altafiber

Climate Action Plan

Net Zero by 2040

July 1, 2026

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About Us

altafiber and its subsidiaries provide fiberoptic enabled internet, entertainment and phone solutions that keep consumer and business customers connected with each other and with the world. Both our parent company, Cincinnati Bell Inc., and its subsidiary, Cincinnati Bell Telephone Company LLC, now do business as **altafiber** in the Midwest region of the United States. Our Midwest network serves customers in the Greater Cincinnati, Dayton and Columbus, Ohio regions through our **altafiber** brand. We serve customers in Hawaii through our **Hawaiian Telcom** brand. Additional subsidiaries **AGILE** IWG Holdings, LLC, and **BridgeLink** Communications LLC complete our family of companies. Our environmental vision is "to connect people, free from waste or pollution, enhancing environmental quality and health in our communities."

Figure 1: altafiber's corporate family of subsidiaries and brands

Building upon a long legacy of environmental responsibility and stewardship, we embarked on a path to net-zero greenhouse gas (GHG) emissions by 2040. This climate action plan details **altafiber**'s actions and milestones spanning our operations in our historic network services area in the Midwest region. Note, **Hawaiian Telcom's** unique and complimentary climate action plan is available separately on their website. The purpose of this plan is to provide **altafiber**'s roadmap to reach our net-zero goals, focused on our emission reduction pathway to our short-term target of 40% GHG emissions reduction by 2030.

Executive Summary

Cincinnati Bell Inc. is a technology company that delivers integrated communications solutions over our copper and fiber optic networks, including high-speed Internet, video, voice, and data. It serves the Midwest region under the brand **altafiber** and serves Hawai'i under the brand **Hawaiian Telcom**.

Building upon a long legacy of environmental responsibility and stewardship, **altafiber** made a commitment to be a net-zero carbon emitters by 2040 and embarked on a path to reduce greenhouse gas (GHG) emissions. In 2022 we announced our interim goal of reducing our carbon emissions 40% from our 2021 baseline by 2030. Our targets align with those recommended by the Science Based Targets Initiative's (SBTi) guidance for Information and Communications Technology companies and contribute to the global effort to limit warming to 1.5-degrees Celsius. The key elements of the plan are as follows:

Element	Summary
Baseline Emissions	• 2021 baseline year: 38,003 mt CO2e for altafiber • Scope 1 made up 25% of emissions for altafiber • Scope 2 made up 75% of emissions for altafiber
Reduction Targets	• Near-term: 40% reduction in Scope 1 and 2 by 2030 • Long-term: Net Zero (90% reduction) by 2040
Abatement Measures	• Aggressively implement network transformation by migrating customers from our legacy copper wireline network to our new fiberoptic network, and shut down energy-intensive elements of the copper network; in particular, legacy voice switches and related network equipment such as Optically Remote Modules (ORM) and Digital Loop Carrier (DLC) equipment • Consolidate & divest of network equipment, fleet, and real estate, where feasible • Increase the pace of efficiency projects in network, facilities & fleet • Integrate available electric vehicle (EV) models into our fleet as we replace vehicles at end-of-life • Add on-site solar photovoltaic systems where feasible • Procure renewable energy

Table 1: Key elements of climate action plan.

Specific carbon emission abatement measures are presented in this climate action plan including their relative cost, effort to implement, timeframe, potential carbon reduction, and status. The abatement measures, or climate actions, for **altafiber** through 2030 are summarized in the table below.

Project Name	Project Category	Energy Source Impact	Timing	Amount of MT CO2 e Reduction by 2030
Heat electrification at West 7th St. Facility	Electrification	Natural Gas	2028-2030	437
Improved Fleet Efficiency	Electrification	Gasoline	2024-2030	530
Fleet Electrification	Electrification	Gasoline	2024-2030	-74
Decomissions legacy voice, access, and other network equipment	Operational efficiency	Purchased electricity	2023-2028	3,906
Add on-site solar	On-site renewables	Purchased electricity	2023-2030	1,067
Purchased renewable electricity	Purchased RE	Purchased electricity	2024-2030	4,624
Total				10,490

Table 2: altafiber carbon abatement measures.

1 Climate Action Plan Introduction

This Climate Action Plan (CAP) is designed to be comprehensive and applicable across **altafiber's** operations. It includes our legacy Cincinnati Bell business—rebranded **altafiber**—which operates as an incumbent local exchange carrier (ILEC)[1] managing legacy copper-wire-based telephone and high-speed internet infrastructure. **altafiber** has steadily overbuilt its legacy ILEC territory with new fiberoptic broadband, achieving full fiber coverage across its legacy copper service area at the end of 2023. This plan also addresses regions where altafiber is growing its fiber network and services as a Competitive Local Exchange Carrier (CLEC) beyond its historic Cincinnati Bell ILEC geography (Figure 2). For information on **altafiber's** growth strategy and CLEC territories, reference Section 2.1 ILEC vs. CLEC.

In 2021, the company announced the completion of its take-private acquisition by Macquarie Asset Management (MAM), which accelerated the fiber build across its operating footprints in the Midwest region and Hawai'i.

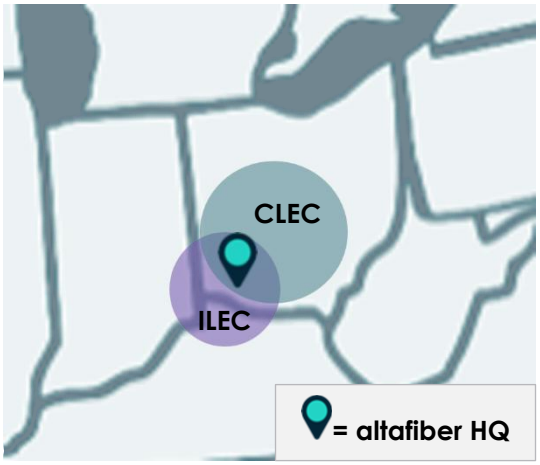

Figure 2: Map of altafiber ILEC vs. CLEC regions

Macquarie has ambitious targets to operate its portfolio with net zero GHG emissions by 2040. Therefore, MAM requires all its portfolio companies where it exercises control or significant influence, like **altafiber**, to set science-based emissions reduction targets to be net zero by 2040 and create net-zero business plans to achieve their targets.[2] MAM's portfolio companies must annually track, verify, and report greenhouse gas emissions; set science-based targets for GHG reductions; and implement a net zero plan. This Climate Action Plan provides **altafiber's** science-based targets and our net zero plan. The plan was approved by our Macquarie Board of Directors in October of 2023. It formulates emission abatement projects, business cases, project assumptions, and our net zero roadmap needed to achieve our sustainability goals. The following topics are covered:

- Section 1: **altafiber's** GHG Emissions Inventory Summary
- Section 2: Business-As-Usual Emissions
- Section 3: Planned emissions abatement measures
- Section 4: Summary

[1] An ILEC is a local telephone company which held the regional monopoly on landline service before its service area was deregulated and opened to competitive local exchange carriers (CLEC).

[2] Addressing climate change and accelerating the low carbon transition | Macquarie Group

The Climate Action Plan outlines strategies across the organization, with the ILEC footprint accounting for the majority of emissions and provides a framework that can inform similar modernization efforts elsewhere. The plan reflects that our ILEC areas present the greatest opportunity for energy savings and emissions reduction by transitioning customers from copper to fiber service. For our growth into CLEC areas, the plan envisions "net-zero" growth that doesn't add to our carbon footprint.

1.1 Background

This Climate Action Plan represents the 2026 update to the original plan established in 2023. We remain firmly focused on our goals of achieving a 40% absolute reduction in greenhouse gas emissions from our 2021 baseline by 2030 and reaching net-zero emissions by 2040.

Note, in 2025 the company recalculated its baseline year due to organizational changes, including the sale of subsidiary CBTS LLC and the reclassification of certain sites. Although CBTS accounted for only 3% of total emissions, the company still chose to rebaseline because of its impact on overall size and future emissions, adjusting 2021–2024 data to exclude CBTS. Additionally, over 100 small cell sites were moved from scope 2 to scope 3 emissions because the company does not have operational control over them, aligning with GHG Protocol guidance. As a result of these changes, this report may show data that differs from previous reports.

1.2 Corporate Progress

altafiber continues to make meaningful progress toward its emissions reduction target. Since establishing its 2021 baseline, **altafiber** achieved a companywide 11.4% reduction in total emissions as of the end of 2025, demonstrating steady advancement towards our commitments.

Individually, the company has realized a 16.4% GHG emissions reduction in the operation of their Midwest region under the **altafiber** brand as of the end of 2025. While **Hawaiian Telcom** has achieved a 5.7% reduction in total greenhouse gas emissions while serving Hawaii. Figure 3 shows total greenhouse gas emissions reductions for each individual company as compared to the baseline year 2021.

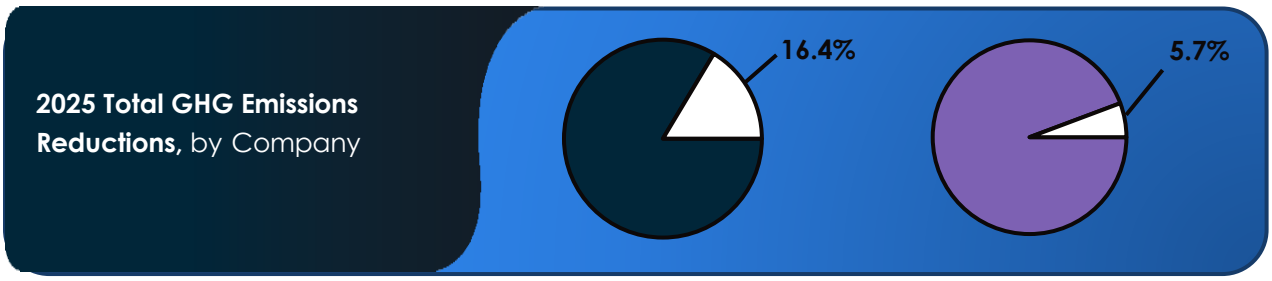

Figure 3: 2025 emissions reductions by company

1.3 GHG Emissions Inventory Summary

GHG emissions can be categorized as either Scope 1, 2, or 3, as defined by GHG Protocol:

- **Scope 1:** Direct GHG Emissions – emissions that occur from sources owned and controlled by the company; for example, **altafiber's** owned or controlled vehicles, boilers, furnaces, generators, and any refrigerant releases.
- **Scope 2**: Electricity Indirect GHG Emissions – GHG emissions from the generation of purchased electricity brought into the organizational boundary of the company and consumed. It is based on site electricity use and does not include transmission and distribution losses.
- **Scope 3**: Other Indirect Emissions – an optional reporting category that allows for the treatment of all other indirect emissions. Scope 3 emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company, such as emissions from the commuting of our employees to work and home; business-related travel whether by vehicle or commercial air; emissions related to the materials (copper and fiber lines, customer premise equipment, paper, ink, etc.) consumed by **altafiber**; emissions related to our material reuse and recycling, waste disposal and transport; emissions from our extensive supply chain of subcontractors including construction contractors; and emissions from the use of our products and services.

altafiber's GHG inventory, described in this report, covers Scope 1 and 2 only. **altafiber's** Scope 1 and 2 emissions were first inventoried in 2021 and have since been updated annually. These inventories are independently verified by a third-party auditor, Cameron-Cole, LLC, at a limited level of assurance that our 2021-2025 GHG emissions assertions are free of material errors, omissions, or misstatements.

altafiber's yearly Greenhouse Gas Reports use the operational control boundary approach. To access the full GHG accounting reports, please view the report on our website.

- Scope 1 emissions sources consisted of:
    - Stationary combustion (Natural Gas) – emissions resulting from onsite combustion of natural gas in some Cincinnati-area facilities for water or area heating.
    - Stationary Combustion – Generators & Equipment (Diesel Fuel) — emissions, resulting from onsite combustion of diesel fuel to operate back-up generators during utility outages or during periodic tests and to operate any ground equipment.
    - Mobile Combustion-Fleet (Gas and Diesel) - emissions resulting from the operation of fleet vehicles.
    - Fugitive Emission (Refrigerants) — refrigerants leak from heating, ventilation, and air conditioning (HVAC) equipment in our facilities.
- Scope 2 emissions consisted of purchased electricity.

Below is a display of **altafiber's** 2021 vs. 2025 Scope 1 and 2 emissions measured metric tons (MT) of carbon dioxide-equivalent (CO_2e) emissions:

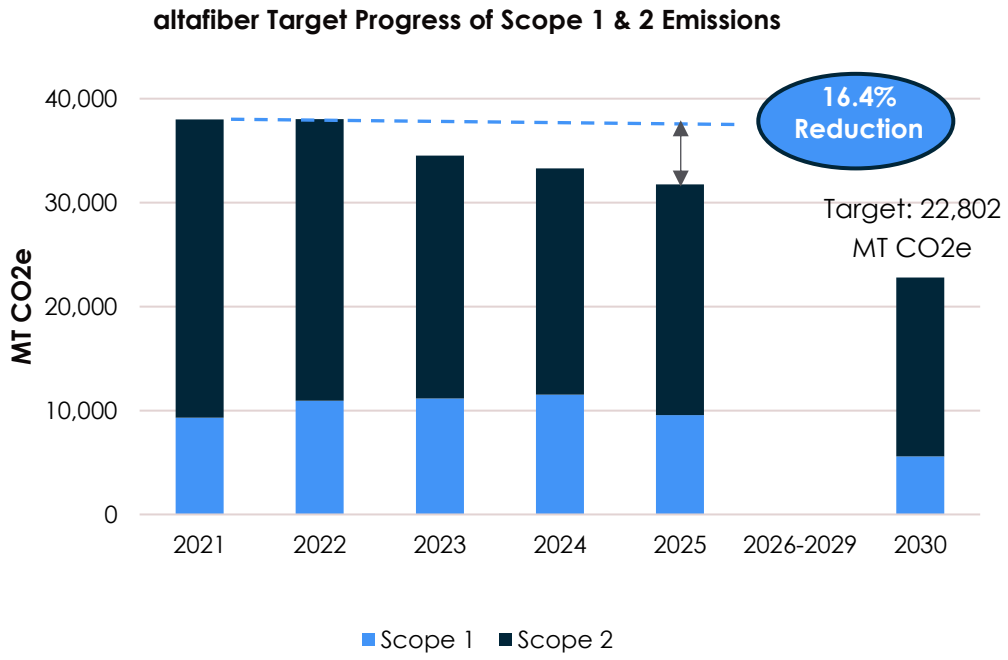

Figure 4: 2021 to 2025 GHG emissions and energy use for altafiber.

Understanding the sources of our GHG emissions within our business, and particularly our electricity use, helped us develop our climate action strategy and prioritize abatement measures. The network equipment that forms the very core of our value proposition – providing network connection in its various forms to residential, business and wholesale customers – uses electricity responsible for approximately 43% of our GHG emissions. Other loads in our central offices (COs), buildings which house and protect our network equipment, such as cooling, heating and lighting, are responsible for 23% of our GHGs. All our remaining "non-network" GHGs together account for 34% of our emissions. In this group are emissions from our fleet vehicles, administrative offices, retail stores, garages, refrigerant losses, and generators.

Below is a display of our 2025 GHG emissions broken down by network equipment, other network facility emissions from our central offices, and our non-network related GHG emissions measured in MT CO_2e:

2025 altafiber GHG Emissions by Source (MT CO2e)

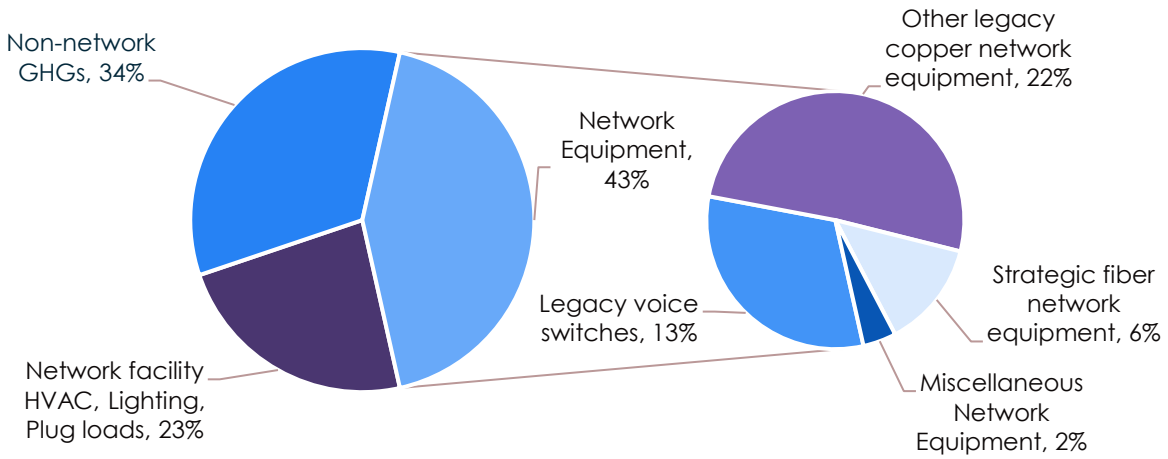

Figure 5: The 2025 Emissions by source for altafiber

At **altafiber** we use the term "legacy" in reference to our copper network, in contrast to our "strategic" fiber optic network, the network upon which we are building the future of our company. As shown in Figure 5, our network equipment is a mix of legacy copper network equipment, strategic fiber network equipment and other, miscellaneous equipment not fitting in either of those two categories. Powering the legacy network equipment results in 35% of our emissions, plus additional emissions from cooling it. By contrast our strategic fiber network equipment (6%) and its cooling are responsible for far less of our carbon footprint because it is much more efficient. Today we operate both networks. However, this plan envisions energy savings and emissions reduction by transitioning customers from copper to fiber service and over time shutting down the legacy copper network, with the hope of cutting the 22% of emissions associated with it.

Our action plan includes abatement measures targeting almost every emissions category, but it prioritizes action in the parts of our business most ripe for network transformation, divestment, and efficiency gains. To provide further context for the actions described in section 3 of this plan Figure 6 shows the breakdown of our emissions attributed to various parts of our business for which we have abatement measures.

Breakdown of altafiber's GHG Emissions

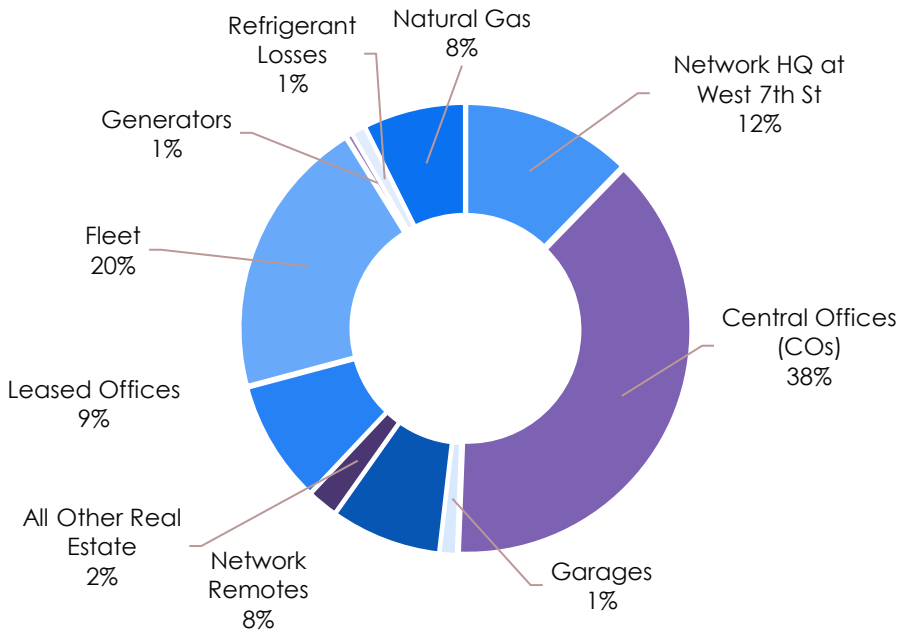

Figure 6: The 2025 GHG emissions by source for altafiber's businesses.

2 Business-As-Usual Emissions from Fiber Network Growth

As part of our climate action plan, we developed a business-as-usual (BAU) scenario to have a clear picture of our current state and to understand what future emission reductions will be necessary to meet our goals. This BAU scenario represents the emissions that would result from **altafiber's** operations in 2030 if no abatement measures were implemented.

Our current business plan anticipates revenue changes from customers moving from our legacy copper to the newer, faster fiber network over the next decade. However, the BAU case in this plan assumes only minimal consolidation and decommissioning of copper network equipment, commensurate with current maintenance activities, even as copper customer's atrophy. The legacy copper network has a significantly higher emissions profile than the new fiber network; however, our BAU plans add the fiber networks' power requirements on top of continued operation of the legacy copper network.

2.1 ILEC vs. CLEC

The emissions reduction targets outlined in the plan apply across **altafiber's** entire business, including both its Incumbent Local Exchange Carriers (ILEC) and Competitive Local Exchange Carriers (CLEC) operations. We recognized the company needed differentiated strategies for each territory. ILEC operations account for significantly higher energy usage and emissions with annual electricity consumption of over 68 million kWh. In contrast, CLEC growth is based almost entirely on newly built fiber infrastructure and uses only 1 million kWh of power in 2023, growing to around 2 million kWh by 2030 (see Figure 7).

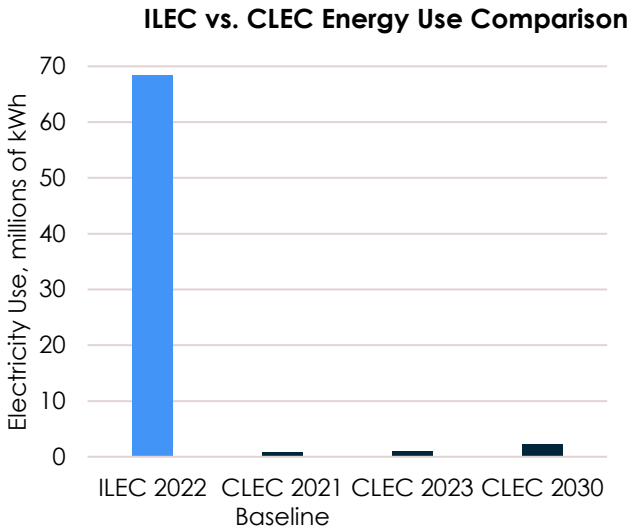

Figure 7: Comparison of ILEC and CLEC annual electricity use

The power used by new fiber growth is additive to our footprint and runs counter to our reduction goal if unabated. Therefore, in 2024 we added measures to the climate action plan to address new growth CLEC emissions. The strategy we developed for the newly served CLEC areas is to expand in a *net-zero manner*, adding no new Scope 1 or 2 emissions. Our CLEC strategy has two abatement measures addressed in Section 3:

1) Where feasible, add on-site solar photovoltaic systems to new-build (CLEC) central offices, stores and offices, such that new buildings are "net-zero" buildings.[3]
2) Procure renewable power to meet our remaining power needs beyond what is feasible on-site.

Our analysis and planning for net-zero CLEC growth provided valuable insight into potential long-term energy and emissions savings as ILEC territories also eventually transition to fiber-only networks. A "door" is an address – residence or business – that our network can reach and potentially serve. Using 2022 data, we used 68 million kWh of power to serve over 1.1M doors in our ILEC area equating to approximately 60 kWh per door served in an area with both a legacy copper and new fiber network, as shown in Figure 7. On a kWh/door basis, the ILEC territories have almost double the energy intensity of our 2023 CLEC conditions, a time when the energy intensity of the fiber network is highest when it is first set-up, and a small number of customers are served by it. Between 2023-2030 the CLEC doors we serve increases by slightly more than 10x, but the electricity usage to do so only goes up by about 2x. This results in the CLEC conditions

[3] A "net zero" building refers to a building that produces on-site as much energy as is uses, often provided by an on-site renewable energy system. A "Net Zero Energy" building is defined in the International Energy Conservation Code (IECC) which is incorporated/referenced in many building codes. For a definition visit: https://www.iccsafe.org/advocacy/net-zero/.

continuing to decrease by a factor of 6x to 10x between 2023-2030. Figure 8 also shows the energy intensity per door of a "fiber only" CLEC areas with no legacy copper service connection. In such service areas we serve doors with the lowest energy intensity, at only 3 kWh per door served, as they are served by newly built, fiber-only network infrastructure.

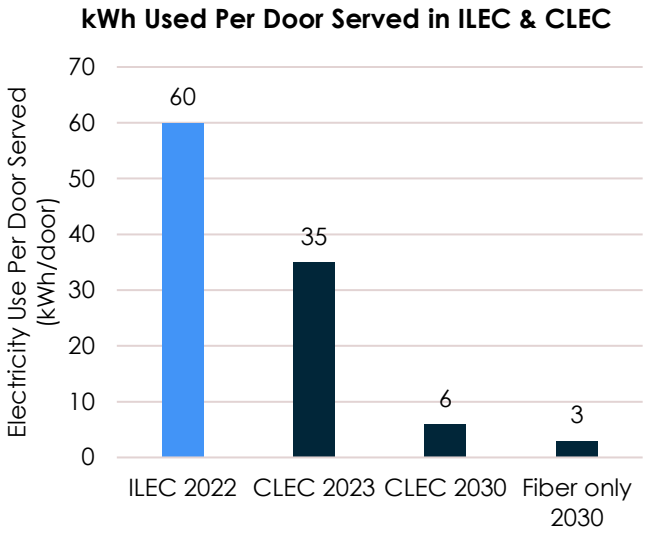

Figure 8: Comparison of ILEC and CLEC electricity intensity per door served

To meet our overall emissions reduction goals, we are focusing on:

1) Reducing emissions in ILEC territories through the transition from copper to fiber, which has the potential to serve doors and customers with 20x lower electricity use, while
2) Growing in a net-zero fashion in CLEC areas serving new doors.

Our business growth in CLEC areas will result in increased emissions from new energy use by the fiber network and associated HVAC loads, albeit smaller compared to our legacy network. For our BAU scenario we reviewed the projected growth in fiber-to-the-premise (FTTP) sellable market coverage and determined a forecast for the Midwest operation region. The increase in power use by the new fiber network matches our plans for adding fiber-served doors and the additional network equipment planned to serve new-build areas. We estimate our emissions will grow by 1.6% by 2030, due to increased energy use to power newly constructed fiber networks that will serve additional fiber subscribers in CLEC areas where we are growing.

2.2 Grid Greening

altafiber purchases electricity from utility providers primarily within the service area of the PJM regional transmission organization (RTO).[4] As the grid operator integrates more renewable and/or carbon-free generators, the electricity supply will become less carbon intensive and in turn reduce our scope 2 emissions. In our plan anticipates the expected benefit of renewables making up a larger proportion of our utility supply lowering our emissions as "grid greening." PJM has developed a five-year strategy to handle, "a historic transformation to more renewable energy sources," as thousands of renewable generators have flooded their interconnection planning queue.[5] In our business-as-usual scenario, we reviewed grid greening predictions from multiple sources and selected a forecasted target in our Ohio operation region by 2030. Ohio had a 9.5% increase of their grid supplied renewable energy from 2021 to 2025; we project this to

[4] PJM is a regional transmission organization (RTO) that coordinates the movement of wholesale electricity in all or parts of 13 states and the District of Columbia. Learn more at https://www.pjm.com/about-pjm
[5] https://www.pjm.com/about-pjm/ensuring-a-reliable-energy-transition

increase to 23% from 2025 to 2030. The projected BAU emissions as the grid greens from 2021 to 2030 for **altafiber** is shown in Figure 9 below.

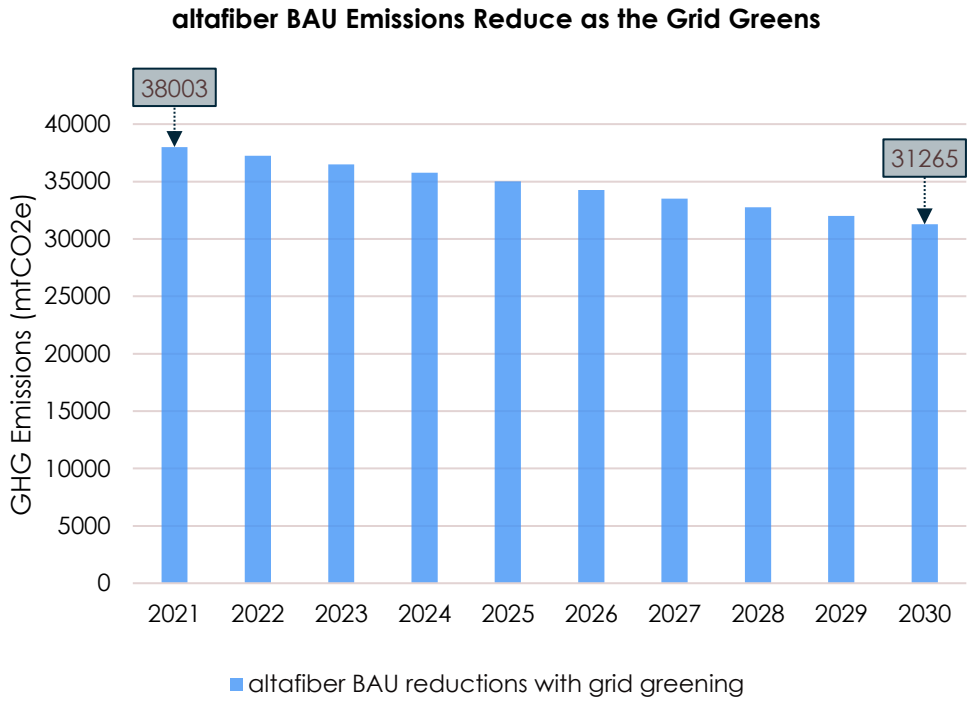

Figure 9: altafiber business-as-usual emissions decrease as each year the grid supplies cleaner power

The BAU case therefore considers the effects of **altafiber's** planned growth as well as the decarbonization of the utility grids that provide energy to our operations on our emissions profile.

2.3 Emissions Reduction Targets

One of the requirements set by MAM for **altafiber** was the development of a science-based net zero target. Science-based targets provide companies with information on how much and how quickly they need to reduce their emissions to prevent the worst effects of climate change.

There are several organizations that provide guidance and validation of science-based targets; one of the most prominent is the Science Based Targets initiative (SBTi). SBTi provides scenarios for emissions reductions and net-zero targets in line with climate science.

In 2022 **altafiber** set a net zero science-based target that covers Scope 1 and 2 emissions for 2030 (near-term) and 2040 (long-term), aligned with a 1.5C warming scenario. Our targets are listed in the following table:

Base Year	Target Year	Emission Reduction Target	Annual Reduction Target
2021	2030	40% reduction in Scope 1 and 2 between 2021-2030	4.4%
2021	2040	90% reduction in Scope 1 and 2 between 2021-2040	6.0%

Table 3: Summary of interim and final net zero target.

For companies whose scope 3 emissions represent more than 40% of their combined scopes 1, 2 and 3 emissions, SBTi targets must address scope 3 emissions reduction. In 2024, **altafiber** conducted a materiality assessment of indirect, scope 3 emissions. **altafiber's** scope 3 emissions are those created or caused by the upstream and downstream activities of our business, not under our direct control but caused or influenced by our business activities. In 2024, **altafiber's** total scope 3 emissions were 106,312 MT CO2e, making up 73% of our total emissions inventory.

With the completion of the assessment, we expanded our understanding of our emissions footprint and obtained relevant insight into our scope 3 emissions. We will periodically update our scope 3 materiality assessment to stay aware of the type and significance of our scope 3 impact. For more details and information on **altafiber's** scope 3 emissions and our materiality assessment, refer to our Greenhouse Gas Report.[6]

While our scope 1 and 2 targets are consistent with the SBTi requirements, we have not set a scope 3 reduction target. Therefore, our targets have not been formally submitted to the SBTi. The proposed emission target reductions are shown along with the projected BAU emissions in Figure 10.

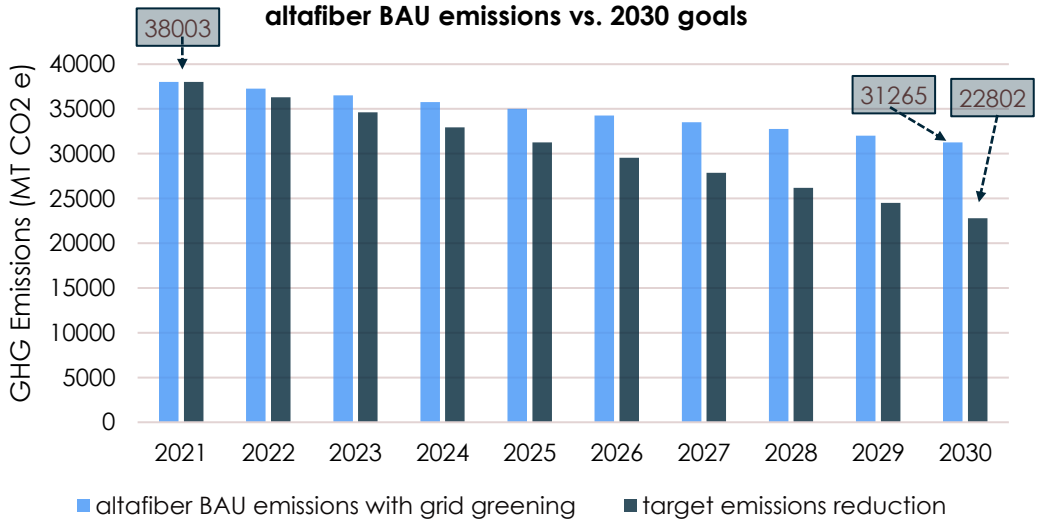

Figure 10: altafiber business-as-usual and target emissions projections

[6] Available at https://www.altafiber.com/about-us/environmental-sustainability

3 Planned Abatement Measures

In 2022, **altafiber** convened experts throughout the organization to develop this climate action plan, charting a path to meet our ambitious targets. During facilitated workshops, we identified a strategy to achieve our emission reduction goals. Our collective effort resulted in the following strategy for the business serving our ILEC territories:

1) Bring superior fiber optic service to our customers.
2) Aggressively implement voice network transformation by migrating customers from copper to fiber, and shutting down energy-intensive elements of the copper network; in particular:
   a) Class 5 voice switches
   b) Related legacy network equipment – DLC, ORM, DSLAM (defined in section 2.4)
3) Consolidate & divest of network equipment, fleet, and real estate, where feasible
4) Increase the pace of efficiency projects in network, facilities & fleet
5) Add available electric vehicle (EV) models into our fleet as we replace vehicles at end-of-life
6) Add on-site solar photovoltaic systems where feasible
7) Procure renewable power to meet our remaining power needs beyond what is feasible on-site.

As 43% of our total greenhouse gas emissions stem from the use of network equipment (see Figure 5), transitioning this equipment represents a significant opportunity for emissions reduction. A substantial portion of our abatement strategy focuses on moving from legacy copper infrastructure to a more energy efficient fiber network, along with capturing the broader benefits this transition enables. This shift not only reduces the energy required to operate network equipment but also drives improvements in fleet efficiency and lowers HVAC demand. As a result, powering down legacy voice switches creates a cascading effect that amplifies other abatement measures outlined in this Climate Action Plan. Ultimately, transitioning customers from legacy copper systems to fiber network can allow for a 97% overall reduction in both energy consumption and greenhouse gas emissions (see Figure 11).

The following details our specific abatement measures as well as the related emissions reductions:

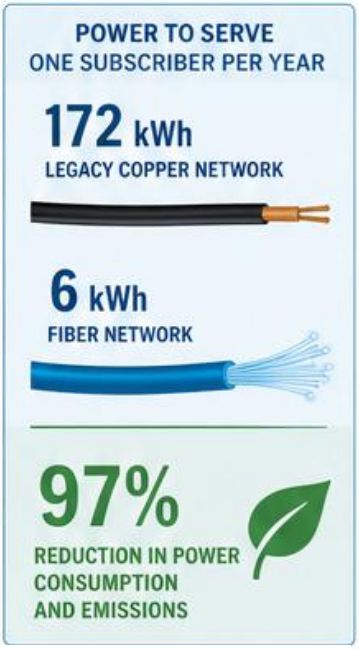

Figure 11: Copper vs. Fiber power comparison

Specific Abatement Measures And Targets

As indicated in Table 4 below and the waterfall chart which follows (see Figure 12) **altafiber** will implement the listed abatement measures to meet our near-term 2030 emissions target. Details of each measure are provided in the following subsections. Table 4 summarizes the estimated the amount of CO_2e emissions reduction potential for each action, their timeframe for implementation, and which department is responsible for each abatement measure.

	Abatement Measure	Energy Source	% GHG Emission Reduction, Cumulative	Projected Start Date	Business Function
	Natural gas switches to electricity	Natural gas	1.1%	2028	Real estate
	Fleet efficiency	Fuel	1.4%	2024	Fleet
	Fleet electrification	Fuel	-0.2%	2024	Fleet
	Legacy voice, access, and associated field equipment	Electricity	10.3%	2023	Network
	On-site solar	Electricity	2.8%	2023	Real estate
	Purchase Renewable electricity	Electricity	12%	2024	Real estate

Table 4: Abatement measures 2021-2030 for altafiber.

The **altafiber** 2021 – 2030 waterfall figure below depicts the 2021 GHG inventory baseline emissions broken down by emission source, shown in the gray bar at the far left (labeled "2021 Baseline Year Emissions"). Next to the right, the chart shows expected growth in emissions associated with expanding fiber service into CLEC area and the emissions reduction we anticipate from grid greening by 2030. Each emission reduction action in this plan is a bar in the waterfall chart, with emission increases displayed in red, and decreases in emissions shown in blue. The chart identifies each abatement measure discussed later in this section and its estimated emission reduction from the baseline year to 2030.

altafiber's 2030 Goal Achievement Roadmap

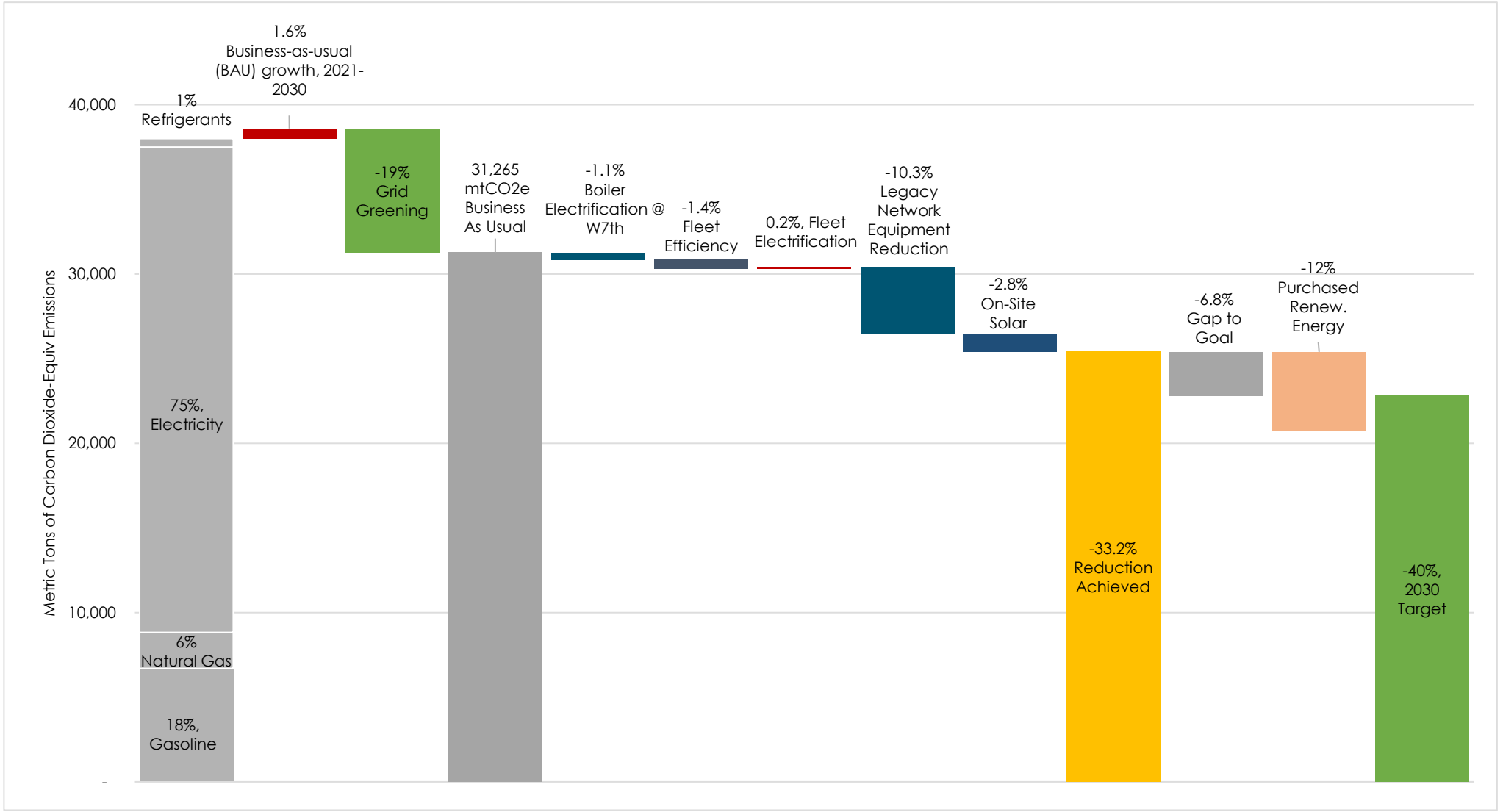

Figure 12: Waterfall chart of the altafiber 2021-2030 decarbonization strategy.

Description of Planned Abatement Measures

The following sections provide a summary of planned abatement measures, including the type of measure, what scope emissions it will reduce, and a net zero scorecard providing a summary view of the measure's cost, ease of implementation, timeframe, potential impact on achieving **altafiber's** targets, and status. The qualitative scores on the net zero scorecards correspond to the following general ranges:

	Metric	Low	Moderate	High
	Capital cost	$0-$5M	$5M-$10M	$10M+
	Net OpEx	$0-$2M	$2M-$5M	$5M+
	Level of effort	No to limited impact to current operations, or no to limited technical challenges with implementation	Limited to moderate impact to current operations, or limited to moderate technical challenges with implementation	Significant impact on current operations, or significant technical challenges with implementation
	Timeframe	0-2 years	2-5 years	5+ years
	Potential Carbon Redcuction	<5% emission reduction from baseline	5-10% emission reduction from baseline	>10% reduction from baseline

Table 5: Net zero scorecard legend

3.1 Legacy Voice, Access, and Associated Field Equipment

altafiber's legacy copper wireline networks include legacy access, voice, and associated field network equipment. In parallel with this Climate Action Plan, **altafiber** is advancing a broader network transformation from serving our customers via copper to newer, faster, more reliable fiberoptic service. Our emission reduction plan aligns with our strategic direction to serve customers via our fiberoptic network. This undertaking requires a coordinated effort across multiple departments and will drastically reduce the emissions associated with powering the legacy copper network.

Legacy Network Scorecard

Metric	Score
Cost	High
Net OpEx	High
Effort	High
Timeframe	Near-term
Potential carbon reduction	High
Status	Began in 2024

Network description:

The legacy voice network consists of all the necessary infrastructure and equipment to deliver time-division multiplexing (TDM) voice services, such as plain old telephone service (POTS) over copper lines. With the ubiquity of cell phones, subscribers to our legacy POTS product have decreased, and our business plan anticipates further decline. The devices routing calls and data in our network have been in operation since the early 80s. Our legacy TDM switches, which include 5ESS, ORMS/DRMS, DMS10 models, and other related transport and equipment, are located in 70+ central offices (CO) in the Midwest and have connected callers for more than 70 years across our service areas. The break down of energy use of these central offices are highlighted in Figure 13, showing the legacy voice, access and transport equipment combine as our CO's largest load (54% combined).

Percentage of Total Energy Use in altafiber Central Office's

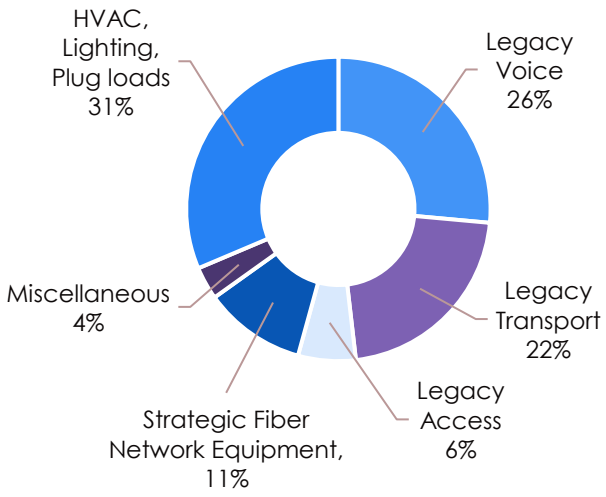

Figure 13: Energy consumption percentages in altafiber central offices.

The legacy access network represents all the necessary infrastructure, equipment, and testing to transport internet data over copper to customers.

Finally, the legacy copper system includes field network equipment housed outside of a central office in the communities we serve. Our field network equipment

operates in a cabinet, a vault or possibly mounted on a pole, with its own energy meter.

altafiber expects operational savings and long-term value from retiring legacy voice switches and the ancillary access and field equipment associated with them. Specialized technicians are becoming scarce, OEM support is limited, and maintaining aging equipment is increasingly difficult. However, the complexity of the business case for switch reduction is significant. **altafiber** has diligently developed several solutions to move customers off switches, depending on the technology and customer types served by each switch. It takes a large, diverse team and months of work to turn down a switch or wire center. This concerted effort began with planning in 2022 and resulted in the first voice switches powering down in late 2023. Each switch turned down has allowed the team to vet solutions and refine processes, learning to do it better and faster. As of mid-2026, **altafiber** has powered down 46 switches, along with 213 subscriber loop carriers (SLCs) and eliminated 265 associated electricity meters.

Legacy voice switches and other legacy equipment are highly energy intensive and account for 13% and 22% of our GHG emissions respectively (see Figure 5), making them a key focus for emissions reduction. Additional savings are also achieved through reduced facility cooling needs. As legacy equipment is removed, the overall heat load within central offices decreases, allowing HVAC systems to operate less frequently and at lower capacity. This reduces electricity consumption for cooling. Because cooling systems account for a significant share of non-network energy use (see Figure 13) these reductions represent a meaningful secondary benefit of network transformation, further lowering emissions beyond the direct savings from equipment shutdowns. Figure 14 below showcases the energy savings following the shutdown of the legacy voice switch at our Newtonsville, Ohio central office in 2024. The power consumed at the facility dropped by 53%.

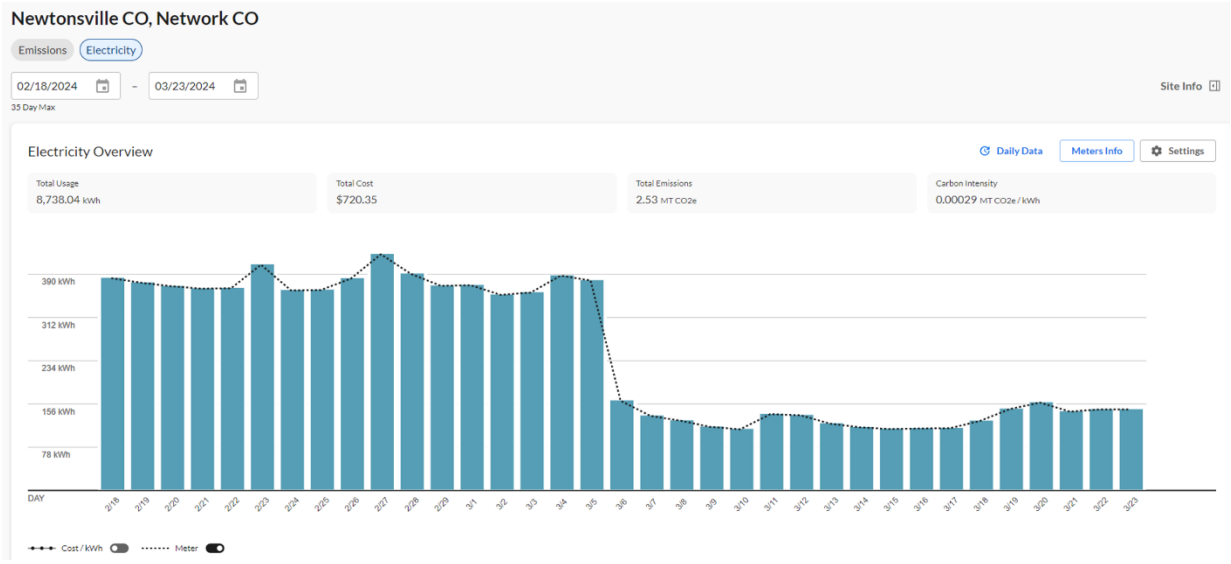

Figure 14: Electricity use (kWh) before and after the legacy voice switch shutdowns at the Newtonsville central office

Overall, **altafiber** is targeting approximately 7,000 MWh of energy reduction annually between 2027 and 2030 from decommissioning switches and related equipment, with additional 2,000

MWh savings expected from field equipment and reduced cooling loads. This equates to a cumulative emissions reduction of 3,906 metric tons of CO_2e, supporting progress toward the company's decarbonization goals.

In support of both efforts, we continue an ongoing project to associate every electric meter with a Common Language Location Identifier (CLLI) code such that we can associate equipment with its electric meter and further analyze field equipment energy use. We are targeting the power used by digital subscriber line access multiplexers (DSLAM) associated with legacy switches affected by voice network transformation.

This reflects a cascading effect: as modern fiber technology is deployed, less supporting equipment is needed, further reducing energy use and emissions. The legacy voice switch reduction effort is phase 1 of our on-going network transformation into an all-fiber business. More equipment retirement and associated energy and carbon savings will be identified in phase 2, once the voice network switches are retired, as the Climate Action Plan continually evolves and updates.

Year	# of Switches Powered Down	Estimated Annual kWh Reduction	Annual Metric Tons GHG Emissions Avoided
2023-2024	9	335,894	106
2025	32	4,737,337	1,559
2026	33	7,081,717	2,241
Totals	**74**	**12,154,948**	**3,906**

Table 6: Legacy voice switch power downs year over year

Results & Plan Assumptions

- 2023-2024: Decommissioned 9 legacy voice switches in our inventory pioneering processes and the required regulatory coordination with the FCC.
- 2025: Decommissioned 32 switches and their related field equipment.
- 2026: Complete the Phase 1 program retiring the final 33 voice switches (for 74 total). Only twelve voice switches will remain to support customers dependent on legacy switches.

3.2 Fleet Efficiency and Electrification

altafiber's fleet consists of internal combustion engine (ICE) vehicles fueled by gasoline or diesel, which produce the majority of the company's Scope 1 emissions. To address this, **altafiber** is pursuing a combined strategy of operational efficiency, fleet modernization, downsizing, and gradual electrification.

Operational improvements driven by network transformation have already reduced fleet demand. As copper infrastructure is replaced with more reliable fiber technology, service needs decline—resulting in over 3,000 avoided dispatches annually. This reduction in field activity directly lowers fuel consumption and emissions while enabling a smaller, more efficient fleet.

Over the past three years (2023–2026), **altafiber** has reduced its total fleet size by 26%, with a target reduction of 35% by 2030. At the same time, the company has significantly modernized its fleet: the average vehicle age has decreased from approximately 15 years to 8 years, and average mileage per vehicle has dropped by nearly 50%. These improvements contribute to better fuel efficiency, reduced maintenance needs, and lower emissions intensity. Together, these efforts reflect a broader strategy to right-size and modernize the fleet in line with operational needs.

Fleet Electrification Scorecard

Metric	Score
Cost	Moderate
Net OpEx	Moderate
Effort	High
Timeframe	Near-term
Potential carbon reduction	Low
Status	Began in 2024

Figure 15: altafiber's 7 new EVs added in 2024

In addition to these efficiency gains, **altafiber** is advancing fleet electrification as a long-term decarbonization strategy. The transition is already underway, with seven new electric vehicles added to the fleet in 2024 (see Figure 15). The plan prioritizes replacing ICE vehicles with electric models at the end of their service life, beginning with sedans and expanding to SUVs, pickup trucks, and installer vans as suitable options become available. **altafiber** has established goals to introduce EV SUVs and electric installer vans between 2028 and 2030, supporting a broader shift toward a lower-emissions fleet. Electrification will play a role not only in reducing emissions through 2030 but also positions the company to achieve net-zero emissions by 2040, given the long service life of fleet vehicles.

Based on current projections, fleet upgrades and electrification are expected to reduce gasoline consumption by more than 142,000 gallons by 2030, resulting in a reduction of approximately 1,230 metric tons of CO_2e or a 1.2% reduction in total GHG emissions. Combined with ongoing efficiency, downsizing, and modernization efforts, these actions represent meaningful progress toward lowering **altafiber's** Scope 1 emissions and achieving its broader climate goals. **altafiber** will continue studying and planning for the electrification of our fleet and the supporting EV infrastructure. We will research programs available in our markets and take advantage of any grant programs.

Assumptions:

- Fleet efficiency measures (e.g., driving behavior modification; route planning; eliminating under-utilized vehicles; purchasing more efficient models) will increase our average fleet fuel efficiency by 2 miles per gallon between 2024 and 2030.
- By the beginning of 2028 the average age of the fleet is five years old with an average of 40,000 miles on our vehicles.
- Electrification began in 2024.
- EV Installer vans will not be immediately available at the levels needed, so will be gradually increased over time.
- We will procure smaller vehicles first, in full, before moving to heavier class vehicles.
- Electric replacements for our heavier vehicle types are not now and will not be commercially available in the short term; therefore, any electrification of those vehicles will happen when/if such replacements enter the market and are price competitive.
- Growth into new CLEC territories will require 5.4 additional fleet vehicles per year, adding 2,270 gallons of fuel use per year. However, we will serve growing our fiber footprint with a smaller fleet thanks to reduced ILEC maintenance activity from the copper to fiber transition.
- As electric vehicles are added, charging stations will be added at garages and base yards.
- 40% of the EV sedans, SUVs and pickups will home garage and charge at an employee home.
- 60% of the EV sedans, SUVs and pickups charge at a garage/base yard or CO.

3.3 Net Zero Buildings

A net zero energy building is typically a grid-connected building that is very energy efficient and that produces enough on-site renewable energy generation to meet the building's source energy needs over the course of a year. A net zero energy building uses the electric grid to transfer any surplus of on-site renewable energy to other users, and in periods when the renewable generation is not enough to meet the building's need, it draws from the grid. To be a "net zero energy building," per the Department of Energy's definition, the building must be both energy efficient, and the actual annual delivered energy from the grid must be less than or equal to the on-site renewable exported energy. **altafiber** is constructing net zero energy buildings as it expands. Our newest store and office in Dayton, Ohio is certified LEED Silver and has achieved net zero after its first year of occupancy with its 70.5 kW rooftop solar photovoltaic (PV) system (see Figure 16). Our new central office in Middletown, Ohio was designed with better-than-energy-code efficiency in its building envelope, lighting and HVAC systems, and hosts an adjacent 97 kW ground-mounted solar PV system providing enough solar power to be net zero (see Figure 17).

Net Zero Building Scorecard

Metric	Score
Cost	Low
Net OpEx	Low
Effort	Moderate
Timeframe	Near-term
Potential carbon reduction	Low
Status	All new buildings since 2021 pursuing net zero

Figure 16: A 70.5-kW solar PV array powers the LEED Silver certified Dayton office and store. It is a net zero building.

Figure 17: The 97-kW solar PV array at the Middletown central office is sized to provide 100% of the power needed at the CO over the course of a year making it altafiber's first net zero central office.

To continue as a leader in net zero energy buildings, demonstrating how a fiberoptic network provider can grow in a climate-neutral fashion, we will take the following actions:

- When **altafiber** opens new office(s) and store(s), we commit to better-than-energy-code building performance in lighting, building envelope, and HVAC. This commitment extends to building systems for which **altafiber** has decision-making authority. For example, often retail stores are in leased facilities where **altafiber** can only influence interior finishes (such as LED lighting). In some cases, as in the construction of a new central office, **altafiber** has full discretion regarding building systems. To the extent practical, **altafiber** will design and construct facilities for better-than-code energy efficiency and life-cycle cost savings.
- When **altafiber** purchases land for any new central office, we will attempt to procure enough land to accommodate an on-site solar PV system sized to generate 100% of the power needed by the new CO annually (net zero). Land purchase and CO siting is firstly dictated by network engineering, land availability and cost; however, consideration for providing on-site renewable energy will be a secondary site selection factor.
- When a new **altafiber** facility is regularly occupied, such as an office or store, we will apply green building principles that not only save energy and water but also provide a healthier and enhanced indoor environment for occupants. Projects may seek LEED certification or apply the principles of LEED to the extent practical, depending on the scope of the project. Real estate will determine the owner's project requirements for each individual project.

altafiber has purchased land and placed a building for its next central office in Xenia, Ohio, which has adjacent space on-site for a solar PV array[7] to generate enough power to serve the CO's needs. Network equipment serving new customers will be added to the building next, and once the building's energy use is known, an appropriate PV system can be sized. It is estimated adding solar at the Xenia CO could avoid 15 mt CO_2e in annual GHG emissions reductions by 2030.

Assumptions

- On-site solar PV is added to new facility, or a renewable power contract is signed to offset added power and carbon from new buildings serving CLEC expansion areas.

[7] Note, a zoning variance from the City of Xenia would likely be required.

3.4 On-site Solar PV

Solar photovoltaic (PV) systems convert sunlight into electricity and can be deployed in various forms, including rooftop, ground mount and canopy installations. These systems reduce Scope 2 emissions while helping to stabilize and potentially lower electricity costs.

Since the initial Climate Action Plan, **altafiber** has made progress in deploying on-site solar by installing two PV systems within its operating footprint—at the Middletown central office and the Dayton office and retail location. Both sites were developed as net-zero buildings, demonstrating how solar investments can support both emissions reduction and broader business expansion (Figure 17 and Figure 16).

On-site Solar PV Scorecard

Metric	Score
Cost	High
Net OpEx	Moderate
Effort	Low
Timeframe	Near-term
Potential carbon reduction	Low
Status	2021-2030

altafiber continues to expand its solar strategy with a goal of installing approximately 873 kW in 2027 and an additional 1600 kW of renewable energy capacity by 2028 with more solar planned to 2030. This is expected to generate approximately 3,700 MWh of solar energy annually by 2030, significantly increasing on-site renewable production beyond earlier projections.

Installation Year	Total Size of Systems Being Installed (kW-dc)
2027	873.1
2028	1642
2029	780.5

Table 7: Anticipated installation years and production for altafiber solar

The size and cost of each installation will continue to vary based on location and system type. While earlier business cases in the Midwest showed relatively low returns due to market conditions, the long-term value of solar is expected to improve as electricity costs rise and as solar plays a larger role in achieving **altafiber's** emissions reduction targets. The cost of power for **altafiber** has risen continually year-over-year (see Table 7) such that even as we reduce power use our utility costs are still increasing. Adding behind the meter solar eliminates price volatility for a portion of our utility spend, eliminating the bill for power produced by solar.

Assumptions

- Installations occur in the proposed years listed in Table 7.
- Systems produce according to their forecasted generation capacity.
- 0.5% system degradation per year.
- **altafiber's** cost of electricity will rise to approximately $120/MWh.

Year	Unit Cost of Power (Supply Only)	Unit Cost Increase YOY
2021	$0.067	
2022	$0.069	3.4%
2023	$0.070	1.4%
2024	$0.072	2.9%
2025	$0.077	7.3%

Table 8: altafiber year over year cost of utilities and cost increase over time

3.5 Natural Gas Switching

At our downtown Cincinnati network headquarters building, called our "West 7th" location, we currently use natural gas boilers to make steam, serving our building (209 West 7th St) and its neighbor, the Cyrus One building (229 West 7th St). Although well maintained, the boilers are reaching the end of their planned life. We are proactively studying replacement alternatives to the boilers, which will improve energy efficiency, humidity control, and advance both **altafiber** and Cyrus One's climate action plans. These alternatives avoid the use of natural gas to reduce our carbon intensity. This project is highly complex and will involve coordinated capital investments by both **altafiber** and Cyrus One. A preliminary engineering study of alternatives and associated life-cycle costs was completed in 2023 identifying possible replacement options. The boiler replacement project at West 7th is a long-term effort, requiring us to negotiate terms with Cyrus One, budget the capital, design, and implement a project.

Natural Gas Switching Scorecard

	Metric	Score
	Cost	Low
	Net OpEx	Moderate
	Effort	Low
	Timeframe	Long-term
	Potential carbon reduction	Low
	Status	Planned for 2028

The estimated cumulative GHG emissions reductions are 437 mt CO_2e in 2030 by eliminating the use of natural gas at West 7th. This represents an overall 1.1% GHG emissions reduction by 2030 towards our decarbonization goals, accounting for both the decrease in natural gas combustion and the increase in electricity use to provide the building's heating and humidification needs previously provided by the boiler plant.

3.6 Procure Renewable Energy

Procure Renewable Energy Scorecard

Metric	Score
Cost	Low
Net OpEx	Moderate
Effort	Low
Timeframe	Near-term
Potential carbon reduction	High
Status	Began in 2024

Off-site renewable energy remains a key strategy for reducing **altafiber's** Scope 2 emissions and is an important component of closing the gap toward our 2030 emissions reduction goals. Note, in our waterfall chart (Figure 12) we account for our growth and grid greening, then we implement the many internal efficiency actions already described in section 3 of this document. We then recognize we still have a gap in carbon emissions to reach our goal of 40% reduction. To bridge that gap we propose procuring renewable power to provide carbon-free electricity to the business, beyond the benefits of grid greening alone. The amount of renewable electricity we procure will be dependent on the price point of green power we can procure in the market, the business case for a contract in terms of savings and reduced-price volatility to the business, which reduces financial risk. We anticipate in our plan and model seeking a contractual supply of green power for approximately 50% of our power load. Note, a contract of that size would reduce carbon beyond the "gap" towards our 2030 goal (again, reference Figure 12). However, carbon savings we achieve in the Midwest altafiber business will also help us bridge the gap in our subsidiary, Hawaiian Telcom's, action plan such that corporately, as a family of companies, we meet our 2030 commitment.

Renewable energy can be procured through several mechanisms, including power purchase agreements (PPAs), virtual power purchase agreements (vPPAs), green tariffs, green pricing programs, and renewable energy credits (RECs). Since the initial Climate Action Plan, **altafiber** has successfully renegotiated a multi-year electricity supply contract for its largest market, Ohio. This provides a foundation for integrating additional renewable energy options into our energy procurement strategy. **altafiber** continues to evaluate opportunities for expanding renewable sourcing through mechanisms such as vPPAs and utility-based green power products to further reduce emissions over time.

Renewable Energy Credits (RECs) have become an important tool in **altafiber's** near-term decarbonization efforts. Beginning in 2024, **altafiber** purchased 7,050 MWh of RECs, followed by an additional 6,000 MWh in 2025. These purchases directly offset the portion of emissions associated with purchased electricity and help bridge the gap between current emissions levels and reduction targets. Without RECs, our 2025 emissions would be only −7.9% lower than 2021.

But with RECs, they are −11.4% lower than 2021, with RECs contributing 3.5 percentage points toward our cumulative reduction.

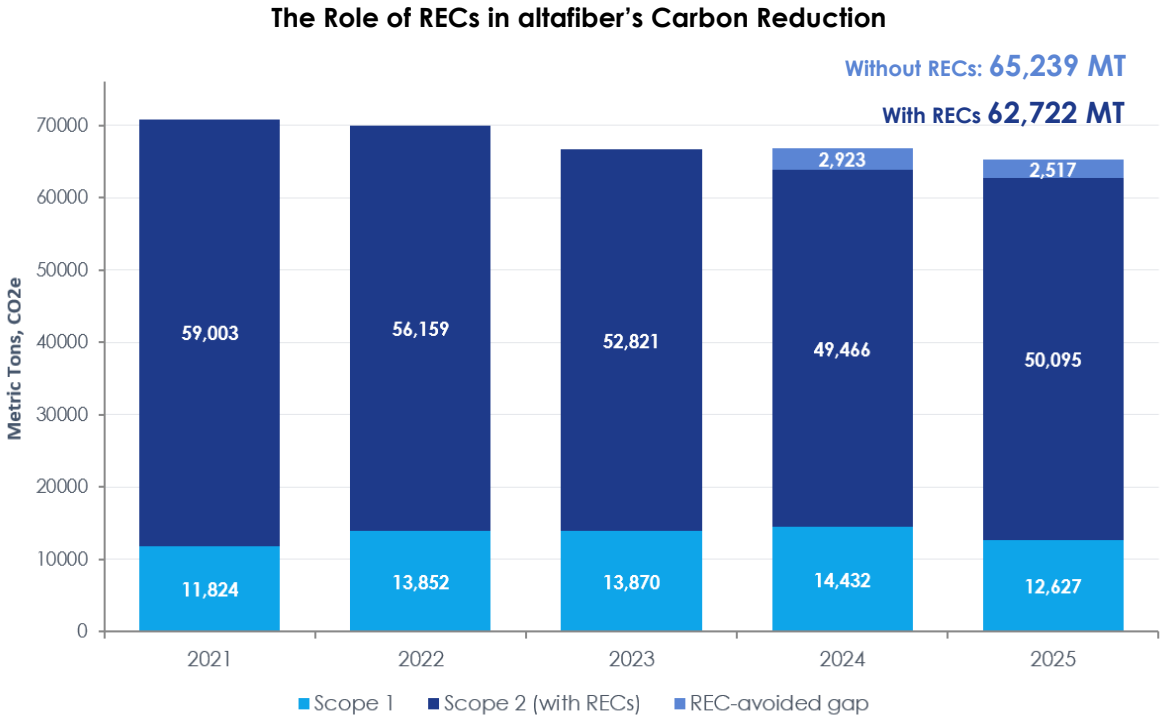

Figure 18: The stacked bars show Scope 1+ Scope 2 emissions in metric tons of CO2-equivalents, with RECs + REC-avoided emissions in 2024–25 only. The REC segment represents what 2024 and 2025 emissions would have been without REC purchases.

altafiber plans to continue using RECs in combination with other renewable energy procurement strategies as a flexible and scalable means to support progress toward its emissions goals while pursuing longer-term contractual solutions, such as additional on-site generation and contracted renewable supply. We plan to identify and secure one or several vPPAs to provide renewable energy, with plans to have our first vPPA in place and provide renewable energy in 2029. Anticipating changes to the Greenhouse Gas Protocol,[8] our objective is to contract for additional renewable power in our regional grid able to be delivered to our Ohio loads, as Ohio is the only deregulated state in which we operate. Supplying green power for at least 50% of our Ohio loads will help **altafiber** meet is corporate-wide targets.

Assumptions

- Contract for carbon-free power for 50% of our load in Ohio, estimated to be around 22.4GWh, by 2030.

[8] RELEASE: GHG Protocol Opens Public Consultations on Scope 2 and Electricity Sector Consequential Accounting | GHG Protocol Oct 2025.

4 Summary

Our climate actions for **altafiber** through 2030 are presented in the table below, which includes the following information:

- Project name
- Project category type (electrification, operational efficiency, on-site renewable energy, or renewable fuel)
- The energy source impacted by the abatement measure (natural gas, gasoline, diesel, or purchased electricity)
- The approximate timing for the implementation of the measure

Project Name	Energy Source Impact	Timing	Cost	Net OpEx	Effort	MT CO2 e Avoided in 2030	% Reduction Towards Target
W 7th heat electrification	Natural gas	2028	Low	Moderate	Low	437	1.1%
Fleet efficiency and electrification	Gasoline	2024-2030	Moderate	Moderate	High	456	1.2%
Legacy voice, access, and other network equipment	Purchased electricity	2023-2030	High	High	High	3,906	10.3%
On-site solar	Purchased electricity	2021-2030	High	Moderate	Low	1,067	2.8%
Purchased renewable energy	Purchased electricity	2024-2030	Low	Low	Low	4,624	12%
					Totals	**10,490**	**27.4%**

Table 9: altafiber abatement measure assessment.

5 Climate Action Plan Update and Conclusions

This Climate Action Plan outlines a clear and actionable pathway for **altafiber** to achieve its emissions reduction goals and represents an update to the original 2023 document. As our business continues to evolve, so too must our approach to sustainability. This plan reflects both the progress made to date and the adjustments needed to ensure continued alignment with our long-term climate commitments.

Since its initial release, **altafiber** has completed key foundational efforts to move into full implementation, including strengthening internal alignment and building organization-wide awareness. We have built net-zero buildings and on-site solar in our Midwest geography. We have turned down 18 legacy voice switches with 56 more planned. We have eliminated network equipment, allowing for the removal of 182 electric meters, realizing the network simplification and cost benefits for our business. Moving forward, implementation remains a complex, cross-functional effort requiring sustained collaboration, dedicated resources, and accountability across the organization.

The Sustainability Department has established tools and processes to track progress against emissions targets and support informed decision-making. Executive leadership continues to prioritize climate action and integrate it into overall business planning.

As we advance, this plan will continue to evolve alongside our business. **altafiber** intends to revisit and expand its strategy beyond the current 2030 targets, with future planning focused on establishing longer-term goals for 2035 and ultimately 2040, with the ambition of achieving net-zero emissions. This forward-looking approach will help ensure continued alignment with emerging standards and industry's best practices.

In addition, certain focus areas will require increased attention to meet our targets. In particular, more aggressive strategies for fleet reduction and optimization and renewable procurement will be critical, given the significant contribution of fleet operations and electricity to our overall emissions profile.

Together, these efforts reflect **altafiber's** commitment to continuous improvement and adaptability in its climate strategy, positioning the company to meet its targets and progress toward its long-term net-zero ambition.

Acronyms and Abbreviations

BAU	Business as usual
CBT	Cincinnati Bell Telephone Company LLC
CLLI	Common Language Location Identifier
CO	Central Office
DLC	Digital Loop Carrier
DSLAM	Digital subscriber line access multiplexers
FTTP	Fiber-to-the-premise
GHG	Greenhouse gas
kW	Kilowatt
kWh	Kilowatt hour
LED	Light-emitting diode
mt CO_2e	Metric ton of carbon dioxide equivalent
MWh	Megawatt hour
ORM	Optically Remote Module
POTS	Plain old telephone service
PPA	Power purchase agreement
PV	Photovoltaic
REC	Renewable energy certificate
SBTi	Science Based Targets Initiative
TDM	Time-division multiplexing
vPPA	Virtual power purchase agreement

Business Case Abatement Measures Assumptions

- Network transformation was modeled through 2030, while solar used a lifetime of 30 years, and HVAC which used a lifetime of 25 years.
- Natural gas electrification to a heat pump is assumed to have a heat pump total system coefficient of performance (COP) of 175% which is conservative. This is used to calculate the energy balance of switching from natural gas to an electric heat pump.
- For fleet electrification, diesel engines, EV engines, and gasoline engine efficiency were incorporated.
- A typical fleet vehicle drives 50 miles/day. 40% of cars, trucks, and SUVs will be charged at employee homes and 60% at fleet garage/baseyard. 100% of installer vans will be charged at the fleet garage/baseyard.
- For the capital cost of fleet charging infrastructure, home charging was assumed to cost $1,500 per home; charging at a garage/baseyard was assumed to cost $30,000 per level 2, dual port charger. Level 2 chargers are provided for 50% of EVs in fleet, assuming vehicles charge every other day. Maintenance cost of EV charging infrastructures is included.
- Solar cost range is based on solar costs ranges from $3-5/watt for **altafiber**.
- Future gasoline cost increases were set to the EIA, Fuel Prices by Sector and Fuel - 2019-2023 Projected Average Annual % Change for the high-end estimate; the low-end cost increases were set to 50% of the high-end value.
- Fleet costs represent the incremental cost above purchasing an ICE model. Fleet OpEx costs include maintenance savings of EVs over ICE.
- Estimated fleet emission reductions were based on a 50-mile range and average mileage rates.
- Purchased renewable energy was assumed to be a power purchase agreement starting in 2027 (with a 24–36-month lead time to secure a project prior to start), with a fixed PPA price representing an 8-12% premium over the projected electricity price in 2028.