

Risk Factors Comparison 2025-02-27 to 2024-02-28 Form: 10-K

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In addition to risks and uncertainties in the ordinary course of business that are common to all businesses, important factors that are specific to our industry and the Company could have a material adverse effect on our business, financial condition, results of operations, and cash flows. You should carefully consider the risks described below and in our subsequent periodic filings with the SEC. The following risk factors should be read in conjunction with Item 7 “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations ” and the consolidated financial statements and related notes in this Annual Report.

Risks Related to Our Products and Services Our growth is dependent upon our ability to keep pace with rapid technological and industry changes through a combination of partnerships with third parties, internal development, and acquisitions, in order to obtain and maintain new technologies for our products and service introductions that achieve market acceptance with acceptable margins. Our business operates in markets that are characterized by rapidly changing technologies, evolving industry standards, potential new entrants, and changes in customer needs and expectations. Accordingly, our future success depends in part on our ability to accomplish the following: identify emerging technological trends in our target end-markets; develop, acquire, and maintain competitive products and services that capitalize on existing and emerging trends; enhance our existing products and services by adding innovative features on a timely and cost- effective basis that differentiates us from our competitors; incorporate popular third- party interactive products and services into our product and service offerings; sufficiently capture and protect intellectual property rights in new inventions and other innovations; and develop or acquire and bring products and services, including enhancements, to market quickly and cost- effectively. Our ability to develop, alone or with third parties, or to acquire new products and services that are technologically innovative requires the investment of significant resources and can affect our competitive position. In addition, the dynamic nature of these changes requires that we simultaneously engage in significant technology developmental efforts across our operations, including platform development, sales, marketing, customer care, customer self- service, **virtual service remote assistance**, billing, and other substantive and administrative functions. Upgrading and implementing changes to any one of our systems ~~could present~~ **presents** challenges, including potential interruptions to system operations as changes are made, which could disrupt or reduce their efficiency in the short term and temporarily affect the quality of the products and services offered to customers. Moreover, the age of our systems and architecture may present unique challenges that we have not previously encountered as we undertake these developmental efforts simultaneously across our operations. These system updates and development efforts divert resources from other potential investments in our businesses, and they may not lead to the development of new commercially successful technologies, products, or services on a timely basis. From time to time, we enter into strategic partnerships with third parties to broaden and develop our offerings and marketing efforts. These strategic partnerships may require us to undertake significant commitments and make substantial expenditures and there can be no assurance that the expected benefits from these partnerships will be realized. For example, in July 2020, we entered into the Google Commercial Agreement, pursuant to which Google agreed to supply us with certain Google Devices and Services for sale to our customers. We have agreed, with certain exceptions, to exclusively provide or sell those Google Devices and Services to our customers, although Google can sell the same or similar devices to our competitors who may more successfully commercialize products or services that are competitive to ours, thereby materially harming our business. Given this exclusivity arrangement with Google, if Google fails to perform or to provide Google Devices and Services that continually meet the demands of our customers, or fails to provide continued innovation and investment in their relevant product businesses, or if we fail to provide or sell the Google Devices and Services that Google provides, or if we fail to develop products and services with Google that our customers find desirable, all in a timely manner, or if Google were to begin offering security products or services competitive to our own, our business, financial condition, results of operations, and cash flows could be materially, adversely impacted. In addition, subject to customary termination rights related to breach and change of control, the Google Commercial Agreement has an initial term of seven years from the date that the Google Devices and Services are successfully integrated into our end- user security and automation platform. Product introductions and the timing of such integration are focused on customer experience and are mutually agreed upon. Until **the launch of** such integration ~~occurs~~, Google has the contractual right to require us, with certain exceptions, to exclusively offer those Google Devices and Services without **such** integration for all new professional installations and for existing customers who do not **otherwise** have ADT Pulse or ADT Control interactive services. In November 2020, we announced the ongoing development of our proprietary ADT- owned next- generation professional security and automation technology platform **that we launched in 2023 as ADT**. Our ~~comprehensive interactive ADT~~ platform is intended to provide customers with a seamless experience across security, life safety, automation, and analytics through a common application that integrates the user experience, the customer service experience, and back- end support. We may not achieve a successful **ongoing rollout of the** platform ~~rollout~~, **and new platform features**, in a timely manner, within budget, or in a manner that enables the commercialization of products and services that meet the continually evolving demands of our customers, any of which could have a material adverse ~~impact~~ **effect** on our business, financial condition, results of operations, and cash flows. As we ~~begin~~ **continue** to commercialize products based upon our interactive platform, we have adjusted ~~our~~ processes for reviewing and securing intellectual property rights. Nevertheless, we **have been, and in the future** may become **,** the target of additional lawsuits alleging that we have infringed the patents or technology of third parties. Regardless of the merits of these lawsuits and any steps we take to mitigate infringement risk, any allegations could cause us to incur significant costs to defend and resolve, and could harm our business and reputation, any of which could have a material adverse ~~impact~~ **effect** on our

business, financial condition, results of operations, and cash flows. In September 2022, we entered into a strategic relationship with State Farm with the goal of expanding our customer base by developing integrated solutions for State Farm's customers. As part of the strategic relationship, in October 2022, we entered into the State Farm Development Agreement, pursuant to which State Farm committed up to \$ 300 million to fund product and technology innovation, customer growth, and marketing initiatives with us. Subject to the terms of the State Farm Development Agreement, we have agreed not to enter into any development, marketing, distribution, or other arrangement with certain competitors of State Farm and to refrain from developing, marketing, distributing, or making available to certain competitors of State Farm any products or services developed in connection with the State Farm Development Agreement. If we fail to successfully develop products and services that are utilized by State Farm's customer base pursuant to the State Farm Development Agreement, **or if such agreement is not extended past its initial term expiring on October 13, 2025,** we may not achieve or realize the anticipated financial, strategic and other benefits of the strategic relationship with State Farm, and our growth prospects and our business, financial condition, results of operations, and cash flows could be materially adversely affected. ~~Subject to termination rights related to breach and change of control, the State Farm Development Agreement has an initial term of three years from October 13, 2022.~~ Any new or enhanced products and services that we develop alone or pursuant to existing or new agreements with third parties may not satisfy customer preferences, and potential product failures may cause customers to reject our products and services. As a result, these products and services may not achieve market acceptance, and our brand image could suffer. In addition, our competitors may introduce superior products or business strategies, impairing our brand and the desirability of our products and services, which may cause customers to defer or forego purchases of our products and services, or to decline to enter into new monthly installment contracts or to cancel or fail to renew existing contracts. If our competitors implement new technologies before we can implement them, those competitors may be able to provide more effective products than ours, possibly at lower prices, and experience higher adoption rates and popularity. Any delay or failure in the introduction of new or enhanced solutions could harm our business, financial condition, results of operations, and cash flows. In addition, the markets for our products and services may not develop or grow as we anticipate, and any changes in our go-to-market approach may not be seen as favorable by customers. The failure of our technology, products, or services to gain market acceptance, the potential for product defects, or the obsolescence of our products and services could significantly reduce our revenue, increase our operating costs, or otherwise materially adversely affect our business, financial condition, results of operations, and cash flows. The home security and automation markets in which we sell our products and services are highly competitive, which may result in pressure on our profit margins and limit our ability to maintain or increase the market share of our products and services. We experience significant competitive pressure in both the ~~do-it-for-me~~ ("DIFM") and DIY spaces. The monitored security industry is highly fragmented and subject to significant competition and pricing pressures. We experience significant competitive pricing pressures in the DIFM space on installation, monitoring, and service fees. Several competitors offer comparable or lower installation and monitoring fees, and others may charge significantly more for installation, but in many cases, less for monitoring. We also face competition in the DIY space from companies such as SimpliSafe, ~~Apple HomeKit~~ **Wyze Home Monitoring**, and Amazon Ring, which enable customers to self-monitor and control their environments without third-party involvement through the Internet, text messages, emails, or similar communications. Some DIY providers may also offer professional monitoring with the purchase of their systems and equipment without a contractual commitment, or offer new **Internet of Things ("IoT")** devices and services with automated features and capabilities, which may be appealing to customers and put us at a competitive disadvantage. In addition, certain DIY providers have a significantly broader customer base and product offering than us, allowing them to cross-subsidize their offerings through their other product offerings and cross-sell interactive and security solutions that are competitive with our offerings to customers who are loyal to the competitor's brand. Continuing expansion in customers' options to choose systems that they can in part or fully install could increase our attrition rates over time and the risk of accelerated amortization of customer contracts resulting from a declining customer base. In addition, cable, telecommunications, and large technology companies have expanded into the home automation and monitored security industry and are bundling their existing offerings with interactive and monitored security services, often at lower monthly monitoring rates. These companies: (i) may have existing access to and relationships with customers, as well as highly recognized brands, which may drive increased awareness of their security / automation offerings relative to ours; (ii) may have access to greater capital and resources than us; and (iii) may spend significantly more on advertising, marketing, and promotional resources, as well as the acquisition of other companies with home automation solution offerings, any of which could have a material adverse effect on our ability to drive awareness and demand for our products and services. We may also face competition for direct sales from our independent, third-party authorized dealers, who may offer installation in particular markets for considerably less than we do. Additionally, one or more of our competitors either in the DIFM or DIY space could develop a significant technological advantage over us, allowing them to provide additional or better-quality service or lower prices, which could put us at a competitive disadvantage. Continued pricing pressure, technology improvements, competitor brand loyalty, and continuing shifts in customer preferences toward self-monitoring and DIY could adversely impact our customer base, revenue, and / or pricing structure and have a material adverse effect on our business, financial condition, results of operations, and cash flows. Aggressive pricing strategies adopted by our competitors could cause us to lose market share, reduce our prices, and add significant pressure on our cost structure. In addition, in connection with our continued rollout of Google Nest products, and as our pricing model becomes more transparent to consumers and we offer more optionality with tiered pricing and pricing disaggregation as compared to our current pricing model, our competitors may be better able to underprice us in the marketplace and our customers and potential customers may determine they can achieve a lower cost solution or higher value with an alternative provider. Changes in the transparency of our pricing may also result in new customers selecting lower cost solutions than they otherwise would have and our existing customers switching to our lower cost solutions or demanding that we lower the cost of their existing solutions, which could impact our revenue and profitability.

