, we organize an annual "wellbeing week," which serves as a dedicated time to focus on health-related topics, initiatives, and activities that encourage a balanced and healthy lifestyle across the organization.

Sustainable Work Practices

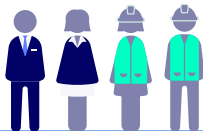
We recognize the importance of sustainable work practices in supporting both productivity and work-life balance. Through our GlobalConnect Way of Working guidelines, we provide clear direction on how to manage office attendance and remote work. These guidelines take into account the unique needs of different roles, the nature of specific tasks, team collaboration dynamics, and individual preferences. By adopting this flexible approach, we empower employees to work in ways that best suit their needs while maintaining team cohesion and delivering on organizational goals.

Targets Set on Material Topics:

We measure employee engagement and wellbeing via cross-group system, Peakon, which prompts our employees to respond to wellbeing questions every fortnight. And we follow up on engagement survey questions related to health and wellbeing.

Targets are defined based on the objective of being among the leaders in our industry. Progress is monitored through monthly reporting on our Sustainability Linked Loan agreement and likely supplemented by separate HR reporting.

Diversity, Equality and Inclusion



Approach and Policies

Diversity is at the core of innovation, productivity, and a thriving workplace at GlobalConnect. We value the unique perspectives that diversity brings and are committed to maintaining a workplace where all employees feel valued and respected, free from any form of discrimination.

Our Code of Conduct prohibits discrimination, and we follow a structured recruitment policy to foster diversity and inclusion.

We recognize diversity as encompassing various dimensions, including gender, ethnicity, age, national origin, religion, political beliefs, sexual orientation, marital status, disability, and other protected characteristics. Given the gender distribution within our industry, we place special emphasis on promoting gender diversity, confident that this focus will foster a more inclusive culture overall.

Integrating Diversity, Equity, and Inclusion Across Processes

Our commitment to diversity goes beyond recruitment. To build a truly diverse organization, we integrate diversity, equity, and inclusion into all people processes, ensuring that everyone feels valued, thrives, and can reach their full potential. We have aligned key processes such as annual appraisals, salary reviews, talent management, and leadership evaluations across all countries to enable leaders and HR to make fair and equitable decisions. This approach provides a comprehensive organizational overview and ensures decisions are calibrated to promote equality across all dimensions of diversity. To further advance equal rights, our recruitment policy specifically highlights diversity and equality, and we are measured on our gender diversity accomplishments through ambitious ESG targets, which also influence our financial performance.

Handling Discrimination and Harassment

We uphold a zero-tolerance policy towards any form of discrimination against employees or stakeholders, reinforcing our commitment to creating an environment of respect and inclusion. All reports of discrimination and harassment are fully investigated and may result in disciplinary actions or employment-related consequences for the violators. As described in our diversity and inclusion policy, we have implemented a Harassment and Discrimination policy, including a special harassment task force approach to handling harassment cases with a focus on ensuring legal safety for both the victim and the accused. In 2024, one grievance case regarding harassment was raised and proportionate action was taken.

Actions: Promoting Female Leadership

We are committed to increasing female representation in executive and senior leadership roles. By increasing female representation in executive and senior leadership roles, we demonstrate our commitment to creating a more balanced and equitable workplace, which strengthens our organizational culture and aligns with societal values. To achieve this, we actively engage in both internal programs and external initiatives that aim to create opportunities for women and build pathways for them to excel in leadership positions.

Inclusive Recruitment Practices

We ensure diversity in our recruitment processes by utilizing software that helps craft job advertisements designed to appeal to a broad demographic. By crafting job advertisements to appeal to a broad demographic and ensuring diverse representation in interviews, we actively work to reduce barriers and attract talent from varied backgrounds. To further support inclusivity, our recruitment policy mandates gender representation in interviews, ensuring

diverse perspectives. Additionally, all hiring managers are required to complete a bias e-learning program to promote fair and equitable decision-making throughout the recruitment process.

Leadership Training for Inclusion

We prioritize fostering an inclusive workplace by equipping leaders with the tools and knowledge needed to create diverse and supportive environments. By equipping leaders with the skills and knowledge to foster inclusivity, we ensure they can effectively engage with diverse teams, address unique challenges, and promote equitable opportunities for growth and collaboration. Through dedicated leadership training, we ensure that managers are well-prepared to engage their teams and promote inclusivity, helping everyone feel valued and included. Leadership trainings are held on a yearly basis.

Diversity in People Processes

We integrate diversity and equality into our People Processes, ensuring that performance evaluations, leadership reviews, and salary assessments are conducted with fairness and inclusivity in mind. A key focus is on maintaining equal pay, supported by annual gender pay gap analyses in countries where we employ over 100 people. This approach ensures accountability and transparency in how we reward and recognize talent. By embedding inclusivity into performance evaluations, leadership reviews, and salary assessments, we mitigate biases and promote equitable career progression.

Supporting Women in the Industry

Acknowledging the underrepresentation of women in the tech and telecommunications industry, we actively participate in working groups with the Danish Chamber of Commerce and the Danish ICT industry Association to promote gender diversity. We have also conducted external

surveys to gain a deeper understanding of women's perspectives and career preferences, helping us shape a more inclusive industry for future generations. By collaborating with organizations like the Danish Chamber of Commerce and the Danish ICT industry Association, we contribute to industry-wide efforts to promote gender diversity and create pathways for women to excel.

Measuring Workforce Diversity

We are committed to maintaining a diverse workforce and measure employee distribution across age groups - under 30, 30–50, and over 50 years old. This ensures that we have a balanced representation of talent at all career stages, fostering an inclusive environment for employees of all ages, which contributes to diverse perspectives, skills, and experiences within the organization.

Targets Set on Material Topics:

- We have set targets for and follow up on the distribution at the top management level (senior directors and up), based on a goal to be among the best in leadership gender diversity class within our industry. On top of this, we measure gender distribution per strategic business unit, per country, and organizational level. Gender distribution is reported on a monthly basis to top management. We also measure gender distribution in our recruitment process.
- We follow up on engagement survey questions related to diversity, equality, and inclusion.

Targets are defined based on the objective of being among the leaders in our industry. Progress is monitored through monthly reporting.

Retain and Engage



Approach and Policies

We aim to be an employer of choice, providing an engaging and rewarding work environment throughout all life stages. Attracting and retaining qualified, motivated employees is essential to fulfilling our business objectives, and we emphasize the critical role of effective leadership in employee satisfaction and retention, which is why we have a great focus on ensuring that our managers understand their role and are continuously evaluated, trained and developed. We believe that for employees to thrive and perform effectively, it is essential for them to comprehend their role within the organization, know what is expected of them, and receive ongoing feedback. Our vision and strategy further create a strong sense of purpose for each employee, aligning their work with meaningful goals that drive the company forward.

Our development approach utilizes the 70:20:10 model, where 70% of learning is experiential, 20% comes from interactions, and 10% from formal training. Additionally, our internal mobility policy supports career growth within GlobalConnect.

Actions: Fostering Skilled Leadership

We are committed to building and maintaining a strong leadership foundation through the GlobalConnect Leadership Behaviors framework, which outlines the core competencies and expectations for our leaders. To ensure our leaders continue to grow and excel, we conduct annual leadership reviews to assess performance and identify areas for development. Additionally, we offer extensive training programs designed to enhance leadership skills, enabling our leaders to effectively guide their teams and drive organizational success.

Alignment Through Appraisals

To ensure clarity and alignment between leaders and employees, we have established a comprehensive appraisal process that includes an annual review and a mid-year check-in. These structured discussions provide an opportunity for leaders and employees to align on roles, clarify expectations, and set clear development goals. By focusing on these areas, we create a shared understanding that helps employees perform and thrive in their roles and work toward achieving their career aspirations.

Regular Employee Engagement

We prioritize open and ongoing communication with employees to understand their perspectives and identify areas for improvement. This is achieved through multiple touchpoints, including bi-weekly surveys, all-hands meetings, regular 1:1 check-ins with managers, and interactive Q&A sessions with our CEO. These initiatives help foster a culture of transparency and inclusivity, ensuring employees feel heard and valued at every level of the organization.

Bi-Weekly Engagement Surveys

To stay attuned to employee needs, we conduct bi-weekly engagement surveys that cover a wide range of topics, including strategy understanding, equality, manager support, mental well-being, and workload. These surveys generate valuable insights for both individual managers, who use the results to improve their departments, and the senior management team, who work on organization-wide improvements. With a consistently strong response rate, we take this feedback seriously, which has contributed to our overall engagement survey score of 8,0 at the end of 2024 – 0,3 above the industry benchmark, reflecting our dedication to a positive work environment.

Commitment to a Safe Workplace

Our commitment to employee engagement and well-being is further reinforced by the introduction of a whistleblower system, launched across all countries in 2024. This system ensures a safe and confidential channel for employees to voice concerns or report misconduct without fear of retaliation. By providing this platform, we uphold a culture of accountability, transparency, and trust, which is detailed further in the Governance section of the sustainability report.

Targets Set on Material Topics:

- We have set a target for and follow up on the overall engagement score with the view to being among the best in class in our industry. End of 2024, the overall score is 8.0 compared to a target of 8.0. On top of this, we follow up on engagement survey questions related to retaining and developing: Management support, Growth & Strategy
- We follow up on attrition in general and per strategic business unit and country.

Targets are defined based on the objective of being among the leaders in our industry. Progress is monitored through monthly reporting.

SOCIAL

People Quantitative Data

The number of employees was 6.4 % lower at the end of 2024 compared to 2023. The main contributors to the absolute decrease in number of full-time equivalents (FTEs) were Denmark and Germany.

GlobalConnect's total turnover rate decreased from 15.7 (-0.1) percentage points in 2023 compared to 15.6 % in 2024. The voluntary turnover rate decreased from 11.3 (-2.1) percentage points in 2023 compared to 9.2 % in 2024.

The number of employees is determined as the number of employees at the end of December converted to full-time equivalents (FTEs). Employees who have been made redundant are recognized until the expiry of their notice period, regardless of whether they have been released from all or some of their duties during their notice period.

8.0/10

2023: 8.0

Engagement score

73% | 27%

2023: 74% | 26%

Gender split employees
Men | Women

Data Point	Unit	Target	2024	2023	Δ
Number of employees					
Total number of permanent employees¹	FTEs		1,798	1,919	-6.3%
Sweden (incl. Finland)	FTEs		772	748	3.2%
Denmark (incl. Germany)	FTEs		580	685	-15.3%
Norway	FTEs		468	486	-3.7%
Total number of temporary employees¹	FTEs		22	25	-12.0%
All employees	FTEs		1,820	1,944	-6.4%
Diversity					
Gender with lowest presentation permanent employee (female)	%		27	26	3.8%
Gender with lowest presentation temporary employee (female)	%		48	45	6.7%
Sickness absence	%		2.52	2.82	-10.6%
Turnover					
Total employee turnover rate	FTEs		271	278	-2.5%
Total employees turnover rate	%		15.6	15.7	-0.6%
Voluntary employee turnover rate	%		9.2	11.3	-18.6%
Employee satisfaction survey results					
Retain and engage survey results					
PEAKON Driver: Engagement score	Index (0-10)		8.0	8.0	0%

Note: ¹as of 31 December. The table shows the reconciliation of revenue and employees in the financial statement.

Accounting Policies

Number of employees
Employee data is recognized based on records from the Group's ordinary registration systems and is determined as the number of employees at the end of the reporting period. Employees who have been made redundant are recognized until the expiry of their notice period. If employees are on garden leave, i.e., released from all of their duties, they are not included in total FTE. However, employees who work during their notice period are included until their end date. The number of FTEs is determined as the number of employees converted to full-time equivalents.

Diversity
Diversity is calculated based on the number of women divided by total and men divided by total. We report it in percentage.

Sickness absence
Sickness absence is calculated as the ratio between the number of sick days and the planned number of annual working days.

Turnover
The employee turnover rate is calculated as the number of permanent and temporary employees who have left the company (excl. divestments) relative to the average number of employees in the financial year.

Employee satisfaction survey results
GlobalConnect measures the engagement and wellbeing of our employees on a bi-weekly basis to gather feedback and identify areas for improvement. Survey results are based on end-of-year results. Extracted on 23/12/2024 and rounded to one decimal in the Peakon reports.

SOCIAL

Gender Diversity, Gender Pay Gap and Remuneration

Data Point	Unit	Target	2024	2023	Δ
Board of Directors, Nordic Connectivity AB, members	FTE		9	9	0%
Gender with lowest presentation (female)	%		22	22	0%
Top management, members ¹	FTE		18	13	38.4%
Gender with lowest presentation (female)	%		50.0	43.0	16.3%
Extended Senior Management, members ²	FTE		84	77	9.1%
Gender with lowest presentation (female)	%		33.3	31.2	6.7%
Age distribution of employees					
Under 30 years old	%		23	21	9.5%
Between 30-50 years old	%		56	57	-1.8%
Over 50 years old	%		21	22	-4.5%
Gender pay gap					
Gender pay gap, average	%		8.1	7.7	5.2%
Remuneration					
The annual total remuneration ratio of the highest paid individual to the average	Ratio		20.0	-	-
Employee satisfaction survey results					
Diversity, equality and inclusion survey results					
PEAKON org. fit Question: People from all backgrounds are treated fairly at GlobalConnect Group	Index (0-10)		9.0	9.0	0%
PEAKON Org. fit question: If I experienced serious misconduct at work, I'm confident GlobalConnect Group would take action to rectify the situation.	Index (0-10)		8.3	8.3	0%

We closely monitor the development of gender diversity, and the gender split male/female in our Corporate Leadership Team (CLT) and Executive Leadership team (ELT) were 50/50 by the end of the year (compared to 57/43 in 2023). Aggregated numbers for CLT/ELT and Leadership Team (LT) were 66/34 with a target of 62/38. The gender split among all employees decreased slightly to 73/27 (74/26 in 2023). However, we can see that efforts and initiatives implemented in 2023 have contributed to an increased gender split of new joiners in 2024 to 61/39 (67/33 in 2023 and close to the target of 60/40). Of all the people who signed employment contracts with us in 2024, the gender distribution was 60/40 and among the total of 45 leaders hired, the gender distribution was 49/51. A very positive development can be seen in the roles offered to internal candidates in 2024, with a gender distribution of 62/38 men and women.

To ensure equal pay for equal and equivalent work annual pay audits have been conducted in Sweden, Denmark, Norway and Finland, with salary adjustments implemented where unjustified pay gaps were identified. The job structure from Mercer, our external advisor in compensation benchmarking, serves as the basis for assessing which roles are considered equal or equivalent. A globally recognized tool from PIHR Pay Equality is used to perform this work systematically and accurately. While we adhere to the legislation in each respective country, we apply Sweden's more rigorous legal framework as our standard, even in countries where the statutory requirements are less stringent.

During the year, we have revised the bonus structure to ensure that eligibility and bonus amounts are fair and transparent, determined by the job grading structure from Mercer. We have also digitized Variable Pay as a module in our HR system PeopleConnect (SAP SuccessFactors), providing a more transparent experience for employees included in our bonus programs.

We continuously follow scores and comments from our employees in our bi-weekly engagement survey in Peakon. We are pleased to see that our initiatives within DE&I resulted in a stable high score for the statement "People from all backgrounds are treated fairly at GlobalConnect," which has remained at 9.0 out of 10 throughout 2024 (stable since 2023 and within the top 25% in the industry).

Accounting Policies

Age distribution
The employee age distribution is the number and share of employees that are under 30 years old, between 30 and 50 years old (30 and 50 included), and over 50 years old. Age is defined as the chronological age, i.e. the total period in years a person/employee has existed. Age distribution of employees is based on registrations in GlobalConnect's HR systems.

Gender pay gap
The gender pay gap is calculated as the difference of average annual total remuneration between female and male employees, expressed as a percentage of the average annual total remuneration of male employees.

Remuneration
The highest paid remuneration ratio is calculated as the ratio between the highest paid's total awarded remuneration (fixed salary, including personal benefits, such as a company car, free telephone, etc., variable salary, and share-based payment at grant value) and the annual base remuneration per December 31st for all employees.

Employee satisfaction survey results
GlobalConnect measures the engagement and wellbeing of our employees on a bi-weekly basis to gather feedback and identify areas for improvement. Survey results presented are based on the end of year results, extracted on 23/12/2024. Numbers are rounded to one decimal.

¹Corporate Leadership Team and Executive Leadership Team.
²Corporate Leadership Team, Executive Leadership Team and Leadership Team (Senior Director and above)

Social Impact Stories



Unified Systems

Streamlining processes to support equal treatment and promote wellbeing

In 2024, we have harmonized processes and systems across all countries where we operate, enabling us as an employer to ensure equal treatment while respecting local regulations.

One of these is the onboarding process, which we have streamlined and standardized. This enables us to enhance our new employees' experience and make it easy for our hiring leaders to plan a welcoming and structured onboarding. The digital onboarding experience gives the new hire timely access to a portal with videos about our E A S Y behaviors and strategy and with information from the hiring leader. Once the new hire has started, they will receive guidance on objective setting and other relevant support. Other than providing a great onboarding experience and contributing to a stronger culture, our leaders will have the tools to ensure that each new team member feels supported and engaged from the outset, while also minimising time-to-performance.

Another example is the implementation of Quinyx, a unified time reporting system, through which GlobalConnect has achieved significant improvements in workforce management, ensuring compliance with EU directives and country-specific legislation. The system enhances our ability to track working time and attendance, guaranteeing that employee records are in full alignment with legal requirements. By centralizing vacation and overtime registrations, the system promotes healthier working conditions, allowing for seamless tracking of vacation days and encouraging proactive planning. This unified platform also provides valuable insights into overtime and sick leave across different regions, ensuring a clear understanding of labor patterns in each country. The rollout of Quinyx included comprehensive training for employees and leaders, promoting a unified culture of equal treatment across all locations, especially for those under cross-border management. As a result, we have successfully standardized key processes across countries, such as long-term leave applications and payroll deadlines, bringing greater efficiency and consistency to our operations.

Community Engagement

Partnership with F1rst – Inspiring young talent from underrepresented groups

We have entered into a partnership agreement with the foundation F1rst, whose mission is to promote broader access to higher education. F1rst aims to create pathways to success in education and careers for individuals from underrepresented groups in higher education. Its mission is to lower barriers to higher education and empower underrepresented talent to build a better future for themselves, society, and the business world.

Through organized initiatives and events, GlobalConnect can inspire these groups, serve as a role model, and, in return, gain access to young talents from diverse backgrounds. We share the F1rst's vision of creating an inclusive future driven by ambition, where every individual, regardless of background, can realize their life goals.

F1rst organizes activities such as mentorship programs, company visits, job fairs, and visits to high schools and universities, enabling us to actively participate, inspire, and engage with young talents.

This enriching partnership contributes to a greater cause – the empowerment of the local community.

Spotlight on Employee Wellbeing

At GlobalConnect, we believe it is important for all of us to maintain a sustainable work-life balance and to feel energized when we come to work, as well as when we return home. This is essential for us both as individuals and as a company.

In conjunction with the i International Mental Health Day in October, we dedicated an entire week to self-care, mindfulness, and overall wellbeing through “GlobalConnect – wellbeing week.” We recognize that achieving wellbeing takes more than just one day or week, and during this initiative, we emphasized the importance of taking care of ourselves and each other in the long term. During the wellbeing week, all employees were offered a variety of activities—both in person at our larger offices and online. The week concluded with an anonymous survey for all employees to share feedback on the events and provide input for shaping future wellbeing initiatives.

GlobalConnect has also introduced and published updated guidelines on sickness policies across the group, aimed at promoting employee health and wellbeing by effectively preventing and managing illness. The goal is to quickly identify any issues that could lead to serious health problems and to enable timely action to prevent worsening situations. These policies include an overview of health-related benefits offered by GlobalConnect in each country.

In December, a month that is often stressful for many both personally and professionally, we hosted an online seminar on the topic of “recovery training.” The session aimed to help employees learn how to incorporate recovery practices into their daily lives and maximize the benefits of effective recovery.

Ways of Working and an Inspiring New Office

In our dynamic and growing company, all individuals play a key role in our collective success. We believe that we make each other better. We recognize that our strength lies in our diversity and the ideas that emerge from our interactions. To boost the power of our diversity, we also need to boost our interaction. Therefore, we have implemented a more office-centric way of working across GlobalConnect. We believe that adopting a unified way of working will enhance our creativity, innovation, and collaboration through stronger interactions, both in the office and remotely. The way of working policy gives the leader the necessary tools for identifying the extent of remote work appropriate for the employee in the specific position and team. We aim to create a flexible and attractive workplace with a focus on work-life balance, while staying true to our One-Company strategy.

To support the new way of working, we have invested in a brand-new office in Stockholm. In the search for a new office, we evaluated options against 20 criteria shaped by our steering committee, facility management experts, and employee survey insights. Our goal was to move toward a better, more inspiring workspace, prioritizing a modern office with an efficient floorplan, ample meeting rooms (both large and small), and convenient access to public transportation

The result is a well-designed, modern office in a growing area with excellent transport links. The building offers amenities like a café and external meeting spaces, and we now work together on one floor with plenty of social areas and meeting rooms. The office is designed to foster a dynamic and collaborative environment that aligns with employee wellbeing and engagement. The move has been a success, reflected not only in the increase in daily office attendance but also in employee satisfaction scores.



Governance

Governance	69
Code of Conduct for Employees and Code of Conduct for Suppliers	70
Whistleblower Policy	70
Prevention and Detection of Corruption or Bribery	71
Security	72
GDPR	72
Governance Impact Stories	73



Governance

At GlobalConnect we strongly believe that implementing good governance principles, from decision-making to the distribution of rights and responsibilities, is key to meeting the expectations of customers and society, as well as to protecting stakeholders and supply chains.

We actively integrate sustainability into our corporate governance and organizational structure, ensuring continuous improvement and measurable progress across various metrics in 2024:

- Supplier code of conduct
- Supplier relationship management
- Taking action against DDoS attacks

As a leading provider of digital infrastructure in Northern Europe we believe we have a particular responsibility to operate with integrity and with the highest level of ethical standards. We continually focus on strengthening our processes, policies, and training to ensure they are effective, and purpose-driven.



GOVERNANCE

Code of Conduct for Employees and Code of Conduct for Suppliers

GlobalConnect’s Code of Conduct underpins a corporate culture of integrity, providing clear guidance on ethical behavior in areas such as anti-corruption, personal data protection, and whistleblowing. Supported by comprehensive policies and regular monitoring, it fosters a positive and accountable working environment. Employees are required to read and adhere to the code, which is easily accessible via the intranet. Non-compliance is treated seriously, with disciplinary actions, including dismissal or legal measures, applied when necessary.

Complementing this is the Code of Conduct for Suppliers, which is aligned with UN Global Compact principles and sets expectations for ethical behavior, sustainability, and fair labor practices among suppliers. These codes ensure ethical standards across all operations and partnerships.

Our policies are updated on a regular basis to reflect the latest regulatory requirements and best practices. We encourage employees and stakeholders to speak out if they have any ethical concerns. The necessary functions are in place for employees and external consultants to report potential breaches of policies and guidelines to their manager, HR, and/or legal. Anyone can report any concern they have anonymously through our local whistle-blower channels. The Group Compliance team is responsible for enforcing our Code of Conduct. Our Audit Committee and the Board of Directors continuously act as important control functions.

GOVERNANCE

Whistleblower Policy

At GlobalConnect, we prioritize integrity and transparency, offering a safe and confidential way for employees to report ethical concerns without fear of retaliation. Our Whistleblower Policy supports a culture of accountability and compliance throughout the organization.

We encourage anyone to report any ethical concerns through established whistleblower channels, ensuring confidentiality and protection against retaliation. Concerns can be raised with supervisors, HR, Legal, Group Compliance, or anonymously via whistleblower hotlines. Trained personnel handle reports with care and confidentiality, while the Audit Committee oversees independent investigations, ensuring swift and appropriate actions.

GlobalConnect does not permit any form of reprisal against a person who, in good faith, reports a violation or suspicion of a violation. Employees who uncover such dilemmas or violations should report this in accordance with their local Whistleblowing Policy.

Compliance training, including guidance on identifying and reporting unethical behavior, is integrated into the onboarding program for new employees and reinforced through ongoing sessions to foster a strong compliance culture. All employees and consultants are expected to take this training.

In 2024, we evaluated our Whistleblowing and Speak Up approach, and during 2025 and 2026, we will implement an updated process focusing on further strengthening and supporting Group Speak Up culture in case of any violation, ethical, or fraudulent concerns that the employees or stakeholders may have.

GOVERNANCE

Prevention and Detection of Corruption or Bribery

GlobalConnect is committed to a zero-tolerance policy on corruption, bribery, and money laundering. GlobalConnect has established a system designed to prevent, detect, investigate, and respond to allegations or incidents of corruption and bribery. This system is integral to our commitment to maintaining the highest standards of ethical conduct and compliance with applicable laws and regulations.

- **Preventive Measures:** GlobalConnect has implemented preventive measures, including the establishment of clear policies and procedures that prohibit corruption and bribery. These measures are designed to identify and mitigate potential risks before they materialize.
- **Detection Mechanisms:** We have deployed advanced detection mechanisms such as whistleblower hotlines as well as a management system in case of any speak-up cases. Anyone can report any concern they have anonymously through our local whistleblower channels.
- **Addressing Allegations:** Upon detection of any allegations or incidents, we follow a structured process to address them. This includes initial assessment, detailed investigation, and follow-up to find appropriate corrective actions to prevent recurrence.

We ensure that the investigators or investigating committee are independent and separate from the chain of management involved in the matter. This independence is crucial to maintaining objectivity and integrity in the investigation process. The investigators report directly to the designated oversight Audit Committee to avoid any conflicts of interest.

Reports are submitted to the administrative management and supervisory bodies for review and further action if necessary. This ensures transparency and accountability at all levels of the organization.

To ensure consistent adherence to our anti-corruption and anti-bribery policies, we emphasize regular communication and training. Employees and external consultants, including management and at-risk functions, are required to participate in an online awareness training program. This program ensures all participants are well-versed in our values, ethical behaviors, and high standards.

In 2024, we reviewed our risk management approach and will introduce updated preventive processes in 2025, focusing on mitigating corruption and bribery risks for management and functions considered high risk.

Policies are made easily accessible through the intranet, employee handbooks, and other communication channels. The onboarding process for new employees includes guidance on accessing the Code of Conduct and relevant policies on anti-bribery and anti-corruption. Continuous engagement activities and reminders reinforce the importance of ethical behavior across the organization, ensuring that all employees understand appropriate behaviors based on regulations and internal guidelines.

Violations of our anti-corruption policies are treated seriously and may result in disciplinary actions, including dismissal or legal proceedings.



GOVERNANCE

Security

Security is a key focus area for GlobalConnect. Our group-wide security team, Group Security, governs the entire domain of security, from cyber, physical, and personnel security to crisis management and supplier security. Group Security has an internal governance, risk and compliance (GRC) function that drives continuous improvement and risk-based compliance within the various security domains.

Our commercial success, our reputation and the trust of the societies in which we operate depend on our ability to deliver reliable and secure services to customers. Failing to meet customer or regulatory requirements might have an adverse impact on our business and could lead to fines, contractual penalties, and the loss of customers. The new European cybersecurity directive, NIS2, has been under implementation since 2023, and GlobalConnect has a structured and comprehensive approach to its implementation.

The security threat landscape is evolving quickly, fueled both by geopolitical unrest and technological developments in artificial intelligence and quantum computing. The threat against physical infrastructure has risen to one of the top items of the security agenda after recent incidents related to sea cables in the Baltic Sea. GlobalConnect is working along several tracks to ensure continuity in its operations and has taken specific measures to reduce the threat against our sea cables, including close cooperation with relevant authorities.

We have an overall objective of having 'no major security incidents'. This means avoiding incidents that could have a major or severe financial and/or operational impact on our business. GlobalConnect has achieved this objective for each of the last four consecutive years.

Our strategy for meeting this objective is a combination of preventive and detective security measures, supported by continuity planning and a well-established crisis management framework. Preventive security includes both technical measures based on security and industry best practices, as well as soft measures such as company-wide awareness training. Asset visibility and data analysis are a key foundation in our security strategy. GlobalConnect has a dedicated security operations center (SOC) that monitors, analyses, and responds to events and alerts to prevent that early indicators of compromise turn into incidents. As a driver for mitigating security risks and setting operational priorities, GlobalConnect has established a dedicated Security Board and also runs a dedicated portfolio of security projects.

GOVERNANCE

GDPR

Connectivity is our business, and it is crucially important that we ensure data privacy and GDPR compliance. The confidentiality, integrity, and availability of data are always top priorities when conducting any processing activity. At GlobalConnect, we strive to get better, and therefore we continuously review, and when necessary, update our data privacy protection documentation to ensure adherence to the General Data Protection Regulation (GDPR) and other related data protection regulations.

We focus on transparency in the way we work whilst remaining compliant with GDPR. As part of their onboarding, new employees are made aware of our privacy policies and code of conduct. All our employees are required to have a reasonable level of knowledge about the processing of personal data and how it is to be handled and protected.

We conduct GDPR awareness training, enabling our employees to recognize and manage personal data issues. We take such measures as a company not only because doing so is a basic legal requirement but also, and more importantly, because we truly believe in the fundamental right of our customers, employees and stakeholders to be confident that we treat their personal data with care and respect.



Governance Impact Stories



Supplier Code of Conduct

In 2024, we took a significant step forward by incorporating our Supplier Code of Conduct in all contracts going forward. This foundational document is in accordance with the UN Global Compact and outlines the ethical and social standards that we expect our suppliers to uphold. By digitalizing and updating this code, we demonstrated our commitment to responsible sourcing and ethical business practices. In 2024, our Procurement Policy and Instructions were revised, including incorporating a requirement that the Supplier Code of Conduct should be a mandatory part of all procurement activities. This ensures that ethical considerations are a fundamental part of our procurement process. Our revised Procurement Policy emphasizes the importance of responsible sourcing, encouraging suppliers to share our commitment to sustainability, fair labor practices, and environmental stewardship.

As we navigate the complex landscape of global business, human rights due diligence is particularly relevant to ensure that our sourcing is ethical and continuously improves.

Supplier Relationship Management

We have launched a supplier relationship management framework, which will provide valuable perspectives from our strategic and critical suppliers. This insight will feed positively into our decision-making processes, while also ensuring that our expectations concerning sustainable business practices are anchored with suppliers at leadership level. As we move forward, we remain committed to transparency, accountability, and stakeholder engagement. Our responsible supply chain is not just a reflection of our values but also a proactive approach to addressing the evolving challenges in the global business landscape. Together with our suppliers and stakeholders, we are shaping a future where ethical considerations are an important part of business decisions.

Taking Action Against DDOS Attacks

At GlobalConnect, we are committed to equipping businesses with the tools they need to defend against DDoS attacks and ensure uninterrupted operations. These attacks, which overwhelm networks with massive amounts of data, have doubled globally in 2024, with businesses now experiencing an average of 11 attacks annually. They pose serious risks, particularly in the EMEA region, which accounts for 57% of all incidents, targeting sectors like telecommunications, finance, and public institutions.

Based on developments in 2024, GlobalConnect has decided to implement a new security measure. Starting January 1, 2025, all business customers will be covered by our Base-level DDoS protection. This solution provides automatic filtering of malicious traffic, ensuring stability during common volumetric attacks. Beyond this foundational protection, we offer additional levels of security tailored to different business needs:

- **Standard:** Adds reporting and alerts for attack detection and monitoring.
- **Business:** Provides advanced protection with dedicated hardware for filtering and cleaning traffic, defending against more complex attacks.
- **Advanced:** Delivers customizable protection, including bespoke profiles and application-layer security for the most sophisticated threats.

These solutions ensure that businesses, regardless of size or industry, can access the level of protection they need to safeguard their operations and maintain reliability.

The Auditor's Opinion Regarding the Statutory Sustainability Report

To the general meeting of the shareholders of Nordic Connectivity AB, corporate identity number 559228-2353.

The Board of Directors is responsible for the statutory sustainability report on pages 30–73, and that it is prepared in accordance with the Annual Accounts Act in accordance with the old version in force before 1 July 2024.

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Stockholm, 25 April 2025

Ernst & Young AB



Oskar Wall
Authorized Public Accountant

Auditor’s Limited Assurance Report on selected sustainability KPIs in Nordic Connectivity AB’s Annual & Sustainability Report

To Nordic Connectivity AB ORG. NO:559228-2353

Introduction

We have been engaged by the Board of Directors of Nordic Connectivity AB to undertake a limited review assurance engagement of the below specified KPIs, as presented in Nordic Connectivity AB’s Annual & Sustainability Report the year 2024 (“Report”).

- KPI 1 - GHG: Greenhouse Gas (GHG) emissions across scope 1, 2, and 3. 2024 Actuals presented on page 54.
- KPI 2 - Leadership diversity: Numbers for gender diversity for CLT (Corporate Leadership Team), ELT (Executive Leadership Team), and LT (Leadership Team). Actuals for 2024 presented on page 65.
- KPI 3 - Engagement: Employee Engagement score from Peakon. 2024 actuals are presented on page 65.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Report in accordance with the applicable criteria. The criteria for are defined on page 55 (KPI 1) and page 64 (KPI 2 and KPI 3) in the Report and consist of relevant parts of Nordic Connectivity AB’s sustainability reporting principles and methodology, available in the Report, as well as the accounting and calculation principles that the Company has developed. This responsibility includes the internal control relevant to the preparation of a Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Report based on our limited assurance procedures. Our engagement is limited to historical information and does therefore not cover future oriented information.

We have conducted our limited assurance engagement in accordance with ISAE 3000 (Revised) *Assurance engagements other than audits or reviews of historical financial information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Report and applying analytical and other limited assurance procedures. A limited assurance engagement is different from and substantially less in scope than reasonable assurance conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires that we 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. We are independent of Nordic Connectivity AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. The procedures performed in a limited review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance conclusion.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the above specified disclosures are not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

Stockholm, April 25, 2025

Yours sincerely
Ernst & Young AB



Oskar Wall
Authorized Public Accountant



Outi Alestalo
Specialist member in FAR



Appendix

Disclosure Requirements and Incorporation by Reference	77
ESG matter that have been deemed not material to GlobalConnect	79
Statement on Sustainability Due Diligence	80
Datapoints Derived From Other EU Legislation	81
Notes to the GHG Emission	83



APPENDIX

Disclosure requirements and index of incorporation by reference

The following table list the ESRS disclosure requirements that are material to GlobalConnect and included in this years partial reporting under the ESRS standard, namely ESRS2, E1 and S1. We have excluded all disclosure requirements in other topical standards, including those deemed non-material to us and do not include references to requirements where phase-in options are applied. The tables indicate where specific disclosure requirements can be identified both within the sustainability statements and in the management review.

ESRS 2

Cross-Cutting Standards Disclosure Requirements		Section/ Report	Page
ESRS 2 - GENERAL DISCLOSURES			
BP-1	General basis for preparation of the sustainability statement	SUS	36
BP-2	Disclosure in relation to specific circumstances	SUS	36
GOV-1	The role of the administrative, management and supervisory bodies	SUS	37
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	SUS	37
GOV-3	Integration of sustainability-related performance in incentive schemes	SUS	37
GOV-4	Statement on sustainability due diligence	SUS	80
GOV-5	Risk management and internal controls over sustainability reporting	SUS	37
SBM-1	Strategy, business model and value chain	MR	16-21
SBM-2	Interests and views of stakeholders	SUS	46
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	42-45
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SUS	38-40 , 48 ,49
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	SUS	78
ESRS 2 - Appendix B	Datapoints that derive from other EU legislation	SUS	81-82

ESRS E1

Environmental Standards Disclosure Requirements		Section/ Report	Page
ESRS 1 - CLIMATE CHANGE			
E1-1	Transition plan for climate change mitigation	SUS	49
ESRS 2, SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model	SUS	48
ESRS 2, IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	SUS	38-40 ,48
E1-2	Policies related to climate change mitigation and adaptation	SUS	49
E1-3	Actions and resources in relation to climate change policies	SUS	50
E1-4	Targets related to climate change mitigation and adaptation	SUS	51
E1-5	Energy consumption and mix	SUS	52
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	SUS	53-55
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	SUS	55
E1-8	Internal carbon pricing	SUS	55
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	-	-

ESRS S1

Social Standards Disclosure Requirements		Section/ Report	Page
ESRS S1 - OWN WORKFORCE			
ESRS 2, SBM-2	Interests and views of stakeholders	SUS	46
ESRS 2, SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SUS	44
S1-1	Policies related to own workforce	SUS	60-63
S1-2	Processes for engaging with own workers and workers’ representatives about impacts	SUS	63
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	SUS	63
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SUS	60-63
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SUS	61-63
S1-6	Characteristics of the undertaking’s employees	SUS	64-65
S1-7	Characteristics of non-employee workers in the undertaking’s own workforce	-	-
S1-8	Collective bargaining coverage and social dialogue	-	-
S1-9	Diversity metrics	SUS	65
S1-10	Adequate wages	-	-
S1-11	Social protection	-	-
S1-12	Persons with disabilities	-	-
S1-13	Training and skills development metrics	-	-
S1-14	Health and safety metrics	SUS	61
S1-15	Work-life balance metrics	SUS	63
S1-16	Compensation metrics (pay gap and total compensation)	SUS	65
S1-17	Incidents, complaints and severe human rights impacts	-	-

APPENDIX

ESG matter that have been deemed not material to GlobalConnect

Environment Deep-Dive

ID	Sustainability Matter	Description	# of IROs	Material	Reasoning
E2	Pollution	Relates to pollution caused by GC's own activities and/or value chain	2	NO	Not material: Potential impacts related to the the risk/ potential of pollution of soil and water in connection with civil works and production of equipment was assessed. However, these were assessed to have a non-material impact in relation to GlobalConnect.
E3-1	Water	Relates to water consumption in particularly water-stress areas/situations	2	NO	Not material: Water consumption deemed non-material due to low water consumption in our operations (incl. the data centers) because of our closed-loop system, and our connection to the local municipal water systems in areas with general low water stress. Potential negative impacts in our downstream value chain in connection with production of equipment to be assessed further going forward.

Governance Deep-Dive

ID	Sustainability Matter	Description	# of IROs	Material	Reasoning
G1-2	Protection of whistle-blowers	Relates to protection of whistle-blowers	1	NO	Not material: The potential negative impact of not protecting whistle-blowers is assessed as non-material due to the existing setup in GlobalConnect and subsequent rating by employees in the Peakon survey, indicating a low likelihood of this becoming an issue in the short run.
G1-4	Political engagement and lobbying activities	Relates to lobbying and other relevant influencing activities	2	NO	Not material: The current nature of political engagement is assessed to have a very low risk of causing negative publicity, especially as the participation in the initiative of promoting more women in STEM sectors is widely perceived as a positive cause for society.
G1-5	Management of relationships with suppliers	Relates to fair behavior towards suppliers (e.g., payment terms) and the use of ESG criteria	2	NO	Not material: There is nothing indicating a potential negative impact of GlobalConnect treating (especially smaller) suppliers unfairly through for instance payment practices.

APPENDIX

Statement on Sustainability Due Diligence

GlobalConnect performs due diligence activities relating to people and the environment. The table below outlines the specific processes and their location in the Sustainability statement.

Core Elements of Due Diligence	Page/Paragraph	Does the Disclosure Relate to People and/or the Environment?
a) Embedding due diligence in governance, strategy, and business model	ESRS 2 GOV-2, page 37	People and environment
	ESRS 2 GOV-3, page 37	People and environment
	ESRS SBM-3, page 42-45	People and environment
	ESRS SBM-3-E1, page 42	Environment
	ESRS SBM-3-S1, page 44	People
b) Engaging with affected stakeholders in all key steps of the due diligence	ESRS 2 GOV-2, page 37 ESRS 2 SBM-2, page 46 ESRS 2 IRO-1, page 38-40, 48, 59	People and environment
	ESRS E1-2, page 49	Environment
	ESRS 2 S1-1, page 60-64	People
	ESRS S1-2, page 60-64	People
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1, page 38-40, 48, 49	People and environment
	ESRS 2 SBM-3, page 42-45	People and environment
	ESRS 2 SBM-3-E1, page 42	Environment
	ESRS 2 SBM-3-S1, page 44	People

Core Elements of Due Diligence	Page/Paragraph	Does the Disclosure Relate to People and/or the Environment?
d) Taking action to address those adverse impacts	ESRS E1-1, page 49	Environment
	ESRS E1-3, page 50	Environment
	ESRS S1-4, page 60-64	People
e) Tracking the effectiveness of these efforts and communicating	ESRS E1-4, page 51	Environment
	ESRS S1-5, page 60-64	People
	ESRS 2, page 36 ESRS E1-5, page 52 ESRS E1-6, page 53-55 ESRS E1-7, page 55 ESRS E1-8, page 55	Environment
	ESRS 2, page 36 ESRS S1-9, page 65 ESRS S1-14, page 61 ESRS S1-15, page 63 ESRS S1-16, page 65	People

APPENDIX

Datapoints derived from other EU legislation

The table below includes the datapoints that derive from other EU legislation. This includes a number of datapoints that are not included due to being either non-material to GlobalConnect or not being included in the scope of the FY2024 report.

Disclosure Requirement	Data Point		SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Section	Page
ESRS 2 GOV-1	21 (d)	Board's gender diversity	x		x		MR, SUS	24, 65
ESRS 2 GOV-1	21 (e)	Percentage of board members who are independent			x		SUS	24
ESRS 2 GOV-4	30	Statement on due diligence	x				SUS	80
ESRS 2 SBM-1	40 (d) I	Involvement in activities related to fossil fuel activities	x	x	x		Not relevant	-
ESRS 2 SBM-1	40 (d) ii	Involvement in activities related to chemical production	x		x		Not relevant	-
ESRS 2 SBM-1	40 (d) iii	Involvement in activities related to controversial weapons	x		x		Not relevant	-
ESRS 2 SBM-1	40 (d) iv	Involvement in activities related to cultivation and production of tobacco			x		Not relevant	-
ESRS E1-1	14	Transition plan to reach climate neutrality by 2050				x	SUS	49
ESRS E1-1	16 (g)	Undertakings excluded from Paris-aligned Benchmarks		x	x		Not relevant	-
ESRS E1-4	34	GHG emission reduction targets	x	x	x		SUS	51
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors)	x				Not relevant	-
ESRS E1-5	37	Energy consumption and mix	x				SUS	52
ESRS E1-5	40-43	Energy intensity associated with activities in high climate impact sectors	x				Not relevant	-
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		SUS	53-54
ESRS E1-6	53-55	Gross GHG emissions intensity	x	x	x		SUS	55
ESRS E1-7	56	GHG removals and carbon credits				x	SUS	55
ESRS E1-9	66	Exposure of the benchmark portfolio to climate-related physical risks			x		Not relevant	-
ESRS E1-9	66 (a); 66(c)	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		x			Not relevant	-
ESRS E1-9	67 (c)	Breakdown of the carrying value of its real estate assets by energy-efficiency classes		x			Not relevant	-

APPENDIX

Datapoints derived from other EU legislation cont.

Disclosure Requirement	Data Point		SFDR Reference	Pillar 3 Reference	Benchmark Regulation Reference	EU Climate Law Reference	Section	Page
ESRS E1-9	69	Degree of exposure of the portfolio to climate-related opportunities			x		Not relevant	-
ESRS 2 – SBM3 – S1	14 (f)	Risk of incidents of forced labour	x				Not relevant	-
ESRS 2 – SBM3 – S1	14 (g)	Risk of incidents of child labour	x				Not relevant	-
ESRS S1-1	20	Human rights policy commitments	x				SUS	60
ESRS S1-1	21	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8			x		Not relevant	-
ESRS S1-1	22	Processes and measures for preventing trafficking in human beings	x				Not relevant	-
ESRS S1-1	23	Workplace accident prevention policy or management system	x				SUS	61
ESRS S1-3	32 (c)	Grievance/complaints handling mechanisms	x				SUS	62
ESRS S1-14	88 (b) and (c)	Number of fatalities and number and rate of work-related accidents	x		x		SUS	61
ESRS S1-14	88 (e)	Number of days lost to injuries, accidents, fatalities or illness	x				SUS	61
ESRS S1-16	97 (a)	Unadjusted gender pay gap	x		x		SUS	65
ESRS S1-16	97 (b)	Excessive CEO pay ratio	x				SUS	65
ESRS S1-17	103 (a)	Incidents of discrimination	x				SUS	62
ESRS S1-17	104 (a)	Non-respect of UNGPs on Business and Human Rights and OECD	x		x		Not relevant	-

APPENDIX

Notes to the GHG Emission

Data collection

A majority of scope 3 emissions are calculated based on spend data, extracted on January 16th, 2025. In previous years, the data has been extracted on the same date or earlier in January.

Changes made in 2024 to accounting policies

There have been updates to the methodology used to calculate some of the scope 3 categories. For category 3 (fuel-and-energy related activities), there have been a change in the methodology resulting in an increase in emissions, despite the reduction in scope 1 emissions and minor increase in market-based scope 2 emissions.

For category 4 there was an adjustment to the underlying emission factor applied, in addition a significant reduction in spend.

For category 6, the methodology was updated to include activity-based data following the adoption of a new travel platform.

For category 15, there was an improvement in the level of detail when categorizing investment(s).

Future changes to categorization of spend data

During 2024, there have been made improvements to our spend data and categorization. This will improve the accuracy and granularity of the emissions calculations. However, these improvements will be expected to significantly change and reduce the calculated emissions for 2024. Given that the detailed categorization is not yet available for previous years, for the 2024 emissions, we are reverting to the methodology applied in 2022/2023 across category 1, 2 and 7. This will ensure comparability and transparency in the reporting of our progress against our emission targets. Going forward, the methodology will be adjusted for both 2024 and previous years.

03 Financial Statements

Board of Director's Report	85
Financial Statements for Group	88
Notes for Group	93
Financial Statements for Parent	129
Notes for Parent	134
Auditor's Report	140



FINANCIAL STATEMENT

Board of Directors' Report

Nordic Connectivity AB (559228-2353) is the parent company of the Nordic Connectivity Group, referred to as GlobalConnect. Nordic Connectivity AB owns the shares and finances the operations of its various subsidiaries. 84% of the parent company shares are owned by Riddle HoldCo S.à.r.l.

8.1bn

2023: 7.6bn

Revenue & other income

4.4bn

2023: 4.0bn

Adjusted EBITDA

4.8bn

2023: 5.8bn

Capex

GlobalConnect is a leading provider of fiber-based data communication and related services to households, businesses, operators, and the public sector in Norway, Denmark, Sweden, Finland, and Germany. GlobalConnect operates one of the largest networks in the Nordics, with approximately 244,000km of fiber network. The network covers all connectivity and infrastructure-related services, including carrier business (NetCo), enterprise customers (B2B), and consumers (B2C). GlobalConnect achieves economies of scale by using one Group structure and one pan-Nordic network to connect customers in all our segments.

The headquarter of GlobalConnect is in Stockholm (Sweden). The main locations for the Group's business operations are Fornebu (Norway), Copenhagen (Denmark), Stockholm (Sweden) and Hamburg (Germany).

In addition to covering all of Sweden, Norway and Denmark with a high-speed optical fiber network, GlobalConnect also controls networks in part of Finland and Northern Germany. This enables GlobalConnect to deliver data communications and related efficient and secure services to households, businesses, governments, and the public sector in these countries.

Financial Performance

Revenue

GlobalConnect had revenue and other income of SEK 8,138m in 2024 compared to SEK 7,611 in 2023 and an organic revenue growth of 5.7%. The increase is primarily driven by increased monthly recurring revenue that was mainly driven by ta growth in the private houshold segment. In 2024, EBITDA was SEK4,368m compared to SEK 3,642m in 2023.

Financial Position and Cash flow

GlobalConnect had assets of SEK 66,362m at December 31, 2024 compared to SEK 64,347m at 31 December 31, 2023 The increase is mainly related to higher investments in infrastructure.

At year end, GlobalConnect had current assets of SEK 2,227m, mainly related to bank deposits and trade receivables. GlobalConnect had equity of SEK 11,249m at December 31, 2024 compared to SEK 13,838m at December 31, 2023. The change consists of this year's losses.

As of 31 December 2024 GlobalConnect had total group interest-bearing debt of SEK 41,157m up from SEK 37,087m as of December 2023. The increase in debt is a result of the continued significant investments. Debt financing is provided by a syndicate of banks in the form of facility agreements.

At December 31, 2024, GlobalConnect had SEK 79m in cash, up from SEK 54m at the end of 2023. Free cash flow before Debt Service ended at SEK 229m for 2024 vs. SEK -1,065m in 2023. The Group continued to invest in fiber-infrastructure across the Nordics and total Capital expenditures ended at SEK 4,840m in 2024 vs. SEK 5,758m for 2023. Excluding Capital expenditures, the Group generated a Free Cash flow of SEK 4,868m for the full year 2024, down from SEK 5,386m in 2023.

Risk and Risk Management

Risk Factors

GlobalConnect faces risks both of an operational and financial nature, which are outlined below.

Operational Risk

GlobalConnect operates in an industry subject to significant competitive forces, where both products and services are under pricing pressure. GlobalConnect group revenues in relation to the number of customers and delivered services may therefore decrease due to declining market prices. GlobalConnect normally enters multi-year agreements with new customers. This involves the risk that customers do not extend these contracts at the end of the term or that new contracts are entered for shorter terms. GlobalConnect operates in a market for data communication and telephony. We cannot exclude the possibility of future market developments, as with new access technologies, from those within which the company operates. Such a change could impact company earnings negatively. We can also not exclude that policy decisions, acts, or passivity by national or local governments could cause difficulties for the future expansion of company network infrastructure. For example, such circumstances may involve failure to obtain excavation permits or land agreements.

The markets both within the B2C and B2B segment are characterized by growth, competitiveness, and technological development. The Group's ambition is to increase market share in the B2C-fibre segment and in selected B2B / Carrier-segments with strong support from the owner.

Financial Risk and Risk Management

With the significant debt portfolio, the key financial risk for GlobalConnect is the risk of fluctuations in the interest rate. To mitigate this risk, GlobalConnect has hedged 85% of the debt portfolio to fixed interest rate as of 31 December 2024.

Apart from interest rate risk, GlobalConnect is exposed to a range of financial risks related primarily to liquidity and changes in exchange rates. To mitigate the liquidity risk, GlobalConnect has both committed financing facilities and a liquidity reserve. Currency risk arises as GlobalConnect operates in several countries with revenues, costs and investments mainly settled in SEK, DKK, NOK and EUR. Changes in exchange rates will affect the reported consolidated financial figures as the Group accounts are reported in SEK. The currency risk is reduced via a combination of natural hedging and by entering into cross-currency swaps on the debt.

Other financial risks include counterparty risk is spread among several customer segments and industries where no single customer represents a significant share of annual sales. Financial counterparty risk is limited by only engaging with financial institutions with a solid credit rating.

Financial risk is managed centrally at the group level. The Board of Directors and management of GlobalConnect continually address the company's management and control, including earnings, liquidity, and financial position. The Board of Directors frequently evaluates whether the prerequisites for continued operation are present, and are prepared, when the need arises, to take action in the event of weaker trends in liquidity or cash flow, or if the need for additional capital should arise.

Research and Development

GlobalConnect aims at applying the newest technologies and focus on securing and developing its market position through an increased focus on processes and improvement of operational efficiency. Such measures are expected to increase profitability and strengthen competitiveness. The level of Group costs related to R&D activities are considered immaterial, and primarily expensed as incurred.



The Working Environment and the Employees

At GlobalConnect, the well-being of our employees is a top priority. We are committed to fostering a safe, healthy, and motivating work environment that supports physical and mental health across our organization. We have implemented various initiatives to promote well-being and work preventively to reduce absences due to illness.

During 2024, we implemented a sickness policy to provide guidance and support for all employees when experiencing illness. The policy emphasizes mental well-being and offers benefits such as access to health insurance, psychologists, and other mental health professionals. We placed extra focus on mental health during the “GlobalConnect Mental Health Week”, with activities such as physical workouts and webinars. We concluded the year with a webinar for all employees to learn more about recovery and how to use micro-pauses during the working day.

At the end of 2024, in accordance with Swedish law, we rolled out a work environment delegation for all leaders at GlobalConnect in all countries. The delegation has been signed by the leaders and is accompanied by training on work environment responsibilities.

We reported nine work-related injuries during 2024. Of these, six injuries were reported in Sweden, one in Finland, one in Germany and one in Norway. We held various work environment committee meetings throughout the year to collaborate on work environment issues and improve areas in need.

Equal Opportunities and Discrimination

We value the unique perspectives that diversity brings and are committed to maintaining a workplace where all employees feel valued and respected, free from any form of discrimination. We recognize diversity as encompassing various dimensions, including ethnicity, age, national origin, religion, political beliefs, sexual orientation, marital status, disability, and other protected characteristics.

We work actively and systematically to ensure a workplace with equal opportunities, fair treatment and no discrimination. To prevent discrimination, it is included in our policies and People Processes, including performance evaluation, leadership reviews, and salary assessments, with consistent focus on equal pay. We have implemented a Harassment and discrimination policy and a special harassment task force approach to handling harassment cases with a focus on ensuring legal safety for both the victim and the accused. Our recruitment policy specifically highlights diversity and equality and mandates gender representation in interviews. We require all managers to complete a bias e-learning program. Our Code of Conduct prohibits discrimination, and we do not tolerate this in any form against employees or stakeholders. Surveys on the work environment are conducted bi-weekly to follow the engagement and act on any areas in need of improvement. By continuously monitoring employee engagement and satisfaction, focusing on developing high-performing leaders, attracting and retaining talent, and building a unified one company culture, we aim to be the employer of choice.

Environment

Waste from production facilities, including waste considered harmful to the environment, is within regulatory limitations. GlobalConnect’s operations are not regulated by licenses or impositions. A significant portion of the environmental work is concentrated on establishing systems for measuring air quality and noise in the production facilities.

Sustainability Statement

The sustainability report for the 2024 financial year is included in the Annual Report, for further information see page 30.

Subsequent Events

No significant events expected to have a material effect on GlobalConnect’s financial statements have occurred after the end of the financial year.

Other Information

Moving forward, management focus includes growth, further developing market positions, and realizing identified synergies across country-/company-/services within the Group.

Appropriation of Earnings

The Board of Directors proposal for disposition of available funds: Amounts in kSEK	
Share premium	23,598,525
Retained earnings	-17,235
Loss for the year	-140,558
	23,440,731
The Board Proposes that this sum Be appropriated as follows:	
To be carried forward	23,440,731

Financial Statements

for Group

Financial Statements for Group

Consolidated Statement of Comprehensive Income	89
Consolidated Statement of Financial Position	90
Consolidated Statement of Cash Flow	91
Consolidated Statement of Changes in Equity	92

Notes for Group

Note 1	Accounting Policies and Other Information	93	Note 14	Other Non-Current Assets	115
Note 2	Significant accounting judgments, estimates and assumptions	98	Note 15	Trade Receivables and Other Current Assets	115
Note 3	Disaggregated Revenue Information	100	Note 16	Cash and Cash Equivalents	116
Note 4	Other Operating Income	102	Note 17	Financial Instruments	116
Note 5	Employee Benefits and Expenses	103	Note 18	Contract Assets and Liabilities, and Capitalized Contract Costs	123
Note 6	Other Operating Expenses	104	Note 19	Provisions	124
Note 7	Fees to the Appointed Auditor	104	Note 20	Trade and Other Payables	125
Note 8	Financial Income and Financial Costs	104	Note 21	Interests in Other Entities	126
Note 9	Income Taxes	105	Note 22	Business Combinations	128
Note 10	Goodwill	107	Note 23	Related Parties	128
Note 11	Intangible Assets	109	Note 24	Commitments	128
Note 12	Property, Plant and Equipment	110	Note 25	Events After the Reporting Period	128
Note 13	Leases	112			

FINANCIAL STATEMENTS FOR GROUP

Consolidated Statement of Comprehensive Income

SEK 000'	NOTES	2024	2023
Revenue	3	7,617,058	7,578,977
Other operating income	4	520,861	32,322
Total revenue and other operating income		8,137,919	7,611,299
Cost of materials and service charges		-1,426,130	-1,448,334
Employee benefit expenses	5	-2,110,179	-2,254,120
Other operating expenses	6,7	-232,939	-266,577
Depreciation, amortization and impairment	10,11,12	-4,275,447	-4,006,981
Operating profit		93,224	-364,714
Finance income	8	64,933	71,349
Finance costs	8	-3,249,543	-2,664,720
Profit before tax		-3,091,386	-2,958,084
Income tax expense	9	264,333	323,012
Loss for the year		-2,827,052	-2,635,073
LOSS ATTRIBUTABLE TO:			
Equity holders of the parent		-2,827,052	-2,635,073

SEK 000'	NOTES	2024	2023
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Equity holders of the parent		-2,827,052	-2,635,073
Loss for the year		-2,827,052	-2,635,073
COMPREHENSIVE INCOME			
Items that subsequently may be reclassified to profit or loss:			
Exchange differences in translation of foreign operations		237,470	-294,745
Total items that may be reclassified to profit or loss		237,470	-294,745
Other comprehensive income for the period		237,470	-294,745
Total comprehensive income for the period		-2,589,582	-2,929,818

FINANCIAL STATEMENTS FOR GROUP

Consolidated Statement of Financial Position

For the year ending 31 December

SEK 000'	NOTES	2024	2023
ASSETS			
Non-current assets			
Deferred tax assets	9	430,267	429,023
Goodwill	10	12,292,846	12,155,371
Intangible assets	11	3,011,753	3,265,124
Property, plant and equipment	12	45,109,635	42,751,480
Right of use assets	13	3,009,543	3,349,724
Other non-current assets	14	280,901	376,339
Total non-current assets		64,134,944	62,327,061
Current assets			
Trade receivables	15	1,356,604	1,319,263
Prepayments		707,461	551,373
Other current assets	15	83,364	95,780
Cash and cash equivalents	16	79,835	53,984
Total current assets		2,227,264	2,020,401
TOTAL ASSETS		66,362,208	64,347,462
EQUITY AND LIABILITIES			
Equity			
Share capital		236	236
Share premium reserve		25,777,701	25,777,701
Retained earnings		-14,528,851	-11,939,439
Equity attributable to equity holders of the parent		11,249,086	13,838,498
TOTAL SHAREHOLDERS' EQUITY		11,249,086	13,838,498

SEK 000'	NOTES	2024	2023
Non-current liabilities			
Deferred tax liabilities	9	2,293,590	2,485,805
Lease liabilities	13	2,739,263	2,817,911
Interest bearing liabilities	17	41,138,692	36,950,581
Contract liabilities	18	2,837,379	2,564,225
Provisions	19	795,445	756,171
Total non-current liabilities		49,804,368	45,574,693
Current liabilities			
Current tax liability	9	7,701	425
Lease liabilities	13	903,477	938,604
Contract liabilities	18	1,940,369	1,463,884
Interest bearing liabilities	17	18,153	136,593
Current provisions	19	769,508	1,118,352
Trade and other payables	20	1,669,547	1,276,413
Total current liabilities		5,308,755	4,934,270
Total liabilities		55,113,123	50,508,963
TOTAL EQUITY AND LIABILITIES		66,362,208	64,347,462

FINANCIAL STATEMENTS FOR GROUP

Consolidated Statement of Cash Flow

For the year ending 31 December

SEK 000'	NOTES	2024	2023
Cash flow from operating activities			
Profit before tax		-3,091,386	-2,958,084
Adjustments to reconcile profit before tax to net cash flow			
Net gain from sale of assets		-358,385	-
Depreciation, amortization and impairment	11, 12	4,275,447	4,006,981
Net finance income and finance costs	8	3,184,610	2,593,371
Working capital adjustment:			
Changes in trade and other receivables	15	-37,341	340,341
Changes in provision and other liabilities	19	-16,092	-28,381
Changes in trade and other payables	20	393,134	-505,975
Re-classification of short-term obligations in opening balance		-	-
Other items			
Cost to obtain customer contracts		-91,872	-170,696
Prepayments from customers - long term (IFR15/16)		209,331	-
Other adjustments		75,497	159,708
Net cash flow from operating activities		4,542,943	3,436,264
Cash flow from investing activities			
Purchase of property, plant and equipment	12	-4,522,879	-5,059,402
Acquisition of shares in subsidiaries, net of cash acquired		-	-158,178
Purchase of intangible assets/development expenditures	11	-316,813	-540,519
Sales proceeds		435,100	-
Net cash flow from investing activities		-4,404,592	-5,758,100

SEK 000'	NOTES	2024	2023
Cash flow from financing activities			
Governments grants		90,475	472,162
Proceeds from long-term debt	17	3,494,632	4,345,574
Repayment of long-term debt	17	-	-
Proceeds from short-term debt	17	-118,440	103,390
Payments for the principal portion of the lease liability	13	-1,205,489	-1,061,209
Interest paid	8	-2,371,519	-1,911,254
Other adjustments		-	-
Net cash flow from financing activities		-110,341	1,948,663
Net change in cash and cash equivalents			
		28,010	-372,173
Effect of change in exchange rate		-2,159	294,715
Cash and cash equivalents, beginning of period	16	53,984	131,444
Cash and cash equivalents, end of period		79,835	53,984

FINANCIAL STATEMENTS FOR GROUP

Consolidated Statement of Changes in Equity

SEK 000'	Share capital	Share premium	Retained earnings	Shareholders' equity attributable to parent company shareholders	Total equity
Balance as of January 1, 2023	236	25,777,701	-9,009,621	16,768,316	16,768,316
Total comprehensive income	-	-	-2,929,818	-2,929,818	-2,929,818
Balance as of December 31, 2023	236	25,777,701	-11,939,439	13,838,498	13,838,498
Total comprehensive income	-	-	-2,589,412	-2,589,412	-2,589,412
Balance as of December 31, 2024	236	25,777,701	-14,528,851	11,249,086	11,249,086

Note 1 Accounting policies and other information

1.1 BASIS OF PREPARATION

Nordic Connectivity AB (559228-2353) is the parent company of the Nordic Connectivity Group, referred to as GlobalConnect. The headquarter of GlobalConnect is in Stockholm (Sweden). The main locations for GlobalConnect’s business operations are Fornebu (Norway), Copenhagen (Denmark), Stockholm (Sweden) and Hamburg (Germany).

1.1.1 GENERAL

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by The European Union (“EU”). The preparation, according to IFRS, is voluntary, according to Årsredovisningslagen 7 kap. 33§. Further, the group accounts are prepared according to Swedish laws through the recommendations for financial reporting “RFR 1 Kompletterande redovisningsregler for koncerner” given by the Swedish Financial Reporting Board.

The consolidated financial statements have been prepared on a historical cost basis, except for accounting of derivative financial contracts and equity financial assets which are measured at fair value.

1.1.2 GOING CONCERN

The financial statements are prepared based on the going concern assumption.

1.1.3 PRESENTATION CURRENCY AND FUNCTIONAL CURRENCY

The consolidated financial statements are presented in Swedish Kroner (SEK). Each entity in GlobalConnect determines its functional currency and items included in the financial statements of each entity are measured using that functional currency. For items in the statement of compre-

hensive income, the average monthly rate is used for P&L items per month, for Balance sheet items, the exchange rate at balance sheet date is used.

If currency rates are fluctuating significantly, transaction exchange rates are applied for significant transactions. The exchange differences arising on translation for consolidation are recognized in OCI.

All figures are presented in thousands (000), except when otherwise explicitly indicated.

1.2 BASIS FOR CONSOLIDATION

The consolidated financial statements comprise the financial statements of Nordic Connectivity AB and its subsidiaries as at 31 December 2024. The subsidiaries are consolidated when control is achieved as defined by IFRS 10, that is, when GlobalConnect is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee.

Total comprehensive income (profit or loss and each component of other comprehensive income, OCI) is attributed to the equity holders of the parent company.

1.3. BUSINESS COMBINATIONS AND GOODWILL

Business combinations are accounted for by applying the acquisition method in IFRS 3. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. Acquisition-related costs are expensed as incurred and included in other operating expenses.

When GlobalConnect acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill is measured at cost less any accumulated impairment losses. See Note 2 for the GlobalConnect’s significant judgments and estimates in relation to impairment of goodwill.

1.4 ECONOMIC USEFUL LIFE OF TANGIBLE AND INTANGIBLE ASSETS ACQUIRED IN A BUSINESS COMBINATION

GlobalConnect has recognized significant tangible and intangible assets from previous business combinations. The estimated useful lives do have a significant impact on the amount of annual depreciation and amortization recognized as well as on other factors (e.g. classification of leases). Details regarding estimated useful lives of various assets are outlined in the relevant notes.

The amortization period (economic life) and the amortization method for tangible assets and intangible assets with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

1.5 CURRENT VERSUS NON-CURRENT ASSETS/LIABILITIES FOR FINANCIAL DERIVATIVE CONTRACTS

The whole carrying amount of a financial derivative contract used for hedging of interest rate risk (not hedge accounting) is classified as a non-current asset or liability when the remaining maturity of the contract is more than 12 months, and as a current asset or liability when the remaining maturity of the contract is less than 12 months.

Trading derivatives are classified as a current asset or liability.

1.6 REVENUE FROM CONTRACTS WITH CUSTOMERS

GlobalConnect is a provider of fiber-based data communication and related services to businesses, operators and public sector. GlobalConnect’s revenue streams are divided between leases and revenue from contract with customers. Dark/unlit fiber and dedicated network capacity, including dedicated data center space/colocation represent leases in the scope of IFRS 16. IFRS 15 Revenue from contract with customers apply for GlobalConnect’s revenue streams that are not in the scope of IFRS 16.

Revenue is measured at the fair value of the consideration receivable, exclusive of sales tax and discounts relating directly to sales. A detailed analysis of the performance obligations and the revenue recognition for each type of customer contract has been performed to ensure that revenue is recognized correctly when (at a point in time) or as (over a period of time) the performance obligations are satisfied.

GlobalConnect has identified the following revenue streams; internet capacity/services (fiber, ADSL and SHDSL), ethernet and infrastructure, IP VPN and data center/colocation capacity (non-dedicated). Revenue from contracts with

Note 1 Accounting policies and other information cont.

customers is recognized in line with fulfilment of the performance obligation, i.e. when control of the goods or services are transferred to the customer.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.

GlobalConnect considers whether there are promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of a system, GlobalConnect considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and any consideration payable to the customer. For further disclosure, see Note 3.

GlobalConnect has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer. Revenues are recognized gross when GlobalConnect acts as the principal in a transaction. For content-based services and the resale of services from content providers where GlobalConnect acts as the agent, revenues are recognized net of direct costs.

Variable consideration

If the consideration in a contract includes a variable amount, GlobalConnect estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subse-

quently resolved. For all material aspects, GlobalConnect's revenues are considered fixed.

Significant financing component

Generally, GlobalConnect receives short-term advances from its customers. Using the practical expedient in IFRS 15, GlobalConnect does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Costs to obtain a contract (e.g. sales commissions)

When revenue will be recognized over several reporting periods GlobalConnect recognizes incremental costs of obtaining a contract with a customer as an asset, provided that the costs are expected to be recovered throughout the contract. The costs are amortized on a systematic basis over the period which GlobalConnect expects to provide services to the customer. This period is re-assessed at the end of each reporting period.

Contract liabilities (e.g. deferred connection fees)

A contract liability is the obligation to transfer goods or services to a customer for which GlobalConnect has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before GlobalConnect transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when GlobalConnect performs under the contract.

1.7 TAXES

Income taxes comprise current and deferred taxes.

Current income tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where GlobalConnect operates and generates taxable income. Current income tax relating to items recognized directly in equity is recognized in equity (OCI) and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying value for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.8 PROPERTY, PLANT, AND EQUIPMENT

Property, plant and equipment ("PP&E") is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the PP&E and borrowing costs for long-term construction projects if they meet the recognition criteria. When significant parts of PP&E are required to be replaced at intervals, GlobalConnect depreciates them separately based on their specific useful lives. Other repair and maintenance costs are recognized in the statement of comprehensive income as incurred. Construction in progress is stated at cost, net of accumulated impairment losses, if any.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. The depreciation expense on PP&E is recognized in the statement of comprehensive income, on the line item "Depreciation and amortization". The residual values, useful lives and methods of depreciation of PP&E are reviewed at each financial year end and adjusted prospectively, if appropriate.

Note 1 Accounting policies and other information cont.

GlobalConnect assesses at each reporting date, whether there is an indication that property, plant and equipment may be impaired. See Note 2 for significant judgements and estimates applied in assessing impairment of PP&E.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of comprehensive income when the asset is derecognized.

Telecom networks under construction
Telecom networks under construction relates to ongoing network building projects, as well as equipment dedicated for usage on GlobalConnect’s telecom network infrastructures, including an inventory for spare parts.

1.9 LEASES
Identifying a lease
At the inception of a contract, GlobalConnect assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

GlobalConnect as a lessee
At the lease commencement date, GlobalConnect recognizes a lease liability and corresponding right-of-use asset for all lease agreements in which it is the lessee, except when the value of the asset is low (underlying value of less than 5 thousand EUR). For low value leases, the Group recognizes the lease payments as other operating expenses in the statement of comprehensive income when they incur.

Measuring the lease liability
The lease liability is initially measured at the present value of the lease payments for the right to use the underlying asset during the lease term that are not paid at the commencement date.

The lease payments included in the measurement comprise of:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable
- Amount expected to be payable by GlobalConnect under residual value guarantees
- The exercise price of a purchase option, if GlobalConnect is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects GlobalConnect’s exercising an option to terminate the lease.

GlobalConnect does not include variable lease payments in the lease liability arising from other sources than contracted index regulations subject to future events, such as inflation. Instead, GlobalConnect recognizes these costs in the statement of comprehensive income in the period in which these payments incur.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect adjustments in lease payments due to an adjustment in an index or rate.

GlobalConnect presents its lease liabilities as separate line items in the statement of financial position.

Measuring the right-of-use asset
The right-of-use asset is initially measured at cost. The cost of the right-of-use asset comprise:

- The amount of the initial measurement of the lease liability
- Any lease payments made at or before the commencement date, less any lease incentives received
- Any initial direct costs incurred by GlobalConnect

The right-of-use asset is subsequently measured at cost less accumulated depreciation and impairment losses. GlobalConnect applies the depreciation requirements in IAS 16 Property, Plant and Equipment in depreciating the right-of-use asset, except that the right-of-use asset is depreciated over the lease term. GlobalConnect applies IAS 36 Impairment of Assets to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

GlobalConnect presents its right-of-use assets as separate line items in the consolidated statement of financial position.

GlobalConnect as a lessor
For contracts where GlobalConnect acts as a lessor, it classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

When GlobalConnect is an intermediate lessor, it classifies the sublease as a finance lease, or an operating lease as follows:

- If the head lease is a short-term lease, the sublease is classified as an operating lease
- When the head lease is not a short-term lease, the sublease is classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset

Operating leases
For operating leases, GlobalConnect recognizes lease payments as revenue, mainly on a straight-line basis, unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished. GlobalConnect recognize costs incurred in earning the lease income as costs of materials and service charges. GlobalConnect adds initial direct costs incurred in obtaining an operating lease to the carrying amount of the underlying asset and recognize those costs as an expense over the lease term on the same basis as the rental income.

Finance leases
The carrying amount of the underlying asset is derecognized, net investment in the lease is recognized and any selling profit or loss are recognized net in other income at lease commencement. The net investment is initially measured by applying the interest rate implicit in the lease, which includes any initial direct costs.

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date:

Note 1 Accounting policies and other information cont.

- Fixed payments (including in-substance fixed payments), less any lease incentives payable
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date

If GlobalConnect subleases an asset classified as a finance lease GlobalConnect as the intermediate lessor will derecognize the right-of use asset related to the sublease and recognized the net investment in the sublease as a receivable. Any difference between the right-of-use asset and the net investment in the sublease is recognized in the statement of comprehensive income.

Subsequently GlobalConnect recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on GlobalConnect's net investment in the lease. GlobalConnect aims to allocate finance income over the lease term on a systematic and rational basis.

1.10 INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

See Note 2 for GlobalConnect's significant judgements and estimates applied when assessing impairment of intangible assets.

1.11 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and subsequent measurement

GlobalConnect's financial assets and liabilities are initially recognized at fair value plus directly attributable transaction expenses. Subsequently, these financial instruments are measured at fair value through profit or loss, fair value through other comprehensive income, and amortized cost using the effective interest method (EIR), depending on the financial assets and -liabilities' contractual cash flow characteristics and GlobalConnect's business model for managing them.

Financial Assets

Financial assets measured subsequently at amortized cost:
The category includes mainly trade receivables and other receivables and cash and cash equivalents.

Financial assets measures subsequently at fair value through profit or loss:

GlobalConnect engages from time to time in derivative financial instruments contracts, which are classified as fair value through profit or loss (FVTPL) and accordingly measured at fair value on the reporting date of the financial statements.

GlobalConnect has not designated any financial asset to FVTPL at the reporting date of the financial statements.

Financial assets measured subsequently at fair value through other comprehensive income:

GlobalConnect does not hold financial assets categorized as fair value through other comprehensive income (FVOCI) as of the reporting date.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest (EIR) method. Gains and losses are recog-

nized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in profit or loss. This category generally applies to interest-bearing loans and borrowings.

Financial liabilities measure subsequently at fair value through profit or loss:

GlobalConnect engages from time to time in derivative financial instruments contracts, which is classified as fair value through profit or loss (FVTPL) and accordingly measured at fair value on the reporting date of the financial statements.

Except for derivatives, GlobalConnect has not designated any financial liability to FVTPL at the reporting date of the financial statements.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by GlobalConnect.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

1.12 IMPAIRMENT OF FINANCIAL ASSETS

Aside from this note, other disclosures relating to impairment of financial assets (trade receivables) are included in Note 17.

GlobalConnect recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that GlobalConnect expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

GlobalConnect applies a simplified approach (as applicable for trade receivables, contract assets and lease receivables) in calculating ECLs, where GlobalConnect does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. GlobalConnect bases its ECLs on its historical losses, adjusted for forward-looking factors specific to the debtors and the economic environment. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows. Generally, trade receivables are written-off if past due for more than one year.

Note 1 Accounting policies and other information cont.

Derecognition of financial instruments

Financial assets

A financial asset is derecognized when the rights to receive cash flows from the asset have expired, GlobalConnect has transferred its rights to receive cash flows from the asset.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a current enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

1.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

1.14 PROVISIONS

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date, that is, the amount that an entity would rationally pay to settle the obligation at the balance sheet date or to transfer it to a third party.

A provision is made and calculated based on management assumptions at the time the provision is made and is updated as and when new information becomes available. All provisions are reviewed at the end of the financial year.

Contingent assets are not recognized in the annual accounts but are disclosed if there is a certain probability that a benefit will be added to the Group.

1.15 NEW ACCOUNTING STANDARDS

GlobalConnect has adopted the changes in IAS 1 that are effective from January 1 2024. GlobalConnect has disclosed significant information about accounting principles instead of disclosing significant accounting policies. The change does not have a material impact on the Group's financial statements, but affects how accounting principles, assessments and estimates are presented.

There have been changes to IAS 1 regarding the classification of liabilities as current or non-current, while new disclosure requirements for liabilities associated with covenants are being introduced with effect from 2024. The company assesses that no significant changes have been made other than additional disclosures about covenants.

GlobalConnect has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. There are no IFRSs or IFRIC interpretations

that are not yet effective that the Group currently expects will have material impact on the Group's financial statements going forward.

From January 1, 2027, IFRS 18 Presentation and Disclosure in Financial Statements will come into effect. The new standard will replace IAS 1 Presentation of Financial Statements. The purpose of IFRS 18 is to improve companies' presentation of financial reports, with a particular focus on the income statement and cash flow analysis. The standard also includes requirements for certain disclosures about selected key figures. IFRS 18 has not yet been adopted by the EU. The impact of the new standard on the group's accounting is under investigation

Note 2 Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS and application of the chosen accounting policies require management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosures of contingent liabilities. Estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual outcome may differ from these estimates.

The accounting policies applied by management which includes a significant degree of estimates and assumptions or judgements that may have most significant effect on the amounts recognized in the financial statements, are summarized below.

See Note 1 for the related accounting principles.

2.1 IMPAIRMENT CONSIDERATIONS OF GOODWILL, INTANGIBLE ASSETS, PP&E AND RIGHT OF USE-ASSETS
The following are considered significant estimates and assumptions applied in GlobalConnect’s impairment considerations:

GlobalConnect assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, GlobalConnect estimates the asset’s recoverable amount.

Recoverable amount in the impairment tests performed at year end 2024 has been determined based on value in use (ViU). The ViU calculation is based on a discounted cash flow (DCF) model. In assessing ViU, the estimated future cash flows are discounted to their present value using a pre-tax

discount rate that reflects current market assessments of the time value of money and the risks specific to the assets.

Restructuring activities and significant future investments are excluded from the budgets, and a long-term growth rate is calculated and applied to project future cash flows after the fifth year. The ViU calculation is sensitive to revenue growth in the forecast period, the discount rate, expected future cash flows and the terminal growth rate. These estimates are most relevant to goodwill and other intangibles and represent significant assumptions made by management. The key assumptions used to determine the recoverable amount for the CGU, are further disclosed in Note 10.

2.2 DEFERRED TAX ASSETS
Deferred tax assets are recognized to the extent that it is probable that the tax assets will be realized. These tax assets relate primarily to the utilization of tax losses carried forward. The judgement required to determine the amount of deferred tax assets that can be recognized is primarily based upon expected level and timing of future taxable profits.

2.3 LEASES
In applying IFRS 16, GlonalConnect makes significant judgments in the following areas:

- Determination of whether a contract is, or contains a lease
- Determination of the lease term for GlobalConnect as a lessee
- Classification of operating vs. finance leases for Global-Connecy as a lessor

2.3.1 IDENTIFYING WHETHER A CONTRACT IS, OR CONTAINS A LEASE
In assessing whether a contract is, or contains a lease,

GlobalConnect has assessed whether the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. This assessment has required significant judgments for fiber optic cable arrangements, capacity, colocation leases and leases of data centers. GlobalConnect has identified lease contracts relating to network equipment (e.g. dark fiber, IRU and ducts), technical and non-technical space, equipment and cars.

A capacity portion or other portion of an asset that is not physically distinct (e.g. a capacity portion of a fiber optic cable, including internet/broadband services) is not considered an identified asset unless it represents substantially all the capacity of the entire asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from use of the asset. GlobalConnect has concluded that such capacity arrangements represent the delivery of services from a supplier to the customer and are not accounted for in accordance with IFRS 16.

GlobalConnect has not applied IFRS 16 to intangible assets, such as wavelengths.

Colocation leases and leases of data centers are considered leases in the scope of IFRS 16 if the customer has the right to a defined space or equipment and controls the use of this space/equipment.

2.3.2 DETERMINING THE LEASE TERM – GLOBALCONNECT AS A LESSEE
GlobalConnect determines the lease term as the non-cancelable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

After the commencement date, GlobalConnect reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

When evaluating whether GlobalConnect is reasonably certain to exercise a renewal option or not to exercise a termination option GlobalConnect considers factors such as business model (e.g. the importance of the asset to the underlying business) and the availability of alternative assets etc. These judgments are especially relevant to GlobalConnect’s fiber and data center/colocation leases.

2.3.3 CLASSIFICATION OF OPERATING VS. FINANCE LEASES – GLOBALCONNECT AS A LESSOR
For agreements where GlobalConnect acts as a lessor, GlobalConnect classify its leases as either operating or finance leases. If GlobalConnect transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the lease is classified as a finance lease. All other leases are classified as operating leases.

GlobalConnect especially applies judgements in assessing its long term IRUs (Indefeasible Right of Use). Unless the lease term is for the major part of the economic life of the underlying fiber and/or title of the fiber is transferred, GlobalConnect generally assess such leases as operating.

Subleases where GlobalConnect is the intermediate lessor, are considered finance leases when the head lease and the sublease have corresponding or similar lease terms.

See Note 13 for a specification of GlobalConnect’s operating and finance leases.

Note 2 Significant accounting judgements, estimates and assumptions cont.

2.4 REVENUE FROM CONTRACTS WITH CUSTOMERS

In relation to IFRS 15 Revenue from contract with customers, GlobalConnect applies the following significant judgements:

Identifying performance obligations - connection fees

In many of GlobalConnect’s revenue contracts, the customer pays an upfront fee at contract inception, which may relate to the initiation, or set-up of the connection to be used for delivering the interlinked future internet and fiber services. When the title of the network is not transferred to the customer and when there is a two-way dependency between the connection and the subsequent services, connection fees are not considered to constitute a separate performance obligation. Hence, any consideration for connection fees is recognized over time together with delivery of recurring services. For further disclosure, see [Note 3](#).

GlobalConnect applies the following significant estimates and assumptions when assessing its revenues:

Estimated customer retention period; Recognition of connection fees and amortization of sales commissions

GlobalConnect recognizes connection fees and amortizes capitalized sales commissions over the expected customer relationship period when such fees are received/payable upon initial contract inception. This period is decided by a calculation based on historical churn-rates updated annually.

Note 3 Dissagregated revenue information

GlobalConnect is a provider of fiber-based data communication to consumers, businesses, operators and the public sector in Sweden, Norway, Denmark and Germany among others. GlobalConnect has a wide range of service offerings and significant coverage across its primary markets.

Parts of GlobalConnect’s revenue relates to lease income from dark/unlit fiber and dedicated network capacity including dedicated datacenter space/colocation, which is accounted for as operating leases in line with IFRS 16. The operating lease income is presented as revenue in GlobalConnect’s total comprehensive income statement. Disaggregation of revenue is presented below, with reference to Note 13 for further disclosures on the operating leases.

Areas generating revenues includes Internet, Ethernet, IP VPN, dedicated capacity and datacenters with relevant services and goods, separately or in bundled packages, delivered to small and large businesses as well as public sectors (collectively referred to as B2B) and private households (B2C). Services includes subscription and traffic fees, datacenter fees and connection fees. Goods includes customer equipment installed in customer premises and other transmission equipment.

3.1 DISAGGREGATED REVENUE INFORMATION

GlobalConnect's presented revenues can be divided in Revenue from Contracts with Customers and Operating Leases as follows:

SEK 000'	2024	2023
Revenue from contracts with customers	6,567,625	6,604,116
Lease income from operating leases	1,049,433	974,860
Total revenue	7,617,058	7,578,977

Lease income from operating leases are recognized over time in line with IFRS 16 and included in the table above. For further information on operating leases, see Note 13.

Set out below is the disaggregation of GlobalConnect’s revenue into the CGUs in management operational reporting:

Revenue by business and geographical areas 2023

SEK 000'	Norway	Sweden*	Denmark**	Total
B2B and GCC	1,443,133	1,245,077	2,222,493	4,910,703
B2C	542,821	2,044,924	80,529	2,668,274
Revenue	1,985,954	3,290,000	2,303,022	7,578,977

Revenue by business and geographical areas 2024

SEK 000'	Norway	Sweden*	Denmark**	Total
B2B and GCC	1,417,158	1,329,952	1,967,318	4,714,428
B2C	616,732	2,183,066	102,832	2,902,630
Revenue	2,033,890	3,513,017	2,070,150	7,617,058

*Includes Finland and the Norwegian subsidiary IP-Only Norway AS

**Includes German entities

Note 3 Dissagregated revenue information cont.

3.2 TIMING OF THE REVENUE RECOGNITION

Timing of revenue recognition for most of GlobalConnect’s revenues are decided by the rules in IFRS 15. The core principle of IFRS 15 is to recognize revenue in an amount that reflects the consideration to which an entity expects to be entitled in exchange for goods or services. The revenue recognition concepts of IFRS 15 are often illustrated by a five-step model, identifying the contract and the performance obligations, determining correct transaction price and appropriate price-allocation and concluding on the appropriate timing of the revenue recognition.

The appropriate timing of revenue recognition related to the performance obligation is either “over time” (defined as the expected customer retention period) or “at a point in time”.

SEK 000'	2024	2023
Goods and services transferred at a point in time	395,193	558,811
Goods and services transferred over time	7,221,864	7,020,165
Revenue	7,617,058	7,578,977

GlobalConnect satisfies a performance obligation over time if one of the following criteria are met:

- The customer simultaneously receives and consumes the benefits provided by GlobalConnect's performance as we perform
- GlobalConnect’s performance creates or enhances an asset that the customer controls as the asset is created or enhanced
- GlobalConnect’s performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for the performance completed to date

If none of the above criteria are met, control is considered transferred at a point in time, being when the goods/services are delivered to the customer.

3.3 DISTINCT GOODS OR SERVICES IN COMBINED CONTRACTS

When GlobalConnect provides goods or services together it determines whether the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct), and if the promise to transfer the good or service is separately identifiable from the other promises in the contract.

If a contract contains promises to transfer goods or services that are distinct in the context of the contract, GlobalConnect allocates the transaction price to each separate performance obligation based on the relative stand-alone selling prices of each good and service.

3.4 PERFORMANCE OBLIGATIONS

The following section relates to “Revenue from contacts with customers” presented above.

Recurring services and subscription fees

The majority of GlobalConnect's revenues in both the B2B and B2C markets are recurring, generated from running service contracts and subscription fees. As both the fulfillment of the performance obligation and the customers control/consumption occurs simultaneously the criterias for revenues recognition over time is satisfied for such revenues. Normal practice is advance billing, monthly and quarterly, with credit term in the range of 13-30 days.

Installation and connection fees

Upfront non-refundable payments from customers related to installation and connection activities have been assessed to determine whether they represent a separate performance obligation under IFRS 15. GlobalConnect has concluded that these activities not provide an incremental benefit to the customer beyond that which they will receive from the ongoing services and do not constitute a separate performance obligation. The fees are therefore regarded as part of the total transaction price for the contract and recognized over time. When the upfront payment in the initial contract also represents an option of the customer to renew the contract at a lower price, and this represents a material right, these revenues are recognized over the expected customer retention period. As a practical expedient these revenues from prior years have been analyzed on a portfolio-basis and are recognized evenly over the estimated remaining duration of the performance obligation. Estimated duration is calculated based on histroical churn-rates. Received upfront payments from the customer are treated as contract liabilities and further disclosed for in Note 18.

Note 3 Dissagregated revenue information cont.

Other revenue services

Group revenues recognized at a point in time includes fees for various one-time deliverables such as technical equipment, additional services, re-invoicing of incurred expenses and various fees. When such services may be purchased separately and are not closely interrelated with the goods/services provided over time, such charges are treated as separate performance obligations and recognized at a point in time if none of the criterias deciding that “over time” recognition is required.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as shown below. As a practical expedient the numbers are based on the annual portfolio of the relevant historical revenues linearly accrued over the expected remaining duration of the performance obligation:

Timing of revenue recognition	2024	2023
Within one year	1,940,369	1,463,884
After first year	2,837,379	2,564,225
Total revenue deferred	4,777,748	4,028,108

The deferred revenues expected to be recognized after the first year is mainly related to long term subscriptions for services. Installation fees closely interlinked with rendering of services performed over time are recognized over the same period. Other remaining performance obligations are expected to be recognized within one year.

3.5 COSTS TO OBTAIN A CONTRACT

GlobalConnect pays commissions and bonuses to external sales agents and to the internal sales force for obtaining contracts. According to IFRS 15, incremental costs for obtaining a contract are recognized as an asset and amortized on a systematic basis consistent with the pattern of the fulfillment of the contract. GlobalConnect should recognize the commissions and bonuses paid to external agents and the internal sales force as an asset. The amortization of the asset follows the estimated length of the obtained contracts. Refer to Note 18.

Note 4 Other operating income

Other operating income	2024	2023
Gain from the sale of Property Plant and Equipment	50,175	-45
Gain from sale of business area	368,844	-
Other rental income	12,394	3,271
Gain from finance leases	47,886	1,499
Government grants	26,701	17,799
Other operating income	14,862	9,752
Total other operating income	520,861	32,322

Other rental income presented above relates primarily to office premises. Refer to Note 13 for information on leases.

Government grants and subsidies

GlobalConnect receives government grants in the form of subsidies related to the roll out of fiber networks. The subsidies are recognized as other income over time.

Note 5 Employee benefits and expenses

Employee benefit expenses	2024	2023
Salaries	1,628,786	1,766,957
Social security costs	311,125	309,714
Pension costs	112,765	106,184
Other employee expenses	57,503	71,266
Total employee benefit expenses	2,110,179	2,254,120

Position	Board fee/salary	Pension cost	Other remuneration	Total
Board of directors	1,605	-	-	1,605
CEO	10,638	638	5,137	16,413
Total remuneration	12,243	638	5,137	18,018

Full time employees (FTEs) 2023	Female	Male	Total
Norway	97	390	487
Sweden*	220	538	758
Denmark**	175	524	699
Total	492	1,452	1,944

Full time employees (FTEs) 2024	Female	Male	Total
Norway	98	370	468
Sweden*	231	540	772
Denmark**	157	423	580
Total	486	1,333	1,820

*Includes Finland

**Includes Germany

Management remuneration

Other remuneration for executives in the tables above refer to bonuses. Board fees are decided on in annual general meeting and amounts to SEK 1,558k for 2024 (2023: SEK 1,744k) for the parent company. There are no loans or guarantees to Board members, Management group or employees, or their related parties.

Long term incentive plan (LTIP)

Within GlobalConnect, there has been established a Long-term Incentive program (LTIP). The parent company Nordic Connectivity AB has under certain circumstances considered likely to make the cash payments to the employees. The employees are employed in different subsidiaries, and the subsidiaries have no obligation to settle the transaction. Because the parent company Nordic Connectivity AB has an obligation to settle the transaction with the employees, and the consideration is cash, the parent measures its obligation as a cash settled share based payment transactions i.e. a liability is recognized in an amount equal to the fair value of the cash settlement transaction, with a corresponding entry to Investment in subsidiary (as a capital contribution). In 2024 it was a cost reduction to LTIP of SEK 73,687k (2023: SEK 89,958kk) is recorded.

Pension

The Group’s pension schemes consist mainly of defined contribution pension plans. For defined contribution plans, the contributions are paid to pension insurance plans and charged to the statement of comprehensive income in the period to which the contributions relate. Once the contributions have been paid, there are no further payment obligations. GlobalConnect also has some closed, defined benefit pension plans for some employees and retirees. Through a defined benefit pension plan, the employees’ part of the scheme will be guaranteed a certain level of their pension

payments based on their last salary. The level of the pension payment is dependent on the number of years the employee has been with GlobalConnect and the obtained level of salary when working.

The Norwegian companies in GlobalConnect are obligated to keep an occupational pension scheme pursuant to the Norwegian Mandatory Occupational Pensions Act. Global-Connect’s pension scheme satisfies these requirements.

Defined contribution plan

The majority of GlobalConnect’s employees are covered by defined contribution pension schemes. Contributions to these schemes are recognized as pension expense as they occur. Total costs related to the Groups contribution plans were SEK 94.7m in 2024 (2023: SEK 83.9m).

Defined benefit pension plan

GlobalConnect also has defined benefit pension plans for some former employees. The defined benefit pension plans are overfunded, with total net pension assets amounting to SEK 3,403k at 31 December 2024. To the extent possible, pension premiums are deducted from pension fund. It is Management view that risks related to the defined benefit plan are not material to GlobalConnect. At 31 December 2024 total pension funds/assets were SEK 21,927k (2023: SEK 23,279k) and liability SEK 18,816k (2023: SEK 20,122k).

Other employee expenses

Other employee expenses consist of other benefits such as insurance, cars and telephones and remuneration to the employee representatives in the Board of Directors. The employer’s national insurance contribution (social security) is calculated and expensed for all payroll related costs including pensions. Pension contributions are earned on a monthly basis.

Note 6 Other operating expenses

Other operating expenses	2024	2023
Office supplies and misc. equipment	16,055	18,386
Variable premises expenses incl. power	33,643	40,767
IT costs	181,873	209,192
Marketing and distribution expenses	151,209	200,083
Consulting expenses	282,552	288,272
Other operating expenses	-444,262	-490,123
Total other operating expenses	232,939	266,577

Other operating expenses

Other operating expenses are recognized when they incur and represent a broad range of operating expenses incurred by GlobalConnect in its day-to-day activities.

Capitalized development expenses

Included in the line item “other operating expenses” presented above, there is booked a cost reduction of SEK 776.1k related to projects capitalized in 2024 (2023: SEK 727.3k), including both development and direct costs of PPE projects. For further disclosures on the development projects, see Note 11.

Note 7 Fees to the appointed auditor

Auditor related fees - EY	2024	2023
Audit fee	10,264	10,284
Audit related services	175	294
Other advisory services	2,925	2,635
Total auditor fees - EY	13,364	13,213

Note 8 Financial income and financial costs

Finance income	2024	2023
Gain on foreign exchange	55,065	65,759
Interest income	6,464	1,750
Other finance income	3,403	3,840
Total finance income	64,933	71,349

Finance costs	2024	2023
Financial instruments at fair value through profit or loss	310,088	523,066
Loss on foreign exchange	218,779	17,795
Interest expenses	2,681,571	2,071,075
Interest costs on lease liabilities	31,069	52,784
Other financial expenses	8,036	-
Total finance costs	3,249,543	2,664,720

Interest income and interest expenses

Interest income represents mainly interest income on cash deposits, and interest expenses represents mainly interest expenses on external financing, measured and classified at amortized cost in the statement of financial position. Interest cost on lease liabilities relates to GlobalConnect’s leases that are recognized in the balance sheet, for further disclosures see Note 13.

Derivative financial instruments

Gain- and loss on financial instruments measured and classified at fair value through profit or loss relates to interest rate swaps used for hedging (non-hedge accounting) of interest rate risk on GlobalConnect’s interest bearing debt, for further disclosures see Note 17.4.

Note 9 Income taxes

Current income tax expense:	2024	2023
Tax payable	-	1,653
Adjustment for income tax payable for previous years	-24,213	2,037
Change deferred tax/deferred tax assets (ex. OCI effects)	-250,070	-332,195
Currency effects	9,951	5,494
Total income tax expense	-264,333	-323,012
Total tax for the year on group level:		
Local companies	-200,346	-195,342
Foreign companies	-63,987	-127,669
Total tax for the year	-264,333	-323,012
Current tax liabilities consist of:	31.12.2024	31.12.2023
Income tax payable for the year as above	-	1,653
- of which paid in fiscal year	-	-
- not due for earlier years	7,701	-
- tax on group contribution from subsidiaries	-	-1,228
Current tax liabilities 31.12	7,701	425

Deferred tax liabilities/-assets:	31.12.2024	31.12.2023
Temporary differences:		
Property, plant and equipment	7,641,111	8,175,112
Intangible assets	2,290,417	1,899,404
Other current assets	-72,733	-70,444
Liabilities	-468,068	-1,630
Other differences	-63,331	-95,702
Currency effects	-	-
Total temporary differences	9,327,396	9,906,739
Losses carried forward (including tax credit)	-3,744,060	-2,831,707
Total temporary differences and losses carried forward	5,583,337	7,075,031
Temporary differences not included in basis for deferred tax assets	-	-
Tax losses carried forward not included in basis for deferred tax assets	2,402,055	-1,505,699
Basis for calculation of deferred tax/deferred tax assets	7,985,392	5,569,333
Total deferred tax/deferred tax assets		
Gross deferred tax recognized	2,276,531	2,454,152
Gross deferred tax assets recognized	-430,267	-429,023
Currency effects	17,060	31,653
Total deferred tax/deferred tax assets recognized	1,863,324	2,056,782

GlobalConnect's deferred tax assets are reviewed for impairment. Deferred tax assets from tax losses carried forward are expected to be offset against taxable income within a period of 7 to 10 years.

Note 9 Income taxes cont.

Reconciliation of deferred tax Liabilities, net	2024	2023
As of 1 January	2,056,482	2,299,971
Tax expense during the period recognized in profit or loss	-250,070	-332,195
Tax expense during the period recognized in OCI	-	-
Exchange rate differences	56,912	89,006
Deferred taxes acquired in business combinations	-	-
As at 31 December	1,863,324	2,056,782

Tax charge/-credit of components of other comprehensive income:	2024	2023
Currency translation differences	-	-
Other comprehensive income	-	-

GlobalConnect's operations are subject to income tax in various foreign jurisdictions. The statutory income tax rates vary from 20.6 % to 30 %, which results in a difference between the statutory income tax rate in Sweden and the average tax rate applicable to GlobalConnect. A reconciliation of the differences between the theoretical tax expense under the rate applicable in Sweden and the actual tax expense is as follows:

Reconciliation of income tax expense	2024	2023
Profit before taxes	-3,091,386	-2,958,084
Tax expense (local tax rate)	-636,826	-609,365
Permanent differences	35,719	38,416
Effect of deferred tax asset not recognized	344,968	331,258
Change to prior year tax expense	281	281
Effects of changes in tax rate	-	-
Effects of impairment of deferred tax assets	-	-
Effects of foreign tax rates	-8,475	-83,602
Recognized income tax expense	-264,333	-323,012

Note 10 Goodwill

	2024	2023
Acquisition cost 01.01	12,155,371	12,346,121
Additions, acquisition of subsidiaries	-	1,667
Currency translation effects	137,475	-192,417
Acquisition cost 31.12	12,292,846	12,155,371
Amortization and impairments 01.01	-	-
Amortization and impairments 31.12	-	-
Carrying amount 31.12	12,292,846	12,155,371

10.1 IMPAIRMENT TESTING OF GOODWILL AND INTANGIBLE ASSETS WITH INDEFINITE USEFUL LIFE

See Note 1 for GlobalConnect’s accounting policy on impairment on goodwill and intangible assets.

The addition in goodwill during 2023 is related to the Lyssna-Njut Fibernät AB transaction. Please see Note 22 for more details.

The recoverable amounts have been determined by their value in use.

Value in use (ViU) is calculated based on budget estimate for 2024 and business plan for 2025 and beyond per CGU. Beyond 2024, management has projected the cash flow for the periods 2025-2029. The CGUs are Denmark, Norway and Sweden. The budget process is a detailed and thorough bottom-up process with approval levels on all levels within the Group. Critical assumptions for the ViU estimate is provided for below.

The calculation of value in use for the CGU is most sensitive to the following assumptions:

- Revenue growth
- Free cash flow margin (before tax)
- Pre-tax discount rate
- Terminal growth rate

The cash flow margins are in line with current margins, and in the calculation of value in use they are expected to remain stable over the forecasted period.

Revenue growth

The expected growth in operating revenues are based on the expected high growth in the industry and GlobalConnect’s market share. The growth forecast is based on management’s expectations of future conditions in the markets, including the entry of new participants to the market.

Note10 Goodwill cont.

Free cash flow margin (before tax)

The free cash flow margin is determined from an analysis of historical levels before tax, adjusted for expected changes to cost of materials, salary, other expenses, capital expenditures and changes to working capital.

Pre-tax discount rate

The discount rate reflects the current market assessment of the risks specific to the CGU. The pre-tax discount rate for the Group is estimated based on the weighted average cost of capital (WACC).

Terminal growth rate

The terminal growth rate is the estimated long-term rate of growth in the economy where the business operates, aligned with long term global inflation targets. The key assumptions used to determine the recoverable amount for the cash generating unit are presented below:

The recoverable amount of the cash generating unit (CGU) is higher than its corresponding carrying amount and no impairment loss is recognized in the period. The carrying amount of each of the CGU includes goodwill and intangible assets together with other non-current assets and net working capital less deferred tax from technical goodwill.

There are assumptions made related to the parameters used in the calculation of the recoverable amount of the CGUs. This also includes the allocation of revenue from cross CGU contracts. The current allocation leaves the Denmark CGU vulnerable to negative changes to the parameters.

CGU	Denmark*	Norway	Sweden**
Carrying value goodwill	4,325,876	2,321,480	5,645,489
CAGR of sales in the forecast period	11.6%	11.6%	11.6%
Terminal growth rate	2.5%	2.5%	2.5%
After-tax discount rate	7.77%	7.77%	7.70%

*Includes German entities
**Includes Finland and the Norwegian subsidiary IP-Only Networks AS

Note 11 Intangible assets

SEK 000'	Software and technology	Customer relations	Other intangibles	Total
Acquisition cost 01.01.2023	1,223,164	2,803,913	1,650,209	5,677,286
Additions, acquisition of subsidiaries	-	52,438	498	52,936
Additions	801,074	-	154,481	955,555
Adjustments	-415,036	-	-	-415,036
Currency translation effects	-67,051	-15,269	-3,945	-86,265
Reclassifications	148,420	-	-154,411	-5,991
Acquisition cost 31.12.2023	1,690,571	2,841,082	1,646,834	6,178,487
Accumulated depreciation 01.01.2023	754,128	1,117,866	228,545	2,100,539
Depreciation for the year	242,599	462,940	63,876	770,415
Impairment for the year	-	-	-	-
Adjustments	-57,181	-	-	-57,181
Currency translation effects	55,027	-14,691	-808	39,528
Reclassifications	45,798	-	14,263	60,061
Accumulated depreciation 31.12.2023	1,041,371	1,566,115	305,877	2,913,362
Carrying amount 31.12.2023	649,200	1,274,967	1,340,957	3,265,124

SEK 000'	Software and technology	Customer relations	Other intangibles	Total
Acquisition cost 01.01.2024	1,690,571	2,841,082	1,646,834	6,178,487
Additions, acquisition of subsidiaries	-	-	-	-
Additions	316,813	-	-	316,813
Adjustments	49,362	-	-	49,362
Currency translation effects	26,766	4,206	5,947	36,919
Reclassifications	274,117	-	7,961	282,078
Acquisition cost 31.12.2024	2,357,630	2,845,287	1,660,743	6,863,660
Accumulated depreciation 01.01.2024	1,041,371	1,566,115	305,877	2,913,362
Depreciation for the year	240,512	360,643	171,623	772,778
Impairment for the year	35,953	2,396	-	38,348
Adjustments	52,878	-	-	52,878
Currency translation effects	33,803	17,940	8,534	60,277
Reclassifications	-	-	14,263	14,263
Accumulated depreciation 31.12.2024	1,404,518	1,947,093	500,297	3,851,907
Carrying amount 31.12.2024	953,112	898,195	1,160,446	3,011,753

Note 11 Intangible assets cont.

11.1 SOFTWARE AND TECHNOLOGY

Software and technology relate to network systems and IT systems. GlobalConnect is undergoing constant development to meet the increasing demand for data transparency from users, Management and owners and is already contributing to optimizing administrative routines, enhancement of data and cost savings.

11.2 CUSTOMER RELATIONS

In relation to previous transactions, excess values have been allocated to customer relationships. External consultants have performed the analysis for the 2018 transactions using industry practice. Internal staff have performed the 2019 analysis. The allocated excess values are amortized over 10 years.

11.3 OTHER INTANGIBLES

Other intangibles relate to favorable vendor contracts, amortized over remaining contract time of 9 years, as well as development projects.

11.4 IMPAIRMENT

GlobalConnect’s intangible assets has been reviewed for impairment indicators as December 31 2024 and no provision for impairments has been recognized at year end 2024. See Note 1 for GlobalConnect's accounting policy on impairment of intangible assets and Note 10 for disclosure on the impairment assessment for goodwill and intangible assets.

11.5 RESEARCH AND DEVELOPMENT COSTS

Expensed research and development costs:

Research and development costs not eligible for capitalization have been expensed in the period incurred. In 2024, the expensed research and development costs have not been tracked but are considered to be of immaterial size.

CAPITALIZED DEVELOPMENT COSTS:

GlobalConnect capitalize certain development costs relating to ERP systems, CRM systems and internally generated systems, the costs are presented together with additions in the table above. The costs are capitalized as Software. The contra entry of the addition is booked as a cost reduction of employee benefit expenses and other operating expenses.

Note 12 Property, plant and equipment

SEK 000'	Telecom networks owned	Telecom networks under construction	Operating equipment	Total
Acquisition cost 01.01.2023	35,526,747	8,939,241	2,355,318	46,821,305
Additions, acquisition of subsidiaries	48,297	122	8,605	57,025
Additions	1,488,348	4,085,321	3,732	5,577,400
Disposals	-26,187	-16,447	-3,378	-46,012
Adjustments	87,456	-2	-	87,455
Currency translation effects	-633,635	-44,627	-46,956	-725,219
Reclassifications	3,450,888	-3,644,207	1,401,880	1,208,561
Acquisition cost 31.12.2023	39,941,912	9,319,401	3,719,200	52,980,514
Accumulated depreciation 01.01.2023	5,551,616	212,669	1,112,585	6,876,870
Depreciation for the year	1,784,897	-	442,946	2,227,842
Impairment for the year	50,701	-	-	50,701
Disposals	-10,665	-	-3,170	-13,835
Adjustments	-	-	-	-
Currency translation effects	-249,741	-1,163	-34,900	-285,804
Reclassifications	586,782	-	786,477	1,373,259
Accumulated depreciation 31.12.2023	7,713,590	211,506	2,303,937	10,229,033
Carrying amount 31.12.2023	32,228,323	9,107,895	1,415,263	42,751,480
Economic life (years)	5-40	N/A	3-10	
Depreciation plan	Straight-line method	Not amortized	Straight-line method	

Note 12 Property, plant and equipment cont.

SEK 000'	Telecom Networks owned	Telecom Networks under construction	Operating equipment	Total
Acquisition cost 01.01.2024	39,941,912	9,319,401	3,719,200	52,980,514
Additions, acquisition of subsidiaries	-	-	-	-
Additions	1,059,552	3,532,568	87,687	4,679,806
Disposals	-137,674	-	-7,556	-145,230
Adjustments	-146,699	111,574	-54,361	-89,486
Currency translation effects	316,985	85,337	4,557	406,879
Reclassifications	2,341,233	-2,721,856	275,617	-105,006
Acquisition cost 31.12.2024	43,375,309	10,327,024	4,025,144	57,727,477
Accumulated depreciation 01.01.2024	7,713,590	211,506	2,303,937	10,229,033
Depreciation for the year	1,887,171	-	493,106	2,380,277
Impairment for the year	-	-	-	-
Disposals	-44,987	-	-6,193	-51,180
Adjustments	-48,477	-	-53,906	-102,383
Currency translation effects	227,947	433	22,220	250,600
Reclassifications	-77,140	-	-11,365	-88,505
Accumulated depreciation 31.12.2024	9,658,103	211,939	2,747,800	12,617,842
Carrying amount 31.12.2024	33,717,206	10,115,085	1,277,344	45,109,635
Economic life (years)	5-40	N/A	3-10	
Depreciation plan	Straight-line method	Not amortized	Straight-line method	

12.1 IMPAIRMENT CONSIDERATIONS
GlobalConnect's PP&E has been reviewed for impairment indicators at 31st of December 2024 and a recognition has been made related to impairment of recorded value of network equipment.

Note13 Leases

13.1 THE GROUP AS A LESSEE

Right of use asset:				
SEK 000'	Telecom Networks	Properties	Operating equimpment	Total
Acquisition cost 01.01.2023	5,221,885	298,590	428,764	5,949,239
Additions, acquisition of subsidiaries	-	-	-	-
Addition of right-of-use assets	366,252	57,513	173,702	597,467
Disposals	-	-	-18,037	-18,037
Adjustments	203,343	-1,214	-1,871	200,258
Transfers and reclassifications	-	-	-	-
Currency translation effects	-218,731	-2,258	-2,283	223,472
Acquisition cost 31.12.2023	5,572,750	352,630	580,275	6,505,455
Accumulated depreciation 01.01.2023	1,769,770	213,664	15,068	1,998,502
Depreciation for right-of-use assets	946,576	96,397	66,164	1,109,136
Disposals	-	-1,214	-16,063	-17,278
Transfers and reclassifications	-4,220	-	-	-4,220
Currency translation effects	64,597	4,528	465	69,590
Accumulated depreciation 31.12.2023	2,776,723	313,374	65,634	3,155,730
Carrying amount of RoA 31.12.2023	2,796,028	39,256	514,441	3,349,724
Lease term	3-15	1-10	3-7	
Depreciation plan	Straight-line method	Straight-line method	Straight-line method	

Right of use asset:				
SEK 000'	Telecom Networks	Properties	Operating equimpment	Total
Acquisition cost 01.01.2024	5,572,750	352,630	580,074	6,505,455
Additions, acquisition of subsidiaries	-	-	-	-
Addition of right-of-use assets	413,176	190,355	21,755	625,286
Disposals	-283,609	-135,829	-82,124	-501,562
Adjustments	172,175	-	6,174	178,349
Transfers and reclassifications	-	-	-	-
Currency translation effects	53,675	13,051	2,049	68,775
Acquisition cost 31.12.2024	5,928,168	420,208	527,927	6,876,302
Accumulated depreciation 01.01.2024	2,776,723	313,374	65,633	3,155,730
Depreciation for right-of-use assets	969,139	85,597	67,656	1,122,392
Disposals	-283,609	-135,044	-77,800	-496,453
Transfers and reclassifications	-4,220	-	-9	-4,229
Currency translation effects	72,429	13,456	3,434	89,319
Accumulated depreciation 31.12.2024	3,530,462	277,383	58,915	3,866,760
Carrying amount of RoA 31.12.2024	2,397,706	142,825	469,012	3,009,543
Lease term	3-15	1-10	3-7	
Depreciation plan	Straight-line method	Straight-line method	Straight-line method	

Note 13 Leases cont.

13.2 RIGHT OF USE ASSETS IN TELECOM NETWORKS

Telecom networks relates to primarily to leased fiber and technical space related to network operations.

13.3 RIGHT OF USE ASSETS IN PROPERTIES

Right of use assets in properties relates to leased office premises. Basis for calculating lease liability and right of use assets on transaction dates is remaining contract term and no exemption for any objects with less than 12 months unless lease contract has been terminated.

13.4 RIGHT OF USE ASSETS IN OPERATING EQUIPMENT

Right of use assets in operating equipment primarily relates to leases of technical equipment. The majority of these leases were already classified as financial leases in local GAAP accounts.

13.5 LEASES RECOGNIZED IN OTHER OPERATING EXPENSES

The lease expenses in 2024 related to short-term leases, low-value assets and variable lease payments are included in other operating expenses with SEK 1,648k (2023: SEK 3,483k) in the consolidated statement of comprehensive income, and the payments are presented in GlobalConnect’s operating activities in the consolidated statement of cash flows.

Lease liabilities:	
Summary of the lease liabilities in the financial statements	Total
At 01.01.2023	4,034,115
Acquisition of subsidiaries	-
New leases recognized during the year	529,681
Disposals during the year	-
Cash payments for the principal portion of the lease liability	-1,061,209
Cash payments for the interest portion of the lease liability	-
Interest expense on lease liabilities	174,997
Adjustments	200,258
Reassessment of the discount rate on previous lease liabilities	-
Currency translation effects	-121,327
Total lease liabilities at 31.12.2023	3,756,515
Current lease liabilities in the statement of financial position	938,604
Non-current lease liabilities in the statement of financial position	2,817,911

Note 13 Leases cont.

Summary of the lease liabilities in the financial statements	Total
At 01.01.2024	3,756,515
Acquisition of subsidiaries	-
New leases recognized during the year	561,769
Disposals during the year	-
Cash payments for the principal portion of the lease liability	-1,205,489
Cash payments for the interest portion of the lease liability	-
Interest expense on lease liabilities	193,020
Adjustments	178,349
Reassessment of the discount rate on previous lease liabilities	-695
Currency translation effects	159,271
Total lease liabilities at 31.12.2024	3,642,740
Current lease liabilities in the statement of financial position	903,477
Non-current lease liabilities in the statement of financial position	2,739,263

In addition to the lease liabilities presented above, GlobalConnect is committed to pay variable lease payments for its office buildings and manufacturing facilities mainly related to future inflation adjustments in Sweden, Norway and Denmark which is not included in the lease liabilities.

GlobalConnect does not have any other significant exposure related to its leases which requires further disclosures.

13.6 OPERATING LEASES

As described in Note 3, GlobalConnect’s revenue from delivery of dark/unlit fiber and dedicated network capacity including dedicated data center space/colocation is considered operating leases within scope of IFRS 16. Most of these contracts generally do have non-cancellable lease terms between 1 and 3 years. GlobalConnect has classified these leases as operating because they do not transfer substantially all the risks and rewards incidental to ownership to the counterparties. The lease payment in these contracts are generally fixed over the lease term.

Subleases:		
GlobalConnect has subleased part of its office premises, classified as an operating lease. Furthermore, agreements have been made for subleasing some of GlobalConnect’s equipment on short term contracts.		
GlobalConnect’s lease income from operating leases and operating subleases are presented in the table below:		
Lease income from operating leases	2024	2023
Lease income from property, plant and equipment	1,049,433	974,860
Total income from operating leases	1,049,433	974,860
Income from subleasing right-of-use assets	12,394	3,271
Total lease income incl. subleased assets	1,061,827	978,131

Note 14 Other non-current assets

Other non-current assets	Note	2024	2023
Investments in associates and other shares		1,159	1,136
Financial lease receivables*		71,382	74,839
Restricted deposits		-	15,270
Contract costs	18	239,947	280,637
Pension fund		3,403	4,457
Other non-current receivables		-34,990	-
Total other non-current assets		280,901	376,339

*The present value of future payments of the lease component of leases classified as financial.

Note 15 Trade receivables and other current assets

Other current assets	2024	2023
VAT receivables	-	-
Current tax receivables	-	-
Other current assets	83,364	95,780
Total other current assets	83,364	95,780

For disclosures on contract assets and costs to obtain a customer, see Note 18.

Note 15 Trade receivables and other current assets cont.

Trade receivables	2024	2023
Trade receivables from customers at nominal value	1,412,297	1,362,135
Allowance for expected credit losses	-55,693	-42,872
Total trade receivables	1,356,604	1,319,263

The credit risk of financial assets has not changed significantly from initial recognition.

As of December 31 the ageing analysis of trade receivables is, as follows:

Nominal values	Past due but not impaired				
Ageing analysis of trade receivables	Not due	<30 days	31-90 days	>90 days	Total
Expected credit loss					
Trade receivables at 31.12.2023	808,079	376,843	29,600	147,612	1,362,135

Nominal values	Past due but not impaired				
Ageing analysis of trade receivables	Not due	<30 days	31-90 days	>90 days	Total
Expected credit loss					
Trade receivables at 31.12.2024	1,197,996	147,764	15,464	51,072	1,412,297

For more information on the group's processes for managing credit risks, see Note 17.

Note 16 Cash and cash equivalents

Cash and cash equivalents	31.12.2024	31.12.2023
Bank deposits, unrestricted	44,893	23,156
Bank deposits, restricted	34,942	30,829
Total cash and cash equivalents	79,835	53,984

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. Restricted cash is withheld payroll tax.

Note 17 Financial instruments

17.1 OVERVIEW OF FINANCIAL INSTRUMENTS

Carrying amount of GlobalConnect’s financial assets and liabilities:

The carrying amount of GlobalConnect’s financial assets and liabilities are presented in the tables below at their gross amount unless otherwise stated.

GlobalConnect does not have other significant financial assets and liabilities with an enforceable right of net settlement, presented gross in the statement of financial position.

Financial assets	2024	2023
Derivatives not designated as hedging instruments		
Interest rate swaps - NOK	70,441	69,061
Interest rate swaps - SEK	-33,895	125,096
Interest rate swaps - DKK	-44,690	115,045
Cross currency swaps – EUR/SEK	104,886	97,655
Total derivatives not designated as hedging instruments	96,741	406,857
Financial assets at amortized cost		
Non-current derivatives	-	-
Non-current financial assets	75,944	97,534
Trade receivables and other current assets	2,147,429	1,966,416
Cash and cash equivalents	79,835	53,984
Total financial assets at amortized cost	2,303,208	2,117,934

Note 17 Financial instruments cont.

Financial liabilities:				
Interest-bearing loans and borrowings	Interest rate	Maturity	2024	2023
Financial liabilities at amortized cost				
Other financial liabilities at amortized cost				
Non-current contract liabilities			2,837,379	2,564,225
Current contract liabilities			1,940,369	1,463,884
Other provisions			795,445	756,171
Trade and other payables			2,324,720	2,428,650
Total other financial liabilities at amortized cost			7,897,913	7,212,928
Current lease liability	3,34%	2024	903,477	938,604
Current interest-bearing liabilities		2024	18,153	136,593
Total current interest-bearing loans and borrowings			921,630	1,075,197
Non-current interest-bearing loans and borrowings				
Lease liability	3,34%	2028	2,739,263	2,817,911
Bank loan	IBOR+2.5%	2028	41,356,123	37,359,928
Total non-current interest bearing loans and borrowings			44,095,386	40,177,839
Other financial liabilities			2024	2023
Derivatives not designated as hedging instruments			-	-

Fair values	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Non-current derivatives	96,741	96,741	406,857	406,857
Non-current financial assets	75,944	75,944	97,534	97,534
Trade receivables and other current assets	2,147,429	2,147,429	1,966,416	1,966,416
Cash and cash equivalents	79,835	79,835	53,984	53,984
Total	2,399,949	2,399,949	2,524,791	2,524,791
Financial liabilities				
Interest-bearing loans and borrowings	44,095,386	44,095,386	41,253,035	41,253,035
Other financial liabilities	7,885,102	7,885,102	7,212,928	7,212,928
Total	51,980,488	51,980,488	48,465,964	48,465,964

GlobalConnect does not have other significant financial assets and liabilities with an enforceable right of net settlement, presented gross in the statement of financial position.

Note 17 Financial instruments cont.

17.2 FINANCIAL LIABILITIES

	January 1 2024	Cash flow	Re-classifications	Foreign exchange	Fair value changes	New leases	Other	31 December 2024
Current interest bearing loans and borrowings	33,503	93,911	-	-	-	-	-	127,414
Current lease liability	938,604	-	-	-	-35,127	-	-	903,477
Non-current interest bearing loans and borrowings	36,950,581	3,494,632	-	814,169	-	-	-	41,259,382
Non-current lease liability	2,817,911	-1,205,489	-	159,271	-	561,769	405,801	2,739,263
Total liabilities from financing activities	40,740,599	2,383,054	-	973,440	-35,127	561,769	405,810	45,029,536

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In 2021, a Senior Facility Agreement of EUR 2.7bn for the GlobalConnect Group was entered into, which included a 7 year. Term Loan Facility of EUR 1,950m, Revolving Credit Facility of EUR 150m and a committed Capex Facility of EUR 600m. The loan agreement also included an opportunity to raise additional debt facilities of up to EUR 1,500m in an uncommitted Accordion Facility.

In August 2022, the Accordion Facility was used to successfully raise an additional EUR 1,000m under the 2021 Senior Facility Agreement, at the same commercial terms and conditions as the existing financing from 2021. GlobalConnect raised additional financing to fund its growth plan, which includes both growing organically as well as expansion through acquisition of new assets. As part of the 2022 debt raise process, sustainability incentives aligned with GlobalConnect ESG strategy were introduced, and GlobalConnect submitted its first ESG compliance reporting in 2023 were all ESG KPI's for 2022 were met.

In December 2023, GlobalConnect closed a refinancing of its Junior Facility Agreement, a facility that was put in place in 2019 (and amended in 2020). EUR 490m was refinanced at more attractive terms and conditions than the previous Junior Facility Agreement, with covenant headroom adapted to the current financial and operational trading and strategy. ESG sustainability incentives were also introduced in the new Junior Facility Agreement, aligned with the Senior Facility Agreement ESG KPIs. GlobalConnect may further increase its long-term capital

requirements through other incremental facilities under the new Senior Facility Agreement.

GlobalConnect may further increase its long term capital requirements through other incremental facilities under the new Senior Facility Agreement.

At year-end, the senior loan facility subject to covenants amounted to SEK 36.145m, and the junior loan facility subject to covenants amounted to SEK 41.812m. As detailed in note 17, no covenants were breached at year-end.

17.2.1 CAPEX FACILITY

As part of the financing structure that was entered into in June 2021 and the Additional Facility raised in August 2022, GlobalConnect has committed Capex Facilities of EUR 1,600m, where Approx. EUR 1,313m was utilized as of end December 2024. These capex facilities will be used for funding growth and expansion for fiber rollout in the Nordics and Northern Europe over the years to come.

17.2.2 REVOLVING CREDIT FACILITY

Revolving credit facility amounting to EUR 150m consists of a traditional revolving credit facility of EUR 110m, an overdraft facility of EUR 35m, and a guarantee facility of EUR 5m. As of the end of 2024, EUR 82m of the traditional revolving credit facility, EUR 12m of the overdraft facility, and EUR 3m of the guarantee

facility had been utilized. GlobalConnect may further increase its short term liquidity through other incremental revolving facilities

17.2.3 COVENANT REQUIREMENTS

GlobalConnect's Junior and Senior Facilities Agreements includes specific financial covenant requirements with regards to the Group's Net Debt Cover and Interest Cover Ratio. GlobalConnect aims to ensure that it at all times is able to meet its financial covenants. Net Debt Cover means the ratio of Consolidated Total Net Debt to Consolidated EBITDA. Net Debt means the aggregated outstanding principal amount of all borrowings of the Group (including the capitalized value of leasing liabilities), less the aggregate amount of cash and cash equivalents of the Group. EBITDA means the consolidated profit of the Group before deducting interest, taxes, depreciations and amortizations, also adjusted for specific clauses followed by the Junior and Senior Facility Agreements. Interest Cover Ratio means the Consolidated EBITDA to Consolidated Net Finance Charges (as defined in the Junior and Senior Facility Agreements). No maintenance covenants were breached in 2024 or prior periods.

Note 17 Financial instruments cont.

17.3 AGEING OF FINANCIAL LIABILITIES

Contractual undiscounted cash flows from financial liabilities are presented below:

31.12.2023	Note	Less than 6 months	6 to 12 months	1 to 3 years	More than 3 years	Total
Non-current lease liabilities	13	-	-	2,815,812	2,099	2,817,911
Non-current interest bearing liabilities	17	-	-	-	37,357,438	37,357,438
Non-current derivatives	19	-	-291,573	-115,284	-	-406,857
Current lease liabilities	13	-	938,604	-	-	938,604
Trade and other payables	20	-	2,428,650	-	-	2,428,650
Total cash flows		-	3,075,681	2,700,528	37,359,537	43,135,745

31.12.2024	Note	Less than 6 months	6 to 12 months	1 to 3 years	More than 3 years	Total
Non-current lease liabilities	13	-	-	-	2,739,263	2,739,263
Non-current interest bearing liabilities	17	-	-	-	41,356,123	41,356,123
Non-current derivatives	19	-	-195,461	98,720	-	-96,741
Current lease liabilities	13	-	903,477	-	-	903,477
Trade and other payables	20	2,317,045	-	-	-	2,317,045
Total cash flows		2,317,045	708,016	98,720	44,095,386	47,219,167

17.4 FINANCIAL RISK AND CAPITAL MANAGEMENT

17.4.1 OVERVIEW

GlobalConnect’s principal financial liabilities, other than derivatives, comprise of loans, lease agreements trade and other payables. The main purpose of these financial liabilities is to finance the Group’s operations. GlobalConnect’s principal financial assets include trade receivables, and cash. GlobalConnect also enters derivative transactions.

GloblaConnect is exposed to a range of risks potentially affecting its financial performance, including market risk (inflation, interest rate risk and foreign exchange risk), liquidity risk and credit risk. GlobalConnect seeks to minimize potential adverse effects of such risks through sound business practice, risk management and financial hedging.

Financial risk management is carried out by Group management with assistance from its owners under policies approved by the Board. All risk management activities are carried out by personnel with the appropriate skills, experience and supervision. It is GlobalConnect’s policy that no trading in derivatives for speculative purposes may be undertaken. The Board reviews and agrees policies for managing each of these risks, which are summarized below.

17.4.2 INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. GlobalConnect’s exposure to the risk of changes in market interest rates relates primarily to the Group’s Senior and Junior Facilities which have base interest rates in NIBOR, CIBOR, STIBOR and EURIBOR. GlobalConnect hedges the majority of the interest rate risk using interest rate swap contracts (i.e. plain vanilla interest rate swaps and cross currency swaps). GlobalConnect does not utilize hedge accounting.

17.4.3 INTEREST RATE SENSITIVITY

The sensitivity to a possible change in interest rates, with all other variables held constant, on GlobalConnect's profit before tax, is illustrated on the next page.

Note 17 Financial instruments cont.

17.4.4 FOREIGN CURRENCY RISK

Foreign currency risk is the risk that the fair value of balance sheet items or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. GlobalConnect's foreign exchange exposure relates primarily to GlobalConnect's external financing in foreign currency, operating activities (revenue, expenses and capex denominated in a foreign currency), internal loans, and GlobalConnect's net investments in foreign subsidiaries.

The majority of revenues are denominated in SEK, NOK, DKK and EUR, while the majority GlobalConnect's interest bearing liabilities are denominated in SEK, NOK, DKK and EUR, thus the Group has an implicit hedge where a change in SEK, NOK and DKK will increase/decrease finance costs with an opposite effect on revenues. GlobalConnect also limits its foreign currency exposure through having similar currencies for its revenues, operating expenses and capex. GlobalConnect's equity and expenses are mainly denominated in SEK, NOK and DKK.

Parts of GlobalConnect's debt is hedged through cross currency swaps.

Interest rate sensitivity, 31.12.2024 (MSEK)	Increase/decrease in basis points	Effect on profit before tax	Effect on equity
Interest rate - NOK	+/- 100	12.5	-
Interest rate - DKK	+/- 100	22.9	-
Interest rate - SEK	+/- 100	44.0	-
Interest rate - EUR	+/- 100	1.5	-

17.4.5 FOREIGN CURRENCY SENSITIVITY

The following table demonstrates the profit before tax sensitivity to an immediate increase or decrease in the exchange rates, holding all other variables constant. The foreign exchange sensitivity analysis comprises effects from the Group's financial instruments, including external loans, cross currency swaps, internal loans and cash. The main impact is driven by the loan portfolio. Anticipated currency transactions and investments in foreign subsidiaries are not included.

Foreign currency sensitivity, 31.12.2024 (MSEK)	Date	Change in FX rate	Effect on profit before tax	Effect on equity
Increase/decrease in SEK/EUR	31.12.2024	+/- 10%	287/-287	-
Increase / decrease in SEK/NOK	31.12.2024	+/- 10%	69/-69	-
Increase / decrease in SEK/DKK	31.12.2024	+/- 10%	-35/35	-

Note 17 Financial instruments cont.

17.4.6 LIQUIDITY RISK

Liquidity risk is the risk that the GlobalConnect will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. GlobalConnect monitors its risk to a shortage of funds by particularly monitoring its working capital and overdue trade receivables. Liquidity risk management implies maintaining sufficient and to maintain available funding through committed credit facilities.

GlobalConnect has a flexible debt financing through available revolving credit facilities as part of the Senior Facilities and may further draw funds or establish additional incremental revolving facilities if deemed necessary.

See Note 17.3 for an overview of the maturity profile of the Group' financial liabilities with corresponding cash flow effect.

17.4.7 CREDIT RISK

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. GlobalConnect is exposed to credit risk from its operating activities (primarily trade receivables), and from its financing activities, including deposits with banks.

GlobalConnect manages its credit risks by trading only with recognized, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures, which include an assessment of credit rating, short-term liquidity, and financial position. GlobalConnect has a policy of limiting the credit exposure to any single financial institution and bank, and actively manages its exposure to achieve this objective. Where appropriate, GlobalConnect obtains sufficient collateral from customers for mitigating the risk of financial loss from defaults.

In addition, receivable balances are monitored on an ongoing basis, with the result that GLobalConnect exposure to losses has been insignificant and the overall credit risk is assessed as low.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due, product type, customer type and rating etc. For an overview of the ageing of trade receivables and the expected credit losses recognized for trade receivables and contract assets, please refer to Note 15 and Note 18.

Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables and contract assets disclosed in Note 15 and Note 18. GlobalConnect does not hold collateral as security. GlobalConnect evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

17.4.8 CAPITAL MANAGEMENT

For the purpose of GlobalConnect's capital management, capital includes issued capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of GlobalConnect's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

GlobalConnect manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, GlobalConnect may in cooperation with the lending parties (bank syndicate) issue new shares or debt or do appropriate adjustments to the existing debt or equity.

In order to achieve this overall objective, GlobalConnect's capital management, amongst other things, aims to ensure that it meets financial covenants related to the interest-bearing loans and borrowings that define capital structure requirements. See Note 17.2 for GlobalConnect's interest bearing loans and borrowings, and related financial covenant. No changes were made in the objectives, policies or processes for managing capital during 2024.

Note 17 Financial instruments cont.

17.5 FAIR VALUE MEASUREMENT

17.5.1 VALUATION TECHNIQUES:

The valuation of financial instruments/derivates is performed by GlobalConnect's treasury department supported by external hedging advisors. The valuation techniques used are individually adapted to each financial instrument and should take advantage of as much as possible of the from time-to-time available market information.

Management has assessed that the fair values of cash and short-term deposits, trade and other receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and the current risk free interest rates. In addition, it is management's opinion that the fair value of investments in other shares/instruments approximate their carrying amounts.

INTEREST-BEARING LOANS AND BORROWINGS

The fair values of GlobalConnect's interest-bearing loans and borrowings are determined by using the DCF-method applying a discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

The fair values of the Group's interest-bearing loans and borrowings (bank loans) are in most cases similar to carrying amount, as the interest rates are floating and as the own non-performance risk as at 31 December 2024 is assessed to be insignificant.

INTEREST RATE SWAPS

GlobalConnect enters into derivative financial instruments with financial institutions with investment grade credit ratings. Interest rate swaps are valued using external advisors.

Set out below is a comparison, by class, of the carrying amounts and fair values of GlobalConnect's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

31.12.2024	Carrying amount	Fair value	Level 1	Level 2	Level 3
Assets disclosed at fair value					
Derivatives					
Interest rate swaps	-8,145			x	
Cross currency swaps	104,886			x	

31.12.2023	Carrying amount	Fair value	Level 1	Level 2	Level 3
Assets disclosed at fair value					
Derivatives					
Interest rate swaps	309,202		x		
Cross currency swaps	97,655		x		

Note 18 Contract assets and liabilities, and capitalized contract costs

Contract assets	31.12.2024	31.12.2023
As of 1 January	280,637	148,412
Additions during the year	-40,690	132,225
Total contract assets as of 31 December	239,947	280,637
Non-current	239,947	280,637
Current	-	-

GlobalConnect contract assets refer to capitalized provisions/sales costs. Unbilled revenue is included in other current assets with an amount of SEK 36m as of December 2024 (2023: SEK 176m).

Contract liabilities	31.12.2024	31.12.2023
As of 1 January	4,028,108	3,391,934
Additions during the year	749,640	636,174
Total Contract liabilities as of 31 December	4,777,748	4,028,108
Non-current	2,837,379	2,564,225
Current	1,940,369	1,463,884

Contract liabilities relates to installation and connection fees, which GlobalConnect normally receives upfront. GlobalConnect have concluded that installation and connection activities do not represent a separate performance obligation, and the received upfront payment are accounted for as a contract liability until the related performance obligation is satisfied. For further information, see disclosures in Note 3.

Capitalized contract costs	2024	2023
Costs of obtaining a contract	239,947	280,637
Costs to fulfill a contract	-	-
Total capitalized contract costs	239,947	280,637

Contract costs comprise the incremental costs of obtaining a customer contract, mainly sales commission paid to third party retailers and direct sales bonus and commissions to employees. Capitalized contract costs are recognized on a straight-line basis over the estimated customer retention period.

In the 2024 financial year, capitalized contract costs of SEK 92m (2023: SEK 38m) were amortized.

Capitalized contract costs	2024	2023
Costs of obtaining contracts as of 1 January	280,637	148,412
Additions during the year	-40,690	132,225
Costs of obtaining contracts as of 31 December	239,947	280,637

Note 19 Provisions

Non-current provisions:	31.12.2024	31.12.2023
Non-current derivatives	-	-
Other non-current provisions	5,428	3,854
Other accruals	790,017	752,317
Total non-current provisions	795,445	756,171

Non-current provisions:	2024	2023
Non-current provisions 01.01:	756,171	794,641
Adjustments	37,700	-47,221
Amounts used	1,573	8,751
Non-current provisions 31.12:	795,445	756,171

Current provisions:	31.12.2024	31.12.2023
Prepaid leases	-	-
Other current provisions	600,393	949,427
Other accruals	169,114	168,925
Total current provisions	769,508	1,118,352

Current provisions:	2024	2023
Current provisions 01.01:	1,118,352	1,146,733
Additions	-349,034	-27,726
Amounts used	189	-655
Current provisions 31.12:	769,508	1,118,352

Prepaid leases

A significant part of GlobalConnect’s business-to-business customer portfolio relates to customers who have prepaid for multiannual leases. The received prepayments are deferred and booked at nominal values as a liability in the statement of financial position. The deferred revenue is recognized in the statement of profit or loss on a straight-line basis over the lease term.

19.1 CURRENT AND NON-CURRENT PROVISIONS

GlobalConnect classifies its provisions in the following categories:

- Salary-related costs: Contains a provision for accrued holiday pay, unspent vacation days, accrued bonuses,
- restructuring and other salary-related accruals
- Project related cost: incurred costs not yet invoiced
- Invoices in transit: provisions are made only when they relate to periods before balance sheet date and if they are valid

Note 20 Trade and other payables

Trade and other payables	31.12.2024	31.12.2023
Trade payables	1,194,314	949,203
VAT payable	61,234	27,297
Withholding payroll taxes and social security	112,398	131,369
Other payables	301,602	168,968
Total trade and other payables	1,669,547	1,276,838

For an overview of the term date of trade and other payables, reference is made to Note 17.4.

VAT payable	31.12.2024	31.12.2023
Denmark*	-	-
Norway	-	-
Sweden**	53,558	27,297
Total VAT payable	53,558	27,297

*Includes German entities

**Includes Finland and the Norwegian subsidiary IP-Only Networks AS

Note 21 Interests in other entities

Nordic Connectivity AB is the ultimate parent of the GlobalConnect Group.

Name of subsidiary	Capital share	Voting share	Number of shares	Book value	Corporate identity number	Registered in	Result	Equity
Nordic Connectivity Midholding AB	100%	100%	25,000	23,694,472	559251-3260	Stockholm	-255,336	22,319,802

Consolidated entities	Owner	Registered office	Nationality	Share-holding	Group's voting ownership share	Functional currency
Nordic Connectivity Midholding AB	NordicConnectivity AB	Stockholm	Sweden	100%	100%	SEK
Nordic Connectivity Holding AB	Nordic Connectivity Midholding AB	Stockholm	Sweden	100%	100%	SEK
GlobalConnect Group Holding AB	Nordic Connectivity Holding AB	Stockholm	Sweden	100%	100%	SEK
Kapany BidCo AB	GlobalConnect Group Holding AB	Stockholm	Sweden	100%	100%	SEK
GlobalConnect AB	Kapany BidCo AB	Uppsala	Sweden	100%	100%	SEK
IPMF Holding AB	Kapany BidCo AB	Stockholm	Sweden	100%	100%	SEK
Bynet AB	GlobalConnect AB	Uppsala	Sweden	100%	100%	SEK
IP-Only Produktion AB	GlobalConnect AB	Uppsala	Sweden	100%	100%	SEK
Sura Vision AB	GlobalConnect AB	Uppsala	Sweden	100%	100%	SEK
Availo Networks AB	GlobalConnect AB	Uppsala	Sweden	100%	100%	SEK
IP-Only Networks AS	GlobalConnect AB	Fornebu	Norway	100%	100%	NOK
GlobalConnect Oy	GlobalConnect AB	Vantaa	Finland	100%	100%	EUR
IP-Connect Ab	GlobalConnect AB	Mariehamn	Finland	100%	100%	EUR
Lyssna-Njut Fibernät AB	GlobalConnect AB	Uppsala	Sweden	100%	100%	SEK
GlobalConnect AS	GlobalConnect Topholding AS	Fornebu	Norway	100%	100%	NOK
GlobalConnect Topholding AS	GlobalConnect Group Holding AB	Fornebu	Norway	100%	100%	NOK

Note 21 Interests in other entities cont.

Consolidated entities	Owner	Registered office	Nationality	Share-holding	Group's voting ownership share	Functional currency
GlobalConnect Invest DK A/S	GlobalConnect Group Holding AB	Copenhagen	Denmark	100%	100%	DKK
GlobalConnect A/S	GlobalConnect Invest DK A/S	Copenhagen	Denmark	100%	100%	DKK
Netteam Technology A/S	GlobalConnect Invest DK A/S	Copenhagen	Denmark	100%	100%	DKK
GlobalConnect Netz GmbH	GlobalConnect A/S	Hamburg	Germany	100%	100%	EUR
GlobalConnect GmbH	GlobalConnect Netz GmbH	Hamburg	Germany	100%	100%	EUR
Bardufoss Kabel TV AS	GlobalConnect AS	Bardufoss	Norway	100%	100%	NOK

All subsidiaries presented above are consolidated in these group financial statements.

During 2024, following merges have been committed:

- Xfiber is merged into GlobalConnect AS.
- Open Universe AB and IP-Only Square AB are merged into GlobalConnect AB.

Investments in other shares as of 31.12:

Entity	Owner	Registered office	Nationality	Shareholding	Group's voting ownership share	Carrying value in the consolidated financial position	Result for the year ending December 31	Equity as of December 31
Bjørsvika IKT AS*	GlobalConnect AS	Bærum	Norway	33.3%	33.3%	32	0	959
Ishavslink AS	GlobalConnect AS	Alta	Norway	12.0%	12.0%	71	4,485	12,573
Stamfiber AS*	GlobalConnect AS	Bodø	Norway	16.7%	16.7%	17	2,226	6,354

*Numbers from the Financial Statement 2023

Note 22 Business combinations

BUSINESS COMBINATION 2023

On the first of February 2023 the Group acquired 100 % of the shares in the Swedish company Lyssna-Njut Fibernät AB. The company operates a fibre network in Håbo municipality and the city of Bålsta. This is a medium-sized municipality with a population of around 22,000 situated in the Uppsala County. The purchase price for the shares amounted to SEK 100m. A preliminary purchase price allocation shows excess values of SEK 84m.

The preliminary allocation of the excess value is as follows:

Customer relations	SEK 52m
Fixed assets	SEK 46m
Goodwill	SEK 2m
Deferred tax	SEK 16m

Note 23 Related parties

Related parties are Group companies, major shareholders, members of the Board and Management in the parent company and the Group subsidiaries. [Note 1](#) and [Note 21](#) provides information about the Group's structure, including details of the subsidiaries and the holding company. The agreements on remuneration to the CEO and Board of Directors appear in [Note 5](#).

All transactions within the Group or with other related parties are based on the principle of arm's length.

During 2024, there have not been any transactions with other related parties.

Note 24 Commitments

24.1 OTHER COMMITMENTS

GlobalConnect does not have other significant commitments to disclose.

24.2 CONTINGENT ASSETS AND LIABILITIES

GlobalConnect has no contingent assets or liabilities that meet the criteria for disclosure.

24.3 DISPUTES AND CLAIMS

GlobalConnect is involved in litigation cases and disputes. The group considers all cases separately and evaluates the need for recognizing provisions related to the cases. Provisions are recognized when it is considered probable that the group will have to settle the cases in the form of economic outflows.

Note 25 Events after the reporting period

No significant events expected to have a material effect on GlobalConnect's financial statements have occurred after the end of the financial year.

Financial Statements

for Parent

Financial Statements for Parent

Statement of Comprehensive Income	130
Statement of Financial Position	131
Statement of Cash Flow	132
Statement of Changes in Equity	133

Notes for Parent

P1	Accounting Policies Applied by the Parent Company	134	P9	IC Trade Recievables and Other Current Assets	137
P2	Other Operating Income	134	P10	Cash and Cash Equivalents	137
P3	Employee Benefits and Expenses	135	P11	Share Capital and Investor Information	138
P4	Other Operating Expenses	135	P12	Inter Company Liabilities and Other Liabilities	138
P5	Audit Fee	135	P13	Trade and Other Payables	139
P6	Financial Income and Financial Costs	136	P14	Year-End Appropriations	139
P7	Income Taxes	136	P15	Subsequent Events	139
P8	Shares in Subsidiaries	137			

FINANCIAL STATEMENTS FOR PARENT

Parent Company Statement of Comprehensive Income

SEK 000'	Notes	2024	2023
Revenue			
Other operating income	P2	12,647	417
Total revenue and other operating income		12,647	417
Employee benefit expenses	P3	-8,334	-1,820
Other operating expenses	P4	-110,853	-17,790
Operating profit		-106,540	-19,193
Finance income	P6	1,312	10,241
Finance costs	P6	-29	-11,410
Profit after financials		-105,257	-20,363
Group contribution		-35,302	-
Profit before tax		-140,558	-20,363
Income tax expense	P7	-	-135
Loss for the year		-140,558	-20,498

SEK 000'	Notes	2024	2023
Loss for the year		-140,558	-20,498
Total comprehensive income for the year		-149,558	-20,498

FINANCIAL STATEMENTS FOR PARENT

Parent Company Statement of Financial Position

For the year ending 31 December

SEK 000'	Notes	2024	2023
ASSETS			
Non-current assets			
Shares in subsidiaries	P8	23,694,472	23,742,957
Other receivables		297	-
Total non-current assets		23,694,769	23,742,957
Current assets			
Inter Company receivables	P9	20,237	21,318
Other current assets	P7,P9	773	31,503
Cash and cash equivalents	P10	24,091	1,366
Total current assets		45,100	54,187
TOTAL ASSETS		23,739,870	23,797,144
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	P11	236	236
Total restricted equity		236	236

SEK 000'	Notes	2024	2023
Non-restricted equity			
Share premium		23,598,525	23,598,525
Retained earnings		-157,793	-17,235
Total non-restricted equity		23,440,731	23,581,290
Total equity		23,440,967	23,581,525
Current liabilities			
Provisions		293	-
Inter Company liabilities	P12	167,008	33,875
Other liabilities	P12	131,292	180,589
Trade payables	P13	310	1,155
Total current liabilities		298,903	215,619
Total liabilities		298,903	215,619
TOTAL EQUITY AND LIABILITIES		23,739,870	23,797,144

FINANCIAL STATEMENTS FOR PARENT

Statement of Cash Flows

For the year ending 31 December

SEK 000'	Notes	2024	2023
Cash flow from operating activities			
Profit before tax		-140,558	-20,363
Adjustments to reconcile profit before tax to net cash flow			
Depreciation, amortisation and impairment		-	-
Net finance income and finance costs	P6	-65,981	1,169
Working capital adjustment			
Changes in trade and other receivables	P9	31,807	104,224
Changes in trade and other payables	P12	-845	-783
Changes in provision and other liabilities	P12	83,835	-84,313
Net cash flow from operating activities		-91,742	-65

SEK 000'	Notes	2024	2023
Cash flow from investing activities			
Acquisition of shares in subsidiaries, net of cash aquired		48,485	-
Interest received		66,010	10,241
Net cash flow from investing activities		114,496	10,241
Cash flow from financing activities			
Proceeds from long-term debt		-	-
Interest paid		-29	-11,410
Net cash flow from financing activities		-29	-11,410
Net change in cash and cash equivalents		22,724	-1,235
Cash and cash equivalents, beginning av period		1,366	2,601
Cash and cash equivalents, end of period		24,091	1,366

FINANCIAL STATEMENTS FOR PARENT

Parent Company Statement of Changes in Equity

For the year ending 31 December

SEK 000'	Restricted equity	Unrestricted equity		Total equity
	Share capital	Share premium	Retained earnings	
Balance as of January 1, 2023	236	23,568,827	-16,346	23,552,717
Total comprehensive income	-	-	-20,498	-20,498
Issue of share capital	-	29,697	8	29,705
Group contribution	-	-	19,601	19,601
Balance as of December 31, 2023	236	23,598,524	-17,235	23,581,525
Total comprehensive income	-	-	-140,558	-140,558
Issue of share capital	-	-	-	-
Group contribution	-	-	-	-
Balance as of December 31, 2024	236	23,598,524	-157,792	23,440,968

P1 Accounting policies applied by the parent company

The annual financial statement for the parent company is prepared according to “Årsredovisningslagen och Rådet för finansiell rapporterings rekommendation RFR 2 Redovisning för juridiska personer”. These policies are different from IFRS in certain areas outlined below.

SHARES IN SUBSIDIARIES

Shares in subsidiaries are recognized at cost in the parent company’s statement of financial position. Impairment loss is recognized when required. Acquisition costs which are expensed in the group accounts are recognized as part of the cost price in the parent company’s statement of financial position.

DIVIDEND FROM SUBSIDIARIES

Dividend from subsidiaries is recognized as financial income in the parent company’s profit and loss when the dividend is received.

GROUP CONTRIBUTION

Group contributions are booked directly against equity in the receiving company and as part of the cost price in the contributing company.

LEASED ASSETS

All leased assets are classified as operational leasing in the parent company’s financial statement.

P2 Other operating income

Other operating income	2024	2023
Other rental income	12,647	417
Total other operating income	12,647	417

Other rental income is mainly related to office space.

Income and cost	2024	2023
Income from sales of services within the group	100%	100%
Cost from purchases from within the group	0%	0%

P3 Employee benefits and expenses

Employee benefit expenses	2024	2023
Salaries	4,954	1,343
Social security costs	1,707	221
Pension costs	1,738	202
Other employee expenses	-66	55
Total employee benefit expenses	8,334	1,820

Average numbers of employees	2024	2023
Women	1	1
Men	1	2
Total	2	3

None of the executives in the parent company have agreements to receive severance pay.

Position	Board fee	
	2024	2023
Board of directors	1,558	1,744
Total remuneration to Board of directors	1,558	1,744

Average numbers of employees	2024	2023
Women	50%	17%
Men	50%	83%
Total	100%	100%

CEO in Nordic Connectivity AB is employed in GlobalConnect A/S. For more information see Note 5 in the Group's financial statement.

P4 Other operating expenses

Other operating expenses	2024	2023
Consultancy fees	108,127	15,440
Insurance	655	-
Loss on receivables	97	-301
Other operating expenses	1,974	2,651
Total other operating expenses	110,853	17,790

P5 Audit fee

Audit related fees - EY	2024	2023
Audit fee	2,424	1,876
Tax advisory services	-	-
Total auditor fees	2,424	1,876

P6 Financial income and financial costs

Finance income and finance costs	2024	2023
Finance income		
Foreign exchange gain	57	-
Other finance income	1,255	10,241
Received group contribution	64,698	-
Total finance income	66,010	10,241
Finance costs		
Interest expenses	-	236
Other financial costs	29	11,174
Total finance cost	29	11,410

P7 Income taxes

Income tax expense:	2024	2023
Change in deferred tax	-	135
Total income tax expense	-	135

Deferred tax liabilities/assets consists of:	31.12.2024	31.12.2023
Deffered tax liability/asset for the year as above	-	-
- of which paid in fiscial year	-	-
- not due for earlier years	-	-
Current tax liabilities/assets 31.12	-	-

Reconciliation of income tax expense	2024	2023
Profit before taxes	-140,558	-20,363
Tax expense (local tax rate)	-	-4,399
Permanent differences	-	4,264
Current tax liabilities/assets 31.12	-	135

P8 Shares in subsidiaries

Shares in subsidiaries consists of shares in Nordic Connectivity Midholding AB. The book value of the shares amounts to SEK 23,694m. For information regarding all the companies in the group, please refer to Note 21 of the financial statement of the GlobalConnect Group.

P10 Cash and cash equivalents

Cash and cash equivalents	2024	2023
Bank deposits, unrestricted	24,091	1,366
Total cash and cash equivalents	24,091	1,366

P9 IC Trade receivables and other current assets

IC Trade receivables and other current assets	2024	2023
IC Trade receivables	20,237	21,318
Other current assets	773	31,503
Total IC Trade receivables and other current assets	21,010	52,821

P11 Share capital and investor information

THE ULTIMATE PARENT

The majority owner of the Company is, Riddle Holdco S.a.r.l which is indirectly owned by EQT Infrastructure III SCSP and EQT Infrastructure IV SCSP, both domiciled in Luxembourg.

Share capital in Nordic Connectivity AB	Number of shares authorised and fully paid	Par value per share (SEK)	Financial position(mSEK)
At 1 January 2024	235,637,990	0.001	236
Increase of share captial	-	0.001	0.06
At 31 December 2024	235,637,990	0.001	236

Shareholders in Nordic Connectivity AB at 31.12.2024	Shares	Ownership	Voting rights
Legal entity			
Riddle Holdco S.a.r.l	265,573,201	84%	84%
Other	50,791,614	16%	16%
Total	316,364,815	100%	100%

The outstanding shares have different voting rigths:

Share Class	Votes	Number of shares
Common A	10	18,643,952
Common B	1	543,723
Pref C	10	295,301,002
Pref D	1	1,876,136
Pref E	1	1

P12 Inter company liabilities and other liabilities

Inter Company liabilities and other liabilities	2024	2023
Inter Company liabilities	167,008	33,875
Other current liabilities	131,292	180,589
Total Intercompany liabilities and other liabilities	298,300	214,464

P13 Trade and other payables

Trade and other payables	2024	2023
Trade payables	310	1,155
Other payables	-	-
Total trade and other payables	310	1,155

P14 Year-end appropriations

APPROPRIATION OF EARNINGS

The Board of Directors proposal for disposition of available funds:

Share premium	23,598,525
Retained earnings	-17,235
Loss for the year	-140,558
	23,440,731

The board proposes that this sum be appropriated as follows:

To be carried forward	23,440,731
-----------------------	------------

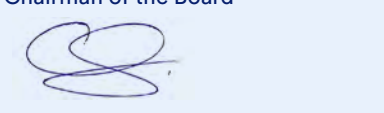
P15 Subsequent events

For more information see Note 25 in consolidated financial statement.

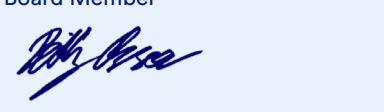
Stockholm, 24 April 2025



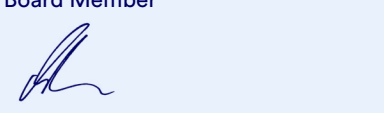
Eric Albert Elzvik
Chairman of the Board



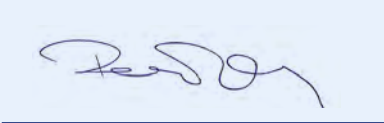
Carl Sjölund
Board Member



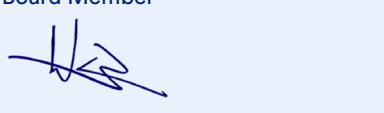
Billy Olsson
Board Member



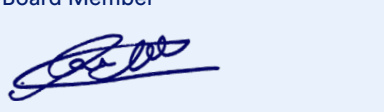
Martin Lippert
CEO



Pernille Lyngvold Erenbjerg
Board Member



Marco Eric Visser
Board Member



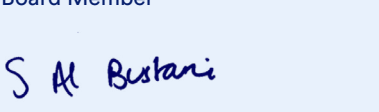
Mounir Taysir Barakat
Board Member



William Lindström
Board Member



Anders Ösmark
Board Member



Sophie Khalid Ali Albustani
Board Member

Our auditors' report was submitted on April 25, 2025
Ernst & Young AB



Oskar Wall
Authorized Public Accountant

Auditor's Report

To the general meeting of the shareholders of Nordic Connectivity AB, corporate identity number 559228-2353

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Nordic Connectivity AB for the financial year 2024-01-01 – 2024-12-31. The annual accounts and consolidated accounts of the company are included on pages 84-139 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.

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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

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 1-83. 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.

Auditor’s Report cont.

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.

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 skepticism 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 Nordic Connectivity AB for the the financial year 2024-01-01 – 2024-12-31 and the proposed appropriations of the company’s profit or loss.

Auditor's Report cont.

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 reas-

suring 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 skepticism 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.

Stockholm, 25 April 2025

Ernst & Young AB



Oskar Wall
Authorized Public Accountant



GlobalConnect

Annual & Sustainability Report 2024