Furthermore, the new smart home communication protocol Matter launched in 2022, with new Matter- compatible products already available. The project group was launched and introduced by Amazon, Apple, Google, Comcast, and others, with about 280 members currently in the working group, including ADT. The goal of Matter is to make all smart home devices interoperable which presents risks for our smart home offerings because interoperable smart home offerings make it easier and less costly for consumers to switch providers, making it more difficult for ADT to retain existing subscribers. If the insurance industry changes its practice of providing incentives to homeowners for the use of alarm monitoring services, we may experience a reduction in new customer growth or an increase in our customer attrition rate. It has been common practice in the insurance industry to provide a reduction in rates for consumer policies written on homes that have monitored security systems. This practice benefits our business, as it makes our products more attractive and benefits customer retention. However, there can be no assurance that insurance companies will continue to offer these rate reductions. If these incentives are reduced or eliminated, new homeowners who otherwise might not feel the need for monitored security services would have to be acquired through our standard sales and marketing processes, which could be at a higher cost of acquisition, and existing customers may choose to disconnect or not renew their service contracts, which could increase our attrition rates. In addition, as a result of our strategic relationship with State Farm, other insurance companies may offer rate reduction policies that favor our competitors' customers or may otherwise modify their practices in detriment of our customers. In each case, our growth prospects and our business, financial condition, results of operations, and cash flows could be materially adversely affected. The retirement of older telecommunications technology by telecommunications providers and limitations on our customers' options of telecommunications services and equipment could materially adversely affect our business, increase customer attrition, and require significant capital expenditures. Certain elements of our operating model have historically relied on our customers' continued selection and use of traditional copper wireline telecommunications service to transmit alarm signals to our monitoring centers. There is a growing trend for customers to switch to the exclusive use of cellular or IP- based technology in their homes and businesses, as telecommunication providers discontinue their copper wireline services in favor of IP- based technology. Many of our customers' security systems rely on technology that is not operable with newer cellular or IP- based networks, and as such, will not transmit alarm signals on these networks. The discontinuation of copper landline services, older cellular technologies, and other services by telecommunications providers, as well as the switch by customers to the exclusive use of cellular or IP- based technology, may require system upgrades to alternative, and potentially more expensive, alarm systems to function and transmit alarm signals properly. **This, which could increase our customer revenue attrition.**

Additionally, as was any telecommunications technology upgrades or implementations could also result in significant additional costs and divert management and the other ease when we sought to migrate certain resource attention away from customer service and sales efforts for new customers from. In the future earlier 2G networks, and slow we may not be able to successfully implement new telecommunications technologies or adapt existing telecommunications technologies to changing market demands. If we are unable to adapt in a timely manner to changing telecommunications technologies, market conditions or customer generation preferences, our business, financial condition, results of operations, and cash flows could be materially adversely affected. In February 2022, a major provider of 3G cellular networks began to retire its network and a major provider of Code- Division Multiple Access (" CDMA ") began to do so in December 2022. Of our customers impacted by these retirements, we transitioned, or provided our customers with the means to transition, all but a relatively small number of customer accounts. None of these remaining customers have responded to our multiple requests to upgrade their systems and therefore we could not transition them prior to the relevant transition dates. A failure to effectively transition these **remaining** customers away from retired networks will result in a loss of signal to the systems and certain services we provide, which may impact our ability to bill and collect for services provided. Implementation of additional service charges in connection with these transitions may cause customers to view such charges unfavorably, which could increase our customer attrition. **We cannot know the full impact of network retirement on our customers and therefore on our business until sometime after all such retirements have occurred.** If we are unable to upgrade cellular equipment at customer sites to meet **new future carrier** network standards or to respond to other changes carriers are making or may make to their networks in a timely and cost- effective manner, whether due to an insufficient supply of electronic components or parts, an insufficient skilled labor force, or due to any other reason, or if we are sued by one or more customers due to our inability to provide certain services, or due to any loss incurred while we are not able to provide certain services, or due to any continuous billing for services after a prior or future transition date, our business, financial condition, results of operations, and cash flows, could be materially adversely affected. We have also **recently** become aware that one or more telecom carriers are beginning the process to retire their time- division multiplexing (" TDM ") nodes that service toll- free numbers, which could require us to further upgrade certain of our customer equipment. **In November 2017, as part of the FCC' s efforts to facilitate the transition from traditional copper- based wireline networks to IP- based fiber broadband networks, the FCC repealed its rules requiring telecommunications carriers to provide direct advanced public notice to consumers of the retirement of copper- based wireline networks. Many of our customers rely solely on copper- based telephone networks to transmit alarm signals from their premises to our monitoring stations. Since some customer alarm systems are not compatible with IP- based communication paths, we will be required to upgrade or install new technologies, which may include the need to subsidize the replacement of the customers' outdated systems at our expense. The carrier' s ability to retire copper- based wireline networks without advanced notice could lead to customer confusion and impede our ability to timely transfer customers to new network technologies. Any technology upgrades or implementations could require significant capital expenditures, may increase our attrition rates, and may also divert management and other resource attention away from customer service and sales efforts for new customers. In the future, we may not be able to successfully implement new technologies or adapt existing technologies to changing market demands. If we are unable to adapt in a timely manner to changing technologies, market conditions or customer preferences, our business, financial condition, results of operations, and cash flows could be materially adversely affected. In addition, we use broadband**

Internet access service to support our product offerings, such as video monitoring and surveillance, and as a communications option for alarm monitoring and other services. Video monitoring and surveillance services use significantly more bandwidth than non- video Internet activity. As utilization rates and penetration of these services increase, the need for increased network capacity ~~might~~ **may** necessitate incurring additional capital or operational expenditures to avoid service disruptions **and enable as well as ensure** a seamless video experience for our customers. **Further, if our customers decide to transition from traditional broadband Internet access services to fixed mobile Internet access services, they may encounter data limits which could negatively impact their use of video monitoring and surveillance, any of** which could materially adversely impact our business, financial condition, results of operations, and cash flows. Police and fire departments could refuse to respond to calls from monitored security service companies, **which could damage consumer trust and confidence in our solutions and may damage our ability to attract and retain customers**. Police departments in certain jurisdictions do not respond to calls from monitored security service companies unless certain conditions are met, such as video or other verification or eyewitness accounts of suspicious activities, either as a matter of policy or by local ordinance. We offer video verification or the option to receive a response from private guard companies in certain jurisdictions, which increases the cost of some security systems and may increase the cost to customers. If additional police and fire departments refuse to respond or are prohibited from responding to calls from monitored security service companies unless certain conditions, such as those mentioned above, are met, consumer trust and confidence in our solutions may be damaged and our ability to attract and retain customers could be negatively impacted, and our business, financial condition, results of operations, and cash flows could be materially adversely affected. Our reputation as a service provider of high- quality security offerings may be materially adversely affected by product defects or shortfalls in customer service. Our business depends on our reputation and ability to maintain good relationships with our customers, dealers, suppliers, and local regulators, among others. Our reputation may be harmed either through product defects, such as the failure of one or more of our customers' alarm systems, or shortfalls in customer service. Customers generally judge our performance through their interactions with staff at our monitoring and customer care centers, dealers, and field installation and service technicians, as well as their day- to- day interactions with our products and mobile applications. Any failure to meet customers' expectations in such customer service areas could harm our reputation or customer relationships and cause an increase in attrition rates or make it difficult to obtain new customers or otherwise have a material adverse effect on our business, financial condition, results of operations, and cash flows. In addition, we have attempted to control the operating costs of certain of our customer care operations using lower cost labor in certain foreign countries that may be subject to relatively higher degrees of political and social instability and may lack the infrastructure to withstand political unrest or natural disasters. The occurrence of natural disasters, pandemics, political or economic instability, or other activities in such countries could result in the sudden and continued closure of operations that in turn could cause disruptions in our operations and a failure to maintain our existing level and quality of customer care. The practice of utilizing labor based in foreign countries has come under increased scrutiny in the United States. Governmental authorities could seek to limit or penalize our operations, and our customers may not value the services provided by such operations. In addition, we are subject to applicable anti- corruption laws and regulations, such as The Foreign Corrupt Practices Act, that prohibit certain types of payments and which could expose us to significant penalties, fines, settlements, costs and consent orders that may curtail or restrict our business. Any such outcome could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Unauthorized use of our brand names by third parties, and the expenses incurred in developing and preserving the value of our brand names, may materially adversely affect our business. Our brand names are critical to our success. Unauthorized use of our brand names by third parties may materially adversely affect our business and reputation, including the perceived quality and reliability of our products and services, as well as brand loyalty. We rely on trademark law, company brand name protection policies, and agreements with our employees, customers, business partners, and others to protect the value of our brand names. Despite our precautions, we cannot provide assurance that those procedures are ~~sufficiently~~ **sufficient** effective to protect against unauthorized third- party use of our brand names. In recent years, various third parties have used our brand names to engage in fraudulent activities, including unauthorized telemarketing conducted in our names to induce our existing customers to switch to competing monitoring service providers, lead generation activities for competitors, and obtaining personally identifiable or personal financial information. Third parties sometimes use our names and trademarks, or other confusingly similar variations thereof, in other contexts that may impact our brands. We may not be successful in detecting, investigating, preventing, or prosecuting all unauthorized third- party use of our brand names. Future litigation with respect to such unauthorized use could also result in substantial costs and diversion of our resources. ~~Additionally, pursuant to the Brand License we entered into in connection with the Commercial Divestiture, GTCR is allowed to use the ADT brand and other trademarks for a period of 12 months. During this period, we have limited control over the use of the ADT Commercial brand by GTCR, which may increase the risk of damage to the brand for our remaining businesses.~~ These factors could materially adversely affect our reputation, business, financial condition, results of operations, and cash flows. Third parties hold rights to certain of our key brand names outside of the U. S. , **which could prevent us from being able to adequately protect our brands or expand into other markets.** Our success depends in part on our continued ability to use trademarks to capitalize on our brands' name- recognition and to further develop our brands in the U. S, as well as in other international markets should we choose to expand and ~~continue to~~ grow our business outside of the U. S. in the future. Not all the trademarks that are used by our brands have been registered in all of the countries in which we may do business in the future, and some trademarks may never be registered in any or all of these countries. Rights in trademarks are generally territorial in nature and are obtained on a country- by- country basis by the first person to obtain protection through use or registration in that country in connection with specified products and services. Some countries' laws do not protect unregistered trademarks at all or make them more difficult to enforce; and third parties may have filed for " ADT " or marks similar to our blue octagon logo in countries where we have not registered these brands as trademarks. Accordingly, we may not be able to adequately protect our brands everywhere in the

world and use of such brands may result in liability for trademark infringement, trademark dilution, or unfair competition. For example, certain trademarks associated with the ADT brand, including “ ADT ” and the blue octagon, are owned in all territories outside of the U. S. and Canada by Johnson Controls, which acquired and merged with and into Tyco. In certain instances, such trademarks are licensed in certain territories outside the U. S. and Canada by Johnson Controls to third parties. Pursuant to a trademark agreement entered into between The ADT Corporation and Tyco (the “ Tyco Trademark Agreement ”) in connection with the separation of The ADT Corporation from Tyco in 2012, which endures in perpetuity, we are prohibited from ever registering, attempting to register or using such trademarks outside the U. S. (including Puerto Rico and the ~~US~~ **U. S.** Virgin Islands) and Canada, and we may not challenge Tyco’ s rights in such trademarks outside the U. S. and Canada. Additionally, under the Tyco Trademark Agreement, we and Tyco each has the right to propose new secondary source indicators (e. g., “ Pulse ”) to become designated source indicators of such party. To qualify as a designated source indicator, certain specified criteria must be met, including that the indicator has not been used as a material indicator by the non- proposing party or its affiliates over the previous seven years. If we are unable to object to Tyco’ s proposal for a new designated source indicator by successfully asserting that the new indicator did not meet the requisite criteria, we would subsequently be precluded from using, registering, or attempting to register such indicator in any jurisdiction, including the U. S. and Canada, whether alone or in connection with an ADT brand. Any dilution, infringement, or customer confusion with respect to our brand or use of trade names, or the inability to use such names as we expand our existing and create new strategic relationships, could materially adversely affect our reputation, business, financial condition, results of operations, and cash flows. In addition, in November 2019, we sold all our shares of ADT Canada to TELUS and, among other things, entered into a non- competition and non- solicitation agreement with TELUS pursuant to which we agreed not to directly or indirectly engage in a business competitive with ADT Canada, subject to limited exceptions, for a period of seven years. In connection with our sale of ADT Canada, we also entered into a patent and trademark license agreement with TELUS granting them (i) the use of our patents in Canada for a period of seven years and (ii) the exclusive rights to use our trademarks in Canada for a period of five years followed by non- exclusive use of our trademarks for an additional two years. Any violation by TELUS of our agreements with them, or their misuse of our intellectual property or behavior by TELUS in a manner that incorrectly reflects poorly on us because of TELUS’ s use of our intellectual property could damage our brand and reputation and have a material adverse effect on our business, financial condition, results of operations, and cash flows.

Risks Related to Our Operations We rely on a significant number of our customers remaining with us as customers for long periods of time, **and if our attrition rates rise significantly, our profitability, business financial condition, results of operations, and cash flows could be materially adversely affected**. New customers require an upfront investment, and we generally achieve revenue break- even in less than two and a half years. Accordingly, our long- term profitability is dependent on long customer tenure. This requires that we minimize our rate of customer disconnects, or attrition, which can increase as a result of factors such as customer relocations, problems ~~experienced~~ with our product or service quality, customer service **challenges**, increased interoperability of smart home devices now or in the future, customer non- pay, unfavorable general economic conditions, and the preference for lower pricing of competitors’ products and services over ours. If attrition rates were to rise significantly, we may be required to accelerate the depreciation and amortization expense for, or to impair, certain of our assets, including with respect to subscriber and customer relationships, which would cause a material adverse effect on our financial condition and results of operations. In addition, if we fail to keep our customers for a ~~sufficiently~~ **sufficient long** period of time, or our attrition rates increase, our profitability, business, financial condition, results of operations, and cash flows could be materially adversely affected. Delays, costs, and disruptions that result from upgrading, integrating, and maintaining the security of our information and technology networks and systems could materially adversely affect us. We are dependent on the capacity, reliability, and security of information technology networks and systems, including Internet and Internet- based or “ cloud ” computing services **and the relevant personnel who operate those systems**, to collect, process, transmit, and store electronic information. We have completed a significant number of acquisitions of companies that operate different technology platforms and systems. We **routinely** ~~are continuously implementing~~ **implement** modifications and upgrades to our existing information technology systems to keep up with changing technology and business demands. Aiming to provide a seamless customer experience, we are also integrating systems from our various acquisitions, making changes to legacy systems, replacing legacy systems with successor systems with new functionality, and implementing new systems. We are also implementing modifications to various technology platforms and systems **related to the Commercial Divestiture, including** as part of the transition services related to the Commercial Divestiture. The dynamic nature of these and other changes we are undertaking require that we simultaneously engage in significant technology ~~developmental~~ **development** efforts across our operations, including platform development, sales, marketing, customer care, customer self- service, ~~virtual service~~ **remote assistance**, billing, and other substantive and administrative functions. Upgrading and implementing changes to ~~any one of~~ our systems **have presented, and could continue to present**, challenges. **Any**, ~~and any~~ delay in making such changes or replacements or in purchasing new systems could have a material adverse effect on our business, financial condition, results of operations, and cash flows. There are inherent costs and risks associated with integrating, replacing, and changing these systems and implementing new systems, including potential disruptions in our sales, operations, and customer service functions which may reduce their efficiency in the short term; loss of customers’ confidential or other information; potential negative reception from customers; potential disruption of our internal control structure; substantial capital expenditures; additional administration and operating expenses; retention of sufficiently skilled personnel to integrate, implement, and operate the new systems and an increase in human capital costs; **the use of third- party personnel resources, including offshore vendors, to supplement our internal personnel demands;** demands on management time; challenges securing our systems along with dependent processes from cybersecurity threats; and other risks and costs of delays or difficulties in transitioning to new systems or of integrating new systems into our current systems. If we do not effectively implement our plans to migrate our technology infrastructure to the cloud, we could experience significant

disruptions in our operations, which could have a material adverse effect on our results of operations and financial condition. We ~~plan to~~ **are in the process of migrate migrating** our technology infrastructure to the cloud. This initiative is a major undertaking as we migrate and reconfigure our current system processes, transactions, data and controls to ~~a new cloud-~~ **based platform platforms**. This transition could have a significant impact on our business processes, financial reporting, information systems, and internal controls. As we ~~implement the~~ **transition of** our technology infrastructure to the cloud, we may need to divert resources, **including management attention**, away from other important business operations, ~~including management attention~~. Additionally, we may experience difficulties as we manage these changes and transition our technology infrastructure to the ~~public~~ **cloud**, including loss or corruption of data, interruptions in service and downtime, increased cyber threats and activity, delayed financial reporting, unanticipated expenses including increased costs of implementation and of conducting business, and lost revenue. Although we ~~plan to~~ **conduct design validations and user testing**, these may cause delays in transacting our business due to system challenges, limitations in functionality, inadequate management or process deficiencies in the development and use of our systems. Difficulties in implementing or an inability to effectively implement our migration plans could disrupt our operations and harm our business. As we increase our reliance on cloud infrastructure, our products and services will become increasingly reliant on continued access to, and the continued stability, reliability, and flexibility of third-party cloud services. We have limited control over third-party cloud operations and facilities on which we plan to host our technology infrastructure. Any changes in third-party service levels or any disruptions or delays from errors, defects, ~~hacking incidents~~ **cyber attacks**, security breaches, computer viruses, DDoS attacks, bad acts, or performance problems **resulting from our increased reliance on cloud infrastructure** could harm our reputation, damage our **small business** customers' businesses, and harm our business. Our third-party cloud providers are also vulnerable to damage or interruption from earthquakes, hurricanes, floods, fires, war, public health crises, ~~such as COVID-19~~, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures and similar events. ~~Our~~ **Although our** transition and migration to the ~~public~~ **cloud** may increase our risk of liability and cause us to incur significant technical, legal or other costs, **and** we may have limited remedies against third-party providers in connection with such liabilities. Additionally, our third-party cloud providers may not be able to effectively manage existing traffic levels or increased demand in capacity requirements, especially to cover peak levels or spikes in traffic, and as a result, our customers may experience delays in accessing our solutions or encounter slower performance in our solutions, which could **increase our attrition rates, negatively impact our sales, and** significantly harm the operations of our **small business** customers. Interruptions in our services might reduce our revenue, cause us to issue credits to customers, subject us to potential liability, and cause customers to terminate their subscriptions or harm our renewal rates. Finally, we may in the future be unable to secure additional cloud hosting capacity on commercially reasonable terms or at all. If any of our third-party cloud providers increase pricing terms, terminate or seek to terminate our contractual relationship or change or interpret their terms of service or policies in a manner that is unfavorable, we may be required to transfer to another provider and may incur significant costs and experience service interruptions. Cybersecurity ~~breaches~~ **attacks** or threats or other unauthorized access or attempts to access to our systems ~~could~~, **or those of third parties, have in the past, and may in the future**, compromise the security of our systems and otherwise disrupt our normal operations, which could have a material adverse effect on our **reputation, business, results of operations and financial condition, results of operations, and cash flows**. We collect, process, transmit, and store sensitive and confidential information related to our customers, employees and business partners, as well as proprietary information related to our business, such as business plans and license agreements. This makes us vulnerable to cyber attacks and other attempts to gain unauthorized access to our information and technology networks and systems, including work from home environments **and third-party systems that are interconnected with ours**. Cyber attacks **have previously originated, and may come in the future originate**, from **various methods, including** phishing, malware, **and** ransomware, ~~or other methods~~. While we implement **and require** security measures within our products, services, operations, and, to a limited extent, within ~~other actors~~ **third parties'** systems, cyber attacks continue to evolve in sophistication and **increase in** volume and **frequency and we have not in the past and may not in the future** be able to **timely** detect or prevent cybersecurity breaches ~~on our systems or within third-party systems that are interconnected with ours, including~~ the unauthorized access, capture, or alteration of information; the exposure or exploitation of potential security vulnerabilities; distributed denial of service attacks; the installation of malware or ransomware; acts of vandalism; computer viruses; or misplaced data or data loss that could materially adversely impact our reputation, business, financial condition, results of operations, and cash flows. Despite our security measures, we **and third parties whose systems are interconnected with ours** have been the target of **and / or subject to** a number of these ~~forms~~ **methods** of cyber attacks, **including the Cybersecurity Incidents**, and we will likely continue to be **the target of and / or** subject to such attacks in the future. ~~If one of these~~ **These** cyber attacks ~~is successful~~ **have previously resulted**, it **and may in the future result**, in **certain impacts to us or interconnected third-parties, including** disrupted operations, **system instability, theft of our confidential or proprietary or other information, increased cybersecurity protection, consulting and legal costs, litigation, and reputational damage. These cyber attacks have previously exposed, and may in the future expose, us to an increased risk of future cyber attacks and threats, including through an increase in more sophisticated and targeted cyber attacks from various methods, including phishing, malware, and ransomware, among other methods. In addition, cyber attacks could result in misstated or misappropriated financial data, theft of our or confidential impair or our proprietary ability to effectively manage or our financial reporting process** other information, increased cybersecurity protection costs, and reputational damage. **We** ~~In addition, we may be the~~ **subject to** regulatory scrutiny or exposed to litigation or other claims by affected persons including our customers, **employees**, and business partners. While we maintain insurance coverage that is intended to address certain aspects of data security risks, such insurance coverage may not be sufficient to cover all losses or all types of claims that **have arisen or may arise, and in the future may not be available at reasonable costs or at all**. In addition, following the Commercial Divestiture, certain **of our information systems and our information security protocols remain**

interdependent on those of our divested Commercial Business, including dependence for a transitional period on its information systems for billing and alarm monitoring for a small portion of our clients' accounts. Moreover, certain employees of the divested our former Commercial Business have had and will have access to our financial and other internal systems for a period of time which has exposed and will continue to expose us to increased risks related to information theft and unauthorized system access. For more information on the continuing services relationship between ADT and our former Commercial Business, see "We may not achieve some or all of the strategic and financial benefits that we expect to achieve from the Commercial Divestiture or the ADT Solar Exit which could have a material adverse effect on our financial condition and results of operations." This interconnection with our former Commercial Business was exploited by an unauthorized actor in the October Incident and exposes us to increased risks related to cyber attacks. Cyber attacks and threats at our former Commercial Business have in the past led, and may in the future lead, to cyber attacks and threats to our systems and assets. Any measures we have taken or may take in the future to protect against theft cyber attacks and unauthorized system threats, including those at our former Commercial Business, or against employees, including employees of our former Commercial Business, who may wrongfully or negligently use or access such technology, intellectual property, or information, or negligently or wrongfully disclose such technology and intellectual, confidential, proprietary, or any other information to third parties, including our competitors, may prove insufficient and cannot provide absolute protection against employees who may wrongfully use such attacks technology, intellectual property, or information, or wrongfully disclose such technology and threats intellectual, confidential, proprietary, or any other information to third parties, including our competitors. Our business also requires us to share confidential information with suppliers and other third parties. Third parties, including our partners and vendors, could also be a source of security cybersecurity risk to us, or cause disruptions to our normal operations, in the event of a failure of their own products, components, networks, security systems, and infrastructure. For example, in 2021, one of our vendors, the Ultimate Kronos Group ("Kronos"), which is a workforce management and human capital management cloud provider, experienced a ransomware attack that resulted in Kronos temporarily decommissioning the functionality of certain of its cloud software, requiring us to find alternative methods to properly pay our employees and to monitor the status of the work in progress of certain of our projects in a timely manner. In addition, some of the products we sell and provide services for are categorized as IoT and may become targets for cybercriminals and other actors, including for actors attempting to gain unauthorized access. The significant increase in the number of our employees working from home further exposes us to security risks. Although we take steps to secure confidential, proprietary, or other information that is provided to or accessible by third parties working on our behalf, we cannot be certain that advances in criminal capabilities, new discoveries in the field of cryptography, or other developments will not compromise or breach the technology protecting the networks that access our products and services. A significant actual or perceived (whether or not valid) theft, loss, fraudulent use or misuse of customer, employee, or other personally identifiable or other sensitive data, whether by us, our partners and vendors, or other third parties, or as a result of employee error or malfeasance or otherwise, non-compliance with applicable industry standards or our contractual or other legal obligations regarding such data, or a violation of our privacy and information security policies with respect to such data, could result in significant remediation costs, administrative fines, litigation or other claims by third parties, or regulatory actions against us. Such an event could additionally result in unfavorable publicity and therefore materially and adversely affect the market's perception of the security and reliability of our products and services and our credibility and reputation with our customers, which may lead to customer dissatisfaction and could result in lost sales and increased customer revenue attrition. In addition, we depend on our information technology infrastructure, and that of our third party partners or vendors, for business-to-business and business-to-consumer electronic commerce. Cyber Security breaches of, or sustained attacks to, or threats against, this our infrastructure or that of third parties whose systems are interconnected with ours or whose systems contain ADT information could create prolonged system disruptions and shutdowns that could negatively impact our operations. Increasingly, our products and services are accessed through the Internet, and security breaches a significant number of service calls happen virtually, and cyber attacks and / or threats in connection with the delivery of our services via the Internet may affect us and could be detrimental to our reputation, business, financial condition, results of operations, and cash flows. There can be no assurance that our continued investments in new and emerging technology and other solutions to protect our network and information systems will prevent any of the risks described herein. In addition, any delay in making such investments due to conflicting budget priorities or otherwise could have a material adverse effect on our business, financial condition, results of operations, and cash flows. There can be no assurance that our insurance will be sufficient to protect against all our losses from any future disruptions or breaches of cyber attacks on our systems or other events as described herein. Uncertainty in the development, deployment, and use of AI in our products and services, as well as our business more broadly, could adversely affect our business and reputation. We may use systems and tools that incorporate AI-based technologies enabled or AI-integrated systems and tools, including generative AI for, to service our customers, experts, and drive efficiencies within our workforce. As with many new and emerging technologies, AI presents numerous risks and challenges that could adversely affect its further development, adoption, or use, and therefore our business. The development, adoption deployment, and use for-of generative AI technology remains in early stages and ineffective or inadequate AI or generative AI development or deployment application practices by us or third parties could result in unintended consequences. For example, models, including large language models, underlying AI algorithms solutions that we use may be flawed or may be based on biased, insufficient, or poor-quality datasets that are biased or insufficient. In addition, any latency, disruption, or failure in our AI systems or data infrastructure could result in delays or errors in our offerings or operational activities. Developing, testing, and deploying resource-intensive AI systems solutions may require additional investment and increase our costs. There also may be real or perceived social harm, unfairness, or other impacts to human rights, privacy, employment, or other social issues or outcomes that undermine public confidence in the use and deployment of AI. In addition, third parties may

deploy AI technologies solutions in a manner that reduces customer demand for our products and services. Any of the foregoing may result in decreased demand for our products or material harm to our business, results of operations, brand, or reputation. The legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain including in the areas of intellectual property, cybersecurity, and privacy, and data protection. For example, there is uncertainty around the validity and enforceability of intellectual property rights related to our use, or development, and deployment of AI tools. Compliance with new or changing laws, regulations or industry standards relating related to AI may impose significant operational costs and may limit our ability to apply develop, deploy or use AI technologies in certain use cases. Failure to appropriately respond to this evolving landscape may result in legal liability, regulatory action, or brand and reputational harm. We depend on third- party providers and suppliers for components of our security and automation systems, third- party software licenses for our products and services, and third- party providers to transmit signals to our monitoring facilities and provide other services to our customers. Any failure or interruption in products or services provided by these third parties could harm our ability to operate our business. The components for the security and automation systems that we install or consume are manufactured by original equipment manufacturers (" OEM "), original design manufacturers (" ODM "), contract manufacturers (" CM ") and / or third - party suppliers. While we have implemented robust supply chain management parties practices designed . We are therefore susceptible to mitigate the risk of supply chain interruptions , in supply and to the there receipt of components is no assurance that do not meet these practices will be effective, and interruptions may our occur standards from time to time . Our Certain key suppliers may be experience difficulties in obtaining necessary components, which may impact our ability to meet customer demands and complete critical initiatives. In addition, our suppliers are susceptible to disruptions from fire, natural disasters, weather - related incidents, and the effects of climate change (such as sea level rise, drought, flooding, wildfires, and increased storm severity), as well as health epidemics and pandemics, transmission interruptions, extended power outages, human or other error, and malicious acts, including cyber attacks, terrorism, war, sabotage, and government actions, or other concerns impacting their local workforce or operations, all of which are beyond our and their control. While we actively monitor supplier operations, require compliance with Any financial or other difficulties our providers face may have negative effects on our business . We continuity and disaster recovery plans, maintain alternative sourcing options where feasible, carry a surplus of finished goods in inventory, exercise limited control over our raw material suppliers through demand forecasting , which increases our vulnerability to problems with the products and services they provide or to supply planning processes, and have contract terms that require transparency in sourcing, quality assurance commitments, and escalation protocols, their- there choice of which companies they is no assurance that these practices will allow to sell their products. be effective and supplier disruptions, including any financial For- or example, we are subject to the other difficulties risk of unique or our providers may face recurring shortages in materials which are part of our inventory. The 2021- 2022 worldwide shortage of electronic components- , may which caused the lead times for such components' manufacture and delivery to increase and extended existing commitments by certain manufacturers, and in certain cases, allocations, have improved. However, the lead times have not gone back to pre- 2021 levels, and we still have to closely monitor and give earlier forecasts and purchase commitments to suppliers to procure components to accommodate the longer lead times. While a material adverse effect single cause of the shortages was not identified, it was believed that among other reasons, there was a surge in demand for such components and major growth in certain sectors which rely on such components, and these trends may continue and increase. Certain of our business key suppliers have seen this impact their ability to obtain certain components which could present challenges to our ability to obtain the inventory necessary to meet the demands of our new and existing customers, and to complete crucial initiatives such as the upgrading of cellular equipment at customer sites to meet new network standards. We are also subject to supply chain disruption disruptions should if we learn that any of our suppliers is are in violation of legislation which bans the import of goods based on their method of production, such as using forced labor or otherwise. This may also result in negative publicity regarding our production methods, and the alleged unethical or illegal practices of any of our suppliers and could adversely affect our reputation. Our efforts to minimize the risk of a disruption from a single supplier may not always be effective, and we have experienced some disruptions in our supply chain during recent years , and could experience such disruptions in the future . Any continued or more significant interruption in supply could cause significant delays in installations and repairs and the loss of current and potential customers. Although some specific shortages may be resolved, they may recur. From time to time, we may also experience product recalls and other unplanned product repairs or replacements with customers. We have recently occasionally experienced such product service events , few of which are material, although there There can be no assurance that any such future product service events will not be more extensive or more costly, material to us, and / or require the outlay of cash while we pursue cost recovery from manufacturers and suppliers, and there can be no assurance that we will be successful in pursuing recoveries from those third parties. If a previously installed component were found to be defective, we might not be able to recover the costs associated with its repair or replacement across our installed customer base, and these costs, or the diversion of technical personnel to address the defect could materially adversely affect our business, financial condition, results of operations, and cash flows. Such incidents may also harm our reputation and may result in litigation or other claims from customers. In the event of a product recall or litigation against our suppliers or us, we could experience a material adverse effect on our business, financial condition, results of operations, and cash flows. We also rely on third- party software for key automation features in certain of our offerings and on the interoperation of that software with our own, such as our mobile applications and related platform platforms . We could experience service disruptions if customer usage patterns for such integrated or combined offerings exceed, or are otherwise outside of, system design parameters and we or our third- party provider is unable to make corrections. Such disruptions in the provision of services could result in our inability to meet customer demand, damage our reputation and customer relationships, and materially and adversely affect our business. We also rely on certain software technology that we license from third parties and use in our products and services to perform key functions and provide critical functionality. For

example, we license the software platform for our monitoring operations from third parties. Because a number of our products and services incorporate technology developed and maintained by third parties, we are, to a certain extent, dependent upon such third parties' ability to update, maintain, or enhance their current products and services; to ensure that their products are free of defects **or, security vulnerabilities, and compromise**; to develop new products and services on a timely and cost-effective basis; and to respond to emerging industry standards, customer preferences, and other technological changes. Further, these third-party technology licenses may not always be available to us on commercially reasonable terms, or at all. If third-party vendors decide not to renew our **existing in-between** agreements or to limit our access to their offerings, or the third-party technology becomes obsolete, is incompatible with future versions of our products or services, **is unusable due to defects, security vulnerabilities, or compromise** or otherwise fails to address our needs, we cannot provide assurance that we would be able to replace the functionality provided by the third-party software with technology from alternative providers. Furthermore, even if we obtain licenses to alternative software products or services that provide the functionality we need, we may be required to replace hardware installed at our monitoring centers, work from home environments, and at our customers' sites, including security system control panels and peripherals, in order to execute our integration of or migration to alternative software products. Any of these factors could materially adversely affect our business, financial condition, results of operations, and cash flows. We also rely on various third-party telecommunications providers and signal processing centers to transmit and communicate signals to our monitoring facilities and work from home environments in a timely and consistent manner. These telecommunications providers and signal processing centers could deprioritize or fail to transmit or communicate these signals to the monitoring facilities and work from home environment for many reasons, including disruptions from fire, natural disasters, weather **- related incidents**, and the effects of climate change (such as sea level rise, drought, flooding, wildfires, and increased storm severity), health epidemics or pandemics, transmission interruption, extended power outages, human or other error, malicious acts, including cyber attacks, provider preferences regarding the signals that get transmitted, government actions, war, terrorism, sabotage, or other conflicts, or as a result of disruptions to internal and external networks or third party transmission lines. The failure of one or more of these telecommunications providers or signal processing centers to transmit and communicate signals to our monitoring facilities and work from home environments in a timely manner could affect our ability to provide alarm monitoring, home automation, and interactive services to our customers. We also rely on third-party technology companies to provide automation and interactive services to our customers. These technology companies could fail to provide these services consistently, or at all, which could result in our inability to meet customer demand and damage our reputation. There can be no assurance that third-party telecommunications providers, signal processing centers, and other technology companies will continue to transmit and communicate signals to our monitoring facilities and work from home environments or provide home automation and interactive services to customers without disruption. Any such failure or disruption, particularly one of a prolonged duration, could have a material adverse effect on our business, financial condition, results of operations, and cash flows. As mentioned above, telecommunications providers have in the past, and may in the future, retire older telecommunications technology, limiting our customers' options of telecommunications services and equipment, which could materially adversely affect our business, increase customer attrition and require significant capital expenditures. An event causing a disruption in the ability of our monitoring facilities or customer care resources **to operate**, including work from home operations, **to operate** could materially adversely affect our business. A disruption in our ability to provide security monitoring services or otherwise provide ongoing customer care to our customers could have a material adverse effect on our business. A disruption could occur for many reasons, including fire, natural disasters, **including hurricanes**, weather **- related incidents**, and the effects of climate change (such as sea level rise, drought, flooding, wildfires, and increased storm severity), health epidemics or pandemics, transmission interruption, extended power outages, human or other error, malicious acts, **including cyber attacks**, provider preferences regarding the signals that get transmitted, government actions, war, terrorism, sabotage, or other conflicts, or as a result of disruptions to internal and external networks or third party transmission lines. Monitoring and customer care **also have in the past been and** could **also in the future** be disrupted by information systems and network-related events or **cybersecurity-cyber** attacks, such as computer hacking, computer viruses, **phishing, malware, ransomware**, worms, or other malicious software, distributed denial of service attacks, malicious social engineering, or other destructive or disruptive activities that could also cause damage to our properties, equipment, and data, **as well as our efforts to respond to, contain, and remediate such events, attacks, and activities**. A failure of our redundant back-up procedures or a disruption affecting multiple monitoring facilities or work from home environments could disrupt our ability to provide security monitoring or customer care services to our customers. **If we experience** **As a result of** such disruptions, we may experience customer dissatisfaction and potential loss of confidence, and liabilities to customers or other third parties, each of which could harm our reputation and impact future revenues. We could also be subject to claims or litigation with respect to losses caused by such disruptions. Our insurance may not be sufficient to fully cover our losses or may not cover a particular event at all. Any such disruptions or outcomes could have a material adverse effect on our business, financial condition, results of operations, and cash flows. A variety of events have had and could have in the future a significant negative impact on our ability to carry on our normal operations and could have a material adverse effect on our business, financial condition, results of operations, and cash flows. We have business continuity and disaster recovery plans and procedures **and an incident response plan** designed to protect our business against a variety of events, including natural disasters, health epidemics or pandemics, **cyber attacks**, and armed conflicts or other hostilities. However, we cannot guarantee that these plans and procedures will prevent or efficiently mitigate the impact of **such all-catastrophic** events, especially those which are inherently unpredictable and beyond our anticipated thresholds or impact tolerances. Such events may impact macroeconomic conditions, consumer behavior, labor availability, or damage our facilities and our ability to provide our products and services to customers. Governmental responses to such events, including restrictions to businesses, can also affect the foregoing items and adversely affect our operations. Such events may also heighten other risks disclosed in these risk

factors, including, but not limited to, those related to supply chain interruptions and consumer perceptions of our brand and industry. For example, the outbreak of the coronavirus pandemic in 2020 contributed to consumer unease and decreased discretionary spending. In order to maintain our operations, we had to implement measures to protect the health of our employees and our customers. Furthermore, while we maintain insurance, our coverage may not sufficiently cover all types of losses or claims that may arise and we may be unable to adequately offset any losses we may incur. We rely on monitoring centers and customer care centers as an integral part of our ongoing business operations and we have deployed hybrid and remote working options. The closure of any site or any widespread absence of the employees remaining in any such site could result in a material disruption to our business. Because the majority of employees who staff these operations currently conduct their jobs from home, our work from home environment could subject us to the failure of the communications networks serving our employees which we no longer control and who may not have sufficient back up capabilities. In addition, this work from home environment results in more home access points that are susceptible to ~~cybersecurity~~ **cyber** attacks, such as computer hacking, computer viruses, **phishing, malware, ransomware**, worms or other malicious software or malicious activities. In addition, our monitoring centers are listed by UL and must meet certain requirements to maintain that listing. UL has adopted a temporary standard that enables our operators to work from home while remaining within the listing requirements and we must ensure that each such home environment continues to meet all such requirements as well as the UL permanent requirements, which have been established by UL. Our employees who work from home may also experience a decrease in the quality of job performance, whether immediate or over time. Any such impact with respect to our employees who are working from home could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Our independent, third- party authorized dealers may not be able to mitigate certain risks such as information technology ~~and breaches~~, data security breaches, product liability, errors and omissions, and ~~marketing~~ **compliance with applicable laws and regulations**. We generate a portion of our new customers through our authorized dealer network. We rely on independent, third- party authorized dealers to implement mitigation plans for certain risks they may experience, including, ~~but not limited to~~, information technology breaches, data security breaches, product liability, errors and omissions, and ~~marketing~~ **compliance with applicable laws and regulations**. In addition, our dealers rely on other third parties to submit orders and transmit data and may themselves be subject to many of these same risks. If our authorized dealers or the third parties on whom they rely experience any of these risks, or fail to implement mitigation plans for their risks, or if such implemented mitigation plans are inadequate or fail, we may be susceptible to business, legal, or reputational risks associated with our authorized dealers on which we rely to generate customers. Any interruption or permanent disruption in the generation of customer accounts or services provided by our authorized dealers could materially adversely affect our business, financial condition, results of operations, and cash flows. We may pursue business opportunities that diverge from our current business model, or invest in new businesses, services, and technologies outside the traditional security ~~and~~, interactive **and smart home** services ~~market~~ **markets**, any of which may materially adversely affect our business results or financial condition. We have and will continue to pursue and invest in new business opportunities that may diverge from our current business model and practices, including expanding our products or service offerings, investing in new and unproven technologies, adding customer acquisition channels, and forming new alliances with companies to market our services. We can provide no assurance that any such business opportunities or investments will perform as expected. Among other negative effects, our pursuit of such business opportunities could cause our cost of investment in new customers to grow at a faster rate than our recurring revenue and fees collected at the time of installation. In addition, any new business partner may not agree to the terms and conditions or limitations on liability that we typically impose upon third parties. Acquisitions in recent years have also significantly expanded our risk profile. For example, in December 2021 we acquired ~~ADT~~ **the Solar Business** although our core business was not then extended to the residential solar market. In September 2022, we announced a strategic relationship with State Farm and our intention to develop products and services to satisfy certain needs of State Farm's property and casualty customers which represents a significant entry point into the insurance industry. Additionally, any new alliances or customer acquisition channels could require large investments of capital to develop such business, or have higher cost structures than our current arrangements, which could reduce operating margins and require more working capital. If working capital requirements exceed operating cash flow, we could be required to draw on our revolving credit facility, or pursue other external financing, which may not be readily available. We may also experience capital loss on some or all our investments, insufficient revenue from such investments to offset new liabilities assumed and expenses associated with these new investments, distraction of management from current operations, and issues not identified during pre- investment planning and due diligence that could cause us to fail to realize the anticipated benefits of such investments and incur unanticipated liabilities. In such cases, we may decide to revise our strategic plans and adjust our operating footprint to optimize our operations, or exit certain businesses or product lines entirely. For example, after recording a series of losses with respect to our acquisition of ~~ADT~~ **the Solar Business**, we announced in November 2023 a series of steps to rationalize the ~~ADT Solar business~~ **Business**, and in January 2024, we made a determination to exit the Solar ~~business~~ **Business** entirely. **As of June 30, 2024, substantially all operations of the Solar Business had ceased**. Any of these factors could materially adversely affect our business, financial condition, results of operations, and cash flows. We continue to integrate our acquisitions, as well as to separate certain shared services following the Commercial Divestiture, which may divert management's attention from our ongoing operations. We may not achieve all of the anticipated benefits, synergies, or cost savings from our acquisitions or the Commercial Divestiture. Our historical acquisitions, **including bulk acquisitions of customer accounts**, require the integration of separate companies **or accounts** that have previously operated independently **or separately**. The continued integration of operations, **including billing and service platforms for recently purchased customer accounts**, information technology networks and systems, products, and personnel from our acquisitions, as well as the separation of certain shared services following the Commercial Divestiture, will continue to require the attention of our management and place demands on other internal resources. In addition, the overall continued integration of our acquired

businesses, including bulk acquisitions of customer accounts, may be disruptive to our business as a whole and result in material unanticipated problems, expenses, liabilities, competitive responses, and loss of customer relationships. The diversion of management's attention, and any difficulties encountered in the transition, integration, and divestiture processes, could materially adversely affect our business, financial condition, results of operations, and cash flows. Further, we continue to integrate the financial reporting systems and processes of various companies we have acquired. Successfully implementing our business plan and complying with the SOX Act and other regulations requires us to be able to prepare timely and accurate consolidated financial statements. Any delay in this implementation of, or disruption in, the transition to new or enhanced systems, procedures, or controls, including internal controls and disclosure controls and procedures, may cause us to present restatements or cause our operations to suffer, and we may be unable to conclude that our internal controls over financial reporting are effective and to obtain an unqualified report on internal controls from our independent registered public accounting firm. Any of these difficulties in combining operations or accounts, or continuing to separating separate certain shared services following the Commercial Divestiture, could result in increased costs, decreases in the amount of expected revenues, and further diversion of management's time and energy, which could materially adversely affect our business, financial condition, results of operations, and cash flows. We have made a determination **In 2024, we decided** to fully exit the residential Solar business **Business**, following previously announced plans to rationalize the ADT Solar business, and our **such** exit of the Solar business is subject to uncertainties and risks that may materially adversely affect our financial condition and results of operations. On November 2, 2023, we announced a series of steps to rationalize the ADT Solar business, significantly reducing the number of ADT Solar branches in light of continued operational challenges and underperformance of operating results relative to expectations. Based on continued assessment of the market and evaluation of Solar operating results, on January 24, 2024, we announced that the Company had made a determination to fully exit the residential solar business, which may include **included the transition transfer of certain assets components of the business to other parties as well as the retention of certain contractual obligations**. We **substantially expect to complete completed** the ADT Solar Exit during **the second quarter of 2024. In connection with** There can be no assurance regarding the ultimate timing of the ADT Solar Exit or that, **we incurred severance and the other ADT Solar Exit exit** will be completed as expected. Unanticipated developments could delay, prevent or otherwise adversely affect the Solar Exit and the anticipated financial impact thereof, including, but not limited to: • challenges in accurately predicting the costs associated with Solar Exit activities and in anticipating the time necessary to complete an orderly managed exit of the remaining Solar Business; • challenges in separating personnel, facilities, equipment, intellectual property, and financial or other systems with minimal impact on our remaining business; and • our ability to offset the loss of revenue resulting from the Solar Exit and the loss of any synergies between ADT Solar and our remaining business. In connection with the ADT Solar Exit, we anticipate incurring severance and other costs. The ADT Solar Exit, whether or not completed, may result in significant business disruptions, including as a result of the need for management to spend significant time on activities related to the ADT Solar Exit. Moreover, the ADT Solar Exit may disrupt our relationships with customers, suppliers and other third parties, which could make our brand less attractive to consumers and business partners. The ADT Solar Exit, including related **exit charges and**, the impact of the related workforce reduction, **and any** which may include potential legal claims by impacted employees, **customers, suppliers, or lenders**, could have a material adverse effect on our business, operating results and financial condition. The ADT Solar Exit may also involve continued financial involvement **while being reported** in the discontinued operations, such as by causing us to continue to incur expenses to maintain services for completed installations and to complete those installations which have not yet been completed, or through continuing guarantees, indemnities or other financial obligations, such as **minimum solar panel performance guarantees, and** a requirement by lenders that we repay outstanding loan amounts for jobs that have not achieved permission to operate in a timely manner or that we are otherwise required to repurchase pursuant to existing loan agreements. The incurrence of any such cost or action could have a material adverse effect on our business, financial condition, results of operations and cash flows. **We may not achieve some or all of the strategic and financial benefits that we expect to achieve from the Commercial Divestiture or the Solar Exit which could have a material adverse effect on our financial condition and results of operations.** Although we believe the Commercial Divestiture and the ADT Solar Exit will place us in a better position to prioritize investments in our core business where we intend to drive profitable, capital- efficient revenue growth for the long- term, there can be no assurance that we will achieve such benefits, which could have a material adverse **impact effect** on our business, financial condition, results of operations, and cash flows. The anticipated benefits are based on several assumptions, some of which may prove incorrect, and could be affected by factors beyond our control, including, without limitation, general economic conditions, increased operating costs, regulatory developments, and other risks described in these risk factors. In connection with the Commercial Divestiture, we entered into **a transition services agreement (the "Commercial TSA ")**, pursuant to which the Company and the Commercial Business will provide certain transitional services relating to ongoing support and other administrative functions to each other for a transitional period of up to 24 months after the closing of the Commercial Divestiture. We rely on the Commercial Business to satisfy its obligations under the Commercial TSA. If the Commercial Business is unable to satisfy its obligations under the Commercial TSA, or if the transition of services covered by the Commercial TSA takes longer to complete than expected, it could have a material **and** adverse effect on our business, financial condition, and results of operations. In addition, we may not be able to eliminate certain costs after the completion of the transition period covered by the Commercial TSA. If we are unable to eliminate some of these costs or effectively work with our supplies to reduce the costs associated with fewer employees or customers, it could have a material **and** adverse effect on our business, financial condition, and results of operations. ADT **is** will be a less diversified business following the Commercial Divestiture and the ADT Solar Exit, which may adversely affect ADT's results of operations and financial condition. Prior to the Commercial Divestiture, ADT had three business segments, CSB, Commercial, and Solar. The Commercial Divestiture resulted in ADT being a smaller, less diversified company more focused on consumers, potentially making ADT more vulnerable to changing market, regulatory, and economic

conditions following the Commercial Divestiture **and the ADT Solar Exit**, particularly those affecting consumers and small businesses. **We are now** ~~Additionally, we recently announced plans to exit our Solar business. Once the ADT Solar Exit is completed, we will be~~ entirely dependent on **CSB our consumer and small business markets**, and any trends or uncertainties affecting **CSB such markets** will directly affect ADT's results of operations and financial condition in the future. Macroeconomic headwinds or changes in consumer preferences could have a greater impact on our business following the Commercial Divestiture and the ADT Solar Exit which could have a material adverse effect on our business, ~~results of operations, and~~ **financial condition, and results of operations**. Our customer generation strategies through third parties, including our authorized dealer and affinity marketing programs, and our use of celebrities and social media influencers, and the competitive market for customer accounts may expose us to risk and affect our future profitability. An element of our business strategy is the generation of new customer accounts through third parties, including our authorized dealers, and future operating results depend in large part on our ability to continue to manage this business generation strategy effectively. We currently generate accounts through hundreds of independent third parties, including authorized dealers, and a significant portion of our accounts originate from a smaller number of such third parties. If we experience a loss of authorized dealers or third-party sellers representing a significant portion of our customer account generation, or if we are unable to replace or recruit authorized dealers, other third-party sellers, or alternate distribution channel partners in accordance with our business strategy, our business, financial condition, results of operations, and cash flows could be materially adversely affected. In addition, we are subject to reputational risks that may arise from the actions of our dealers and their employees, independent contractors, and other agents that are wholly or partially beyond our control, such as violations of our marketing policies and procedures as well as any failure to comply with applicable laws and regulations. If our dealers engage in ~~marketing~~ **local all applicable** practices that are not in compliance with ~~local~~ **all applicable** laws and regulations, we may be **deemed** in breach of such laws and regulations, which may result in regulatory proceedings and potential penalties that could materially adversely impact our business, financial condition, results of operations, and cash flows. In addition, unauthorized activities in connection with sales efforts by employees, independent contractors, and other agents of our dealers, including calling consumers in violation of the Telephone Consumer Protection Act, predatory door-to-door sales tactics, and fraudulent misrepresentations, could subject us to governmental investigations and class action lawsuits for, among others, false advertising and deceptive trade practice damage claims, against which we will be required to defend. Such defense efforts are costly and time-consuming, and there can be no assurance that such defense efforts will be successful, all of which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. The successful promotion of our brands also depends on the effectiveness of our marketing efforts and on our ability to offer member discounts and special offers for our products and services to our partners. We have actively pursued affinity marketing programs, which provide members of participating organizations with special offers on our products and services. These organizations may require us to pay higher fees to them, decrease our pricing for their members, introduce additional competitive options, or otherwise alter the terms of our participation in their marketing programs in ways that are unfavorable to us. These organizations may also terminate their relationships with us if we fail to meet contract service levels ~~and~~ **and**/or member satisfaction standards, among other things. If any of our affinity or marketing relationships is terminated or altered in an unfavorable manner, we may lose a source of sales leads, and our business, financial condition, results of operations, and cash flows could be materially adversely affected. We also rely on marketing by social media influencers and celebrity spokespersons that represent the ADT brand to generate new customers. These marketing efforts may not be successful or appeal to consumers. The promotion of our brand, products, and services by social media influencers and celebrities is subject to FTC regulations, including, for example, a requirement to disclose any compensatory arrangements between ADT and influencers in any reviews or public statements by such influencers about ADT or our products and services. These social media influencers and celebrities ~~with whom we maintain relationships~~ **with whom we maintain relationships** could also engage in activities or behaviors or use their platforms to communicate directly with our customers in a manner that violates applicable regulations or reflects poorly on our brand and that behavior may be attributed to us or otherwise adversely affect us. In connection with the promotion of ADT's brand by influencers and celebrities, ADT is also subject to a twenty-year FTC consent decree from 2014 which requires adherence to a robust internal compliance process. In addition, influencers and celebrities who are associated with ADT may engage in behavior that is unrelated to ADT but that causes damage to our brand because of these associations. Any such activities or behaviors of the social media influencers or celebrities we engage, or our failure to adhere to the compliance processes as required by the FTC consent decree, could have a material adverse effect on our business, financial condition, results of operations, and cash flows, or on our reputation. We face risks in acquiring and integrating customer accounts **, and if any of these risks materialize, our business, financial condition, results of operations, and cash flows could be materially adversely affected**. An element of our business strategy ~~may involve~~ **involves** the bulk acquisition of customer accounts. Acquisitions of customer accounts involve a number of risks, including the possibility of unexpectedly high rates of attrition and unanticipated deficiencies in the accounts and systems acquired despite our investigations and diligence prior to acquisition **, as well as costs and complexities in integrating newly purchased accounts into ADT billing and service platforms**. We face competition from other alarm monitoring companies, including companies that may offer higher prices and more favorable terms for customer accounts purchased, and / or lower minimum financial or operational qualification or requirements for purchased accounts. This competition could reduce the acquisition opportunities available to us, slowing our rate of growth, and / or increasing the price we pay for such account acquisitions, thus reducing our return on investment and negatively impacting our revenue and results of operations. We can provide no assurance that we will continue to be able to purchase customer accounts on favorable terms or at all in the future. The purchase price we pay for customer accounts is affected by the recurring revenue historically generated by such accounts, as well as several other factors, including the level of competition, our prior experience with accounts purchased in bulk from specific sellers, the geographic location of the accounts, the number of accounts purchased, the customers' credit scores, and the type of security or automation

equipment or platform used by the customers. In purchasing accounts, we have relied on management's knowledge of the industry, due diligence procedures, and representations and warranties of bulk account sellers. We can provide no assurance that in all instances the representations and warranties made by bulk account sellers are true and complete or, if the representations and warranties are inaccurate, that we will be able to recover damages from bulk account sellers in an amount sufficient to fully compensate us for any resulting losses. In addition, we may need to incorporate and maintain specialized equipment and knowledge in order to service customer accounts purchased, or pay to upgrade such customers to ADT equipment. If any of these risks materialize, our business, financial condition, results of operations, and cash flows could be materially adversely affected. If we are unable to recruit and retain sufficient personnel at all levels of our organization, our ability to manage our business could be materially ~~and~~ adversely affected. Our success depends in part upon the continued services of sufficient talent at all levels of our organization, including ~~our management team~~, **software developers, product engineers**, sales representatives, installation and service technicians and call center talent. Our ability to recruit and retain sufficient talent for these positions is based on our reputation as a successful business with a culture of fairly hiring, training, and promoting qualified employees. However, our success could be impacted adversely by the competitive labor environment and require us to incur wages and benefits in excess of our planned expenditure. Labor shortages in recent years made talent recruitment particularly challenging and competitive. In addition, we acquire businesses from time to time that have rates of employee attrition significantly higher than our own and we may experience difficulty or delay in hiring to fill positions due to these higher rates or in bringing the employee attrition rate of such acquired businesses to a level consistent with our own. The loss of experienced personnel through wage competition, normal attrition (including retirement), or specific actions such as divestitures, cost structure rationalizations, or other business exit activity, may adversely affect our reputation among job seekers, demoralize our remaining employees, and result in loss of critical knowledge. The loss, incapacity, or unavailability for any reason of sufficient personnel at any level of our organization, higher than expected payroll and other costs associated with the hiring and retention of sufficient talent at all levels of our organization, or the inability or delay in hiring new employees, whether in management, sales, **technology, product development**, installation and service technicians, or call center personnel, could materially ~~and~~ adversely affect our business financial condition, results of operations, and cash flows. The loss of or changes to our senior management could disrupt our business. Competition for senior management talent having security and home automation industry experience has increased. Factors that impact our ability to attract and retain senior management include compensation and benefits and our successful reputation as a top provider in these industries. Our success partly depends on the ability of our **Chairman, President, and** CEO, Mr. James D. DeVries, along with the ability of other senior management and key employees, to effectively implement our business strategies and to continue to identify and grow talent ~~through our annual strategic talent planning process~~. In addition, the success of our business depends on highly qualified leaders with relevant industry and operational experience, as well as the entire management team. The unexpected loss of any member of our senior management team and the related loss of their knowledge of products, offerings, and industry experience, and the difficulty of quickly finding qualified senior management talent to replace any such loss, could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Adverse developments in our collective bargaining agreements or other agreements with some employees could materially ~~and~~ adversely affect our business, financial condition, results of operations, and cash flows. As of December 31, ~~2023~~ **2024**, ~~835~~ **approximately 800** of our employees at various sites, or approximately ~~6-7~~ % of our total workforce, were represented by unions and covered by collective bargaining agreements. We are currently a party to approximately 17 collective bargaining agreements. About one-third of these agreements are up for renewal in any given year. Additionally, and especially in light of recent actions taken by the National Labor Relations Board, we could be subject to further attempts to organize some or all of our non-management employee base. We cannot predict the outcome of negotiations of the collective bargaining agreements covering our employees. If we are unable to reach new agreements or renew existing agreements, employees subject to collective bargaining agreements may engage in strikes, work slowdowns, or other labor actions, which could materially disrupt our ability to provide services. New labor agreements or the renewal of existing agreements may impose significant new costs on us, limit our opportunities to improve our cost structure, and could materially and adversely affect our business, financial condition, results of operations, and cash flows in the future. If we fail to maintain effective internal control over financial reporting at a reasonable assurance level, we may not be able to accurately report our financial results, which could have a material adverse effect on our operations, investor confidence in our business and the trading prices of our securities. We identified a material weakness in our internal control over financial reporting as of December 31, 2022 and may identify additional material weaknesses in internal control over financial reporting in the future. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis. While we believe we have now remediated the material weakness previously reported in our Amended 2022 Annual Report, we cannot assure you that additional material weaknesses in internal control over financial reporting will not occur in the future. The remediation of any such material weaknesses could require us to incur significant expenses. Moreover, if we fail to remediate any material weakness in a timely manner, that may adversely affect our ability to record, process, summarize and report financial information timely and accurately and, as a result, our financial statements may contain material misstatements or omissions. In addition, it is possible that a material weakness may exist without being identified. Such a failure could cause our financial statements to contain material misstatements or omissions and could also result in regulatory scrutiny, and cause investors to lose confidence in our reported financial condition, lead to a default under our indebtedness and otherwise have a material adverse effect on our business, financial condition, results of operations, and cash flows, and on our reputation with investors and with business partners. Risks Related to Regulations and Litigation If we fail to comply with constantly evolving laws, regulations, and industry standards addressing information and technology networks and systems, privacy, and data security, we could face substantial penalties, liability, and reputational

harm, and our business, financial condition, results of operations, and cash flows could be materially adversely affected. The confidential data and information collected in the normal course of our business, as well as portions of the significant volume of third party data that we or our partners collect and retain, is subject to certain laws and regulations. Our ability to analyze this data to provide the customer with an improved user experience is a valuable component of our services, but we cannot provide assurance that the data we require will be available from these sources in the future or that the cost of such data will not increase. If the data that we require is not available to us on commercially reasonable terms or at all, we may not be able to provide certain parts of our current or planned products and services, and our business, financial condition, results of operations, and cash flows could be materially adversely affected. In addition, we may also collect and retain other sensitive types of data, including, among other things, audio recordings of telephone calls and video images of customer sites. We must comply with applicable federal and state laws and regulations governing the collection, retention, processing, storage, disclosure, access, use, security, and privacy of such information in addition to our own posted information security and privacy policies and applicable industry standards, such as the Payment Card Industry Data Security Standards. The legal, regulatory, and contractual environment surrounding the foregoing continues to evolve, and there has been an increasing amount of focus on privacy and data security issues with the potential to affect our business. These privacy and data security laws, regulations, and standards, as well as contractual requirements, could increase our cost of doing business, and failure to comply with these laws, regulations, standards, and contractual requirements could result in government enforcement actions (which could include civil or criminal penalties), private litigation, and / or adverse publicity. In the event of a breach of personal information that we hold or that is held by third parties on our behalf, we may be subject to governmental fines, individual and class action claims, remediation expenses, and / or harm to our reputation. In 2020, we disclosed that a Company technician had secured unauthorized personal access to certain customers' in-home security systems, resulting in individual and class action legal claims against us. We could incur significant legal costs in defending existing or new claims or in the ultimate resolution of such claims, and we may suffer reputational harm and damage to our brand as a result of such claims or any related publicity. Further, if we fail to comply with applicable privacy and security laws, regulations, policies, and standards; properly protect the integrity and security of our facilities and systems and the data located within them; or defend against cybersecurity attacks; or if our third-party service providers, partners, or vendors fail to do any of the foregoing with respect to data and information assessed, used, stored, or collected on our behalf; or should we fail to prevent future rogue actors from undertaking actions similar to those described above, our reputation and our business, financial condition, results of operations, and cash flows could be materially adversely affected. Examples of certain requirements we face include those with respect to the Health Insurance Portability Act, the California Consumer Privacy Act, the California Privacy Rights Act, the Colorado Privacy Act, the Virginia Consumer Data Protection Act, and the **European Union's** General Data Protection Regulation. These laws and regulations are examples of our need to comply with costly and complex requirements at state, federal, and international levels. As these requirements continue to evolve, and expand to additional jurisdictions, we may incur or be required to incur costs or change our business practices in a manner adverse to our business and failure to comply could result in significant penalties that may materially adversely affect our reputation and our business, financial condition, results of operations, and cash flows. Infringement of our intellectual property rights could negatively affect us. We rely on a combination of patents, copyrights, trademarks, trade secrets, confidentiality provisions, and licensing arrangements to establish and protect our proprietary rights. We cannot guarantee, however, that the steps we have taken to protect our intellectual property rights will be adequate to prevent infringement of our rights or misappropriation of our intellectual property or technology. Adverse events affecting the use of our trademarks could also negatively impact our brands. ~~In connection with the Commercial Divestiture, we have agreed to provide transitional services to GTCR for a period of up to 24 months and to license our ADT Commercial brand for 12 months. These arrangements allow for the use of our trademarks and certain intellectual property and limited use of the ADT Commercial brand, which may cause us to incur unanticipated costs and liabilities and which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Additionally, during the period covered by the brand license, we have limited control over the use of the ADT brand by GTCR, which may increase the risk of damage to the brand for our remaining businesses, which could negatively impact our reputation, results of operations, and financial condition. In addition, if we expand our business outside of the U. S. in the future, effective patent, trademark, copyright, and trade secret protection may be unavailable or limited in some jurisdictions. Furthermore, our confidentiality agreements with certain of our employees and third parties to protect our intellectual property could be breached or otherwise may not provide meaningful protection for our confidential information, trade secrets, and know-how related to the design, manufacture, or operation of our products and services. In 2021, we initiated certain litigation to protect our intellectual property rights, which has now been resolved.~~ These types of litigation actions may continue for long periods of time, may not be successful, or may result in impairment of certain of our intellectual property rights, and our need to continue to bring claims may be significant and may be indefinite. Any future proceedings on any such matters could be burdensome and costly, and we may not prevail. Further, adequate remedies may not be available in the event of an unauthorized use or disclosure of our confidential information, trade secrets, or know-how. If we fail to successfully enforce our intellectual property rights, our competitive position could suffer, which could materially adversely affect our business, financial condition, results of operations, and cash flows. Allegations that we have infringed upon the intellectual property rights of third parties could negatively affect us. We may be subject to claims of intellectual property infringement by third parties. In particular, as our services have expanded, we have become subject to claims alleging infringement of intellectual property, including litigation brought by special purpose or so-called "non-practicing" entities that focus solely on extracting royalties and settlements by alleging infringement and threatening enforcement of patent rights. These companies typically have little or no business or operations, and there are few effective deterrents available to prevent such companies from filing patent infringement lawsuits against us. Our exposure to intellectual property infringement claims may increase as we continue to ~~build~~ **expand and develop** our proprietary **ADT** platform ~~announced in November 2020 as part of~~

~~our partnership with Google~~, as we modify and expand our offerings under our partnership with State Farm, or otherwise modify and expand our existing intellectual property in the future. In addition, we rely on licenses and other arrangements with third parties covering intellectual property related to many of the products and services that we market. Notwithstanding these arrangements, we could be at risk for infringement claims from third parties. **For example, in 2022 ADT was sued by a party alleging that the cellular antennas in various products purchased and used by ADT infringed their patents. The suit was settled in July of 2024, and ADT is currently in litigation with the supplier of the majority of those products regarding their obligation to indemnify ADT.** Additionally, our patent agreement with Tyco, which generally includes a covenant by Tyco not to bring an action against us alleging that the manufacture, use, or sale of any products or services in existence as of the date of our separation from Tyco infringes any patents owned or controlled by Tyco and used by us on or prior to such date, does not protect us from infringement claims for future product or service expansions. In general, any claims or litigation, even those without merit and regardless of the outcome, could cause us to cease marketing certain services or using certain technologies; obtain licenses from the holders of the intellectual property at a material cost or on unfavorable terms; pay significant ongoing royalty payments, settlements, or licensing fees; satisfy indemnification obligations; or to take other potentially costly or burdensome actions to avoid infringing third- party intellectual property rights. The litigation process is costly and subject to inherent uncertainties, and we may not prevail in litigation matters regardless of the merits of our position. Intellectual property lawsuits or claims may become extremely disruptive if the plaintiffs succeed in blocking the trade of our products and services and may have a material adverse effect on our business, financial condition, results of operations, and cash flows. We may be subject to class actions and other lawsuits which may harm our business and results of operations. We have been and we may continue to be subject to class action litigation involving alleged violations of privacy, consumer protection laws, employment laws, **common law claims** or other matters. In addition, we have previously been subject to securities class actions relating to our IPO, and we may in the future be subject to additional securities litigation that may be lengthy and may result in substantial costs and a diversion of management' s attention and resources. Results cannot be predicted with certainty, and an adverse outcome in such litigation could result in monetary damages or injunctive relief that could materially adversely affect our business, financial condition, results of operations, and cash flows. In addition, we are currently and may in the future become subject to legal proceedings and commercial or contractual disputes other than class actions. These are typically claims that arise in the normal course of business including, without limitation, commercial general liability claims, automobile liability claims, contractual disputes, worker' s compensation claims, labor law and employment claims, and claims that we infringed on the intellectual property of others. There is a possibility that such claims may have a material adverse effect on our business, financial condition, results of operations, and cash flows that is greater than we anticipate and / or negatively affect our reputation. Increasing government regulation of telemarketing, email marketing, door- to- door sales, and other marketing methods may increase our costs and restrict the operation and growth of our business. We rely on telemarketing, email marketing, door- to- door sales, and other marketing channels, including social media conducted internally and through third parties to generate a substantial number of leads for our business, all of which are subject to federal, state and local regulation. Telemarketing and email marketing activities are subject to an increasing amount of regulation in the U. S. Regulations have been issued by the FTC and the FCC that place restrictions on unsolicited telephone calls to residential and wireless telephone customers, whether direct dial or by means of automatic telephone dialing systems, prerecorded, or artificial voice messages and telephone fax machines, and require us to maintain a “ do not call ” list and to train our personnel to comply with these restrictions. The FTC regulates sales practices generally and email marketing and telemarketing specifically, including through their consent decree on ADT that regulates our use of social media influencers and celebrities, and has broad authority to prohibit a variety of advertising or marketing practices that may constitute “ unfair or deceptive acts or practices. ” Most of the statutes and regulations in the U. S. applicable to telemarketing and email marketing allow a private right of action for the recovery of damages or provide for enforcement by the FTC and FCC, state attorneys general, or state agencies permitting the recovery of significant civil or criminal penalties, costs and attorneys' fees if regulations are violated. Although we have developed policies and procedures designed to assist in compliance with these statutes, regulations, and consent decree, we can provide no assurance that we, our authorized dealers or other third parties that we rely on for telemarketing, email marketing, and other lead generation activities will be in compliance with all applicable **laws and** regulations at all times. Although our contractual arrangements with our authorized dealers, affinity marketing partners, and other third parties generally require them to comply with all such **laws and** regulations and to indemnify us for damages arising from their failure to do so, we can provide no assurance that the FTC and FCC, private litigants, or others will not attempt to hold us responsible for any unlawful acts conducted by our authorized dealers, affinity marketing partners and other third parties or that we could successfully enforce or collect upon any indemnities. Additionally, certain FCC rulings and FTC enforcement actions may support the legal position that we may be held vicariously liable for the actions of third parties, including any telemarketing violations by our independent, third- party authorized dealers that are performed without our authorization or that are otherwise prohibited by our policies. The FCC, FTC, and state agencies have relied on certain actions to support the notion of vicarious liability, including, but not limited to, the use of our brand or trademark, the authorization or approval of telemarketing scripts, or the sharing of consumer prospect lists. Changes in such regulations or the interpretation thereof that further restrict such activities could result in a material reduction in the number of leads for our business and could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Our business operates in a regulated environment and any new, ~~or~~ changes to existing, **or uncertainty regarding** laws or regulations, or our failure to comply with any such rules or regulations, **;** could be costly to us, harm our business and operations, and impede our ability to grow our existing business, any new businesses that we acquire, or investment opportunities that we pursue. Our operations and employees are subject to various federal, state, and local laws and regulations in such areas as consumer protection, occupational licensing, environmental protection (including climate change regulations), labor and employment, tax, permitting, and other laws and regulations. Most states in which we operate have

company and employee licensing laws directed specifically toward the sale, installation, monitoring, and maintenance of security devices, as well as laws and regulations pertaining to solar systems and energy storage solutions that were part of our business before the ADT Solar Exit. Our business relies heavily upon the use of both wireline and wireless telecommunications to communicate signals, and telecommunications companies are regulated by federal, state, and local governments. Increased public awareness and concern regarding global climate change may result in more international, regional, and / or federal or other requirements or expectations that could mandate more restrictive or expansive standards than existing regulations. There continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty, as well as consumer and investor unease. We or our suppliers may be required to make increased capital expenditures to improve our services or product portfolio to meet new regulations and standards. Further, our customers and the markets we serve may impose environmental standards through regulation, market- based emissions policies, or consumer preference that we may not be able to timely meet due to the required level of capital investment or technological advancement. There can be no assurance that our compliance or our efforts to improve our services or products will be successful, and there can be no assurance that proposed regulation or deregulation will not have a negative competitive impact, or that economic returns will reflect our investments in new product development. If environmental laws or regulations are either changed or adopted and impose significant operational restrictions and compliance requirements upon our business or products, our business, financial condition, results of operations, and cash flows could be materially adversely affected. Federal laws restricting or banning imports of equipment or supplies from specific companies or regions of the world may limit our ability to meet customer demands or to increase prices. In certain jurisdictions, we are required to obtain licenses or permits to comply with standards governing employee selection and training and to meet certain standards in the conduct of our business. The loss of such licenses or permits or the imposition of conditions to the granting or retention of such licenses or permits could have a material adverse effect on us. Furthermore, in certain jurisdictions, certain security systems must meet fire and building codes to be installed, and it is possible that our current or future products and service offerings will fail to meet such codes, which could require us to make costly modifications to our products and services or to forego operating in certain jurisdictions. We must also comply with numerous federal, state, and local laws and regulations that govern matters relating to our interactions with residential customers, including those pertaining to privacy and data security, consumer financial and credit transactions, home improvement contracts, warranties, and door- to-door solicitation. These laws and regulations are dynamic and subject to potentially differing interpretations, and various federal, state, and local legislative and regulatory bodies may initiate investigations, expand current laws or regulations, or enact new laws and regulations, regarding these matters. As we expand our product and service offerings and enter into new jurisdictions, we may be subject to more expansive regulation and oversight. In addition, our financing and lending activities subject us to various rules and regulations, such as the U. S. federal Truth in Lending Act and analogous state legislation. Also, ~~as-if~~ we continue to expand our sales to government entities, we ~~will-may~~ be subject to additional contracting regulations, disclosure obligations, and various civil and criminal penalties, among other things, in a significant manner that we are not subject to today. The FTC and certain states have consumer protection laws and regulations governing the manner in which providers of consumer services must manage customer subscriptions, autorenewals, and negative option billing arrangements. In ~~March~~ **October of 2023-2024**, the FTC ~~proposed~~ **adopted a final “ Click- to- Cancel rule intended** to consolidate and significantly expand certain federal consumer protections through new rules concerning certain “ negative option offers,” whereby a consumer’ s silence or failure to take affirmative action to reject a good or service or to cancel a subscription is interpreted as acceptance or continuing acceptance of an offer. Several states have followed suit and have enacted or have proposed to enact similar regulations concerning autorenewals, cancellation rights and negative option arrangements. ADT sells its services to consumers on a subscription basis. The ~~proposed~~ **FTC’ s “ Click- to- Cancel rule , which becomes effective in May 2025 (other than the prohibition on misrepresentations, which took effect in January 2025)**, and certain proposed state regulations concerning subscription services may require ADT to provide additional notices to consumers regarding the end of fixed term contract commitments, limit ADT’ s ability to market discounted or free trials to new customers and, in some cases, require ADT to seek additional customer consents to ~~continue providing~~ **provide** services past the end of minimum contract term commitments, each of which may have a material adverse effect on ADT’ s ability to attract and retain customers. Changes in these laws or regulations or their interpretation could dramatically affect how we do business, acquire customers, and manage and use information we collect from and about current and prospective customers and the costs associated therewith. We strive to comply with all applicable laws and regulations relating to our interactions with all customers. It is possible, however, that these requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. Changes in laws or regulations could require us to change the way we operate or to utilize resources to maintain compliance, which could increase costs or otherwise disrupt operations. **For example, in June 2024, in Loper Bright Enterprises v. Raimondo, the U. S. Supreme Court held that lower courts need not defer to a governmental agency’ s reasonable interpretation of an ambiguous statute that it administers, overruling the doctrine known as “ Chevron Deference. ” As a result, we cannot predict whether there will be increased challenges to existing regulatory requirements, such as those discussed above, thereby creating uncertainty in compliance with certain regulatory schemes.** In addition, failure to comply with any applicable laws or regulations could result in substantial fines or revocation of our operating permits and licenses. If laws and regulations were to change or if we or our products failed to comply with them, our business, financial condition, results of operations, and cash flows could be materially adversely affected. We could be assessed penalties **and fines** for false alarms , **and if these expenses become significant or we are unable to pass along the associated costs, our customers may terminate or fail to renew our services** . Some local governments impose assessments, fines, penalties, and limitations on either customers or the alarm companies for false alarms. Certain municipalities have adopted ordinances under which both permit and alarm dispatch fees are charged directly to the alarm companies. Our alarm service contracts generally allow us to pass these charges on to customers. If more local governments impose assessments,

fines, or penalties for false alarms, or these charges become significant, or we are unable to collect these charges because customers are unwilling or unable to pay them, or our customers terminate or fail to renew their services with us because of these charges, our business, financial condition, results of operations, and cash flows could be materially adversely affected. Adoption of statutes and governmental policies purporting to characterize certain of our charges as unlawful may adversely affect our business. Generally, if a customer cancels their contract with us prior to the end of the initial contract term, we may charge the customer an early cancellation fee. Consumer protection policies or legal precedents could be proposed or adopted to restrict the charges we can impose upon contract cancellation. Such initiatives could compel us to increase our prices during the initial term of our contracts and consequently lead to less demand for our services and increased customer attrition. Adverse judicial determinations regarding these matters could cause us to incur legal exposure to customers against whom such charges have been imposed and expose us to the risk that certain of our customers may seek to recover such charges through litigation, including class action lawsuits. Any such loss in demand for our services, increase in attrition, or the costs of defending such litigation and enforcement actions could have a material adverse effect on our business, financial condition, results of operations, and cash flows. In the absence of net neutrality or similar regulation, certain providers of Internet access may block our services or charge their customers more for using our services, or government regulations relating to the Internet could change, which could materially adversely affect our revenue and growth. Our interactive and home automation services are primarily accessed through the Internet and our security monitoring services, including those utilizing video streaming, are increasingly delivered using Internet technologies. Users who access our services through mobile devices, such as smart phones, laptops, and tablet computers must have a high- speed Internet connection, such as broadband, 4G / LTE, or 5G, to use our services. Currently, this access is provided by telecommunications companies and Internet access service providers that have significant and increasing market power in the broadband and Internet access marketplace. In the absence of government regulation, these providers could take measures that affect their customers' ability to use our products and services, such as degrading the quality of the data packets we transmit over their lines, giving our packets low priority, giving other packets higher priority than ours, blocking our packets entirely, or attempting to charge their customers more for using our products and services. To the extent that Internet service providers ("ISPs") implement usage- based pricing, including meaningful bandwidth caps, or otherwise try to monetize access to their networks, we could incur greater operating expenses and customer acquisition and retention could be negatively impacted, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Furthermore, to the extent network operators were to create tiers of Internet access service and either charge us for or prohibit our services from being available to our customers through these tiers, our business could be negatively impacted. Some of these providers also offer products and services that directly compete with our own offerings, which could potentially give them a competitive advantage. In March 2015, the FCC released net neutrality rules prohibiting broadband ISPs from blocking, throttling, or engaging in "paid prioritization" of content or services. **However, these rules were repealed in 2017, and currently neither the U. S. nor most other countries have adopted formal net neutrality rules. Although in response to the elimination of federal protections, a handful of U. S. states have adopted their own versions of net neutrality, the 2017 repeal of the FCC's net neutrality rules, once again classifying broadband as a telecommunications service, requirements cannot guarantee that all consumers are protected from conduct harmful to Internet openness. In October 2023, the FCC proposed new rules that if adopted as proposed, would reinstate the net neutrality rules and restore broadband internet access service's classification as a telecommunications service and a commercial mobile service under Title II of the Federal Communications Act of 1934, as amended. However, we cannot be certain in June 2024, the U. S. Supreme Court overruled the doctrine known as Chevron Deference, which previously required courts to defer to an agency's reasonable interpretation of law when the law was ambiguous. As a result, on January 2, 2025, the U. S. Court of Appeals for the Sixth Circuit struck down the FCC's previously adopted Safeguarding and Securing the Open Internet rule ("SSOI"), ruling that these rules will be adopted FCC incorrectly classified ISPs as proposed telecommunications service providers, if at all rather than non- common carrier providers of information services, and therefore exceeded its authority in imposing the net neutrality regulations.** Absent net neutrality or open Internet rules, Internet providers, some with competing security businesses, could block or throttle ADT signals in a way that impacts our business and could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Given the nature of our business, we are exposed to greater risks of liability for employee acts or omissions or system failures than may be inherent in other businesses, **which could materially adversely affect our business.** If a customer or third- party believes that it has suffered harm to person or property due to an actual or alleged act or omission of one of our authorized dealers, independent contractors, employees or others, or due to a security or automation system failure, they (or their insurers) may pursue legal action against us, and the cost of defending the legal action and of any judgment against us could be substantial. In particular, because our products and services are intended to help protect lives and real and personal property, we may have greater exposure to litigation risks than businesses that provide other consumer and small business products and services. In the event of litigation with respect to such matters, it is possible that the risk- mitigation provisions in our standard customer contracts may be deemed not applicable or unenforceable and, regardless of the ultimate outcome, we may incur significant costs of defense that could materially adversely affect our business, financial condition, results of operations, and cash flows, and there can be no assurance that any such defense efforts will be successful. We may be subject to liability for obligations of The Brink's Company under the Coal Act or other coal- related liabilities of The Brink's Company, **which could materially adversely affect our business.** On May 14, 2010, The ADT Corporation acquired Broadview Security, a business formerly owned by The Brink's Company. Under the Coal Industry Retiree Health Benefit Act of 1992, as amended ("Coal Act"), The Brink's Company and its majority- owned subsidiaries as of July 20, 1992 (including certain legal entities acquired in the Broadview Security acquisition) are jointly and severally liable with certain of The Brink's Company's other

current and former subsidiaries for health care coverage obligations provided for by the Coal Act. A Voluntary Employees' Beneficiary Association ("VEBA") trust has been established by The Brink's Company to pay for these liabilities, although the trust may have insufficient funds to satisfy all future obligations. We cannot rule out the possibility that certain legal entities acquired in the Broadview Security acquisition may also be liable for other liabilities in connection with The Brink's Company's former coal operations. At the time of the separation of Broadview Security from The Brink's Company in 2008, Broadview Security entered into an agreement pursuant to which The Brink's Company agreed to indemnify it for any and all liabilities and expenses related to The Brink's Company's former coal operations, including any health care coverage obligations. The Brink's Company has agreed that this indemnification survives The ADT Corporation's acquisition of Broadview Security. We in turn agreed to indemnify Tyco for such liabilities in our separation from it. If The Brink's Company and the VEBA are unable to satisfy all such obligations, we could be held liable, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Our business would be adversely affected if certain of our independent contractors were classified as employees. We rely on third-party independent contractors in addition to our existing workforce to perform certain tasks including installation and service of our customer alarm and other systems. From time to time, we are involved in lawsuits and claims that assert that certain independent contractors should be treated as our employees. The state of the law regarding independent contractor status varies from state to state and is subject to change based on court decisions, legislation, and regulation. For example, in January 2024, the U. S. Department of Labor ("DOL") issued a new rule that revises the DOL's guidance on how to determine who is an employee or independent contractor under the Fair Labor Standards Act ("FLSA"). Previously, the law provided five factors to guide the inquiry into a worker's status as an employee or independent contractor, with two of these factors carrying greater weight in the analysis. The new rule, effective in March 2024, implements a non-exhaustive multi-factor economic reality test where no one factor or subset of factors would be necessarily dispositive and the weight of each factor would depend on the facts and circumstances of the particular case. Also, **although in a decision issued on June 13, 2023, the National Labor Relations Board ("NLRB") has abandoned, due to legal challenges, its attempt to overrule** ~~its 2019 independent contractor standard which focused on whether workers have "entrepreneurial opportunity,"~~ **overrule** ~~its 2019 independent contractor standard which focused on whether workers have "entrepreneurial opportunity,"~~ **a recent NLRB decision in September 2024 appears to signal and an returned intent to reverse its current position** ~~a non-exhaustive common law multi-factor analysis that could lead to more workers being found to have been improperly classified as independent contractors-~~ **contractor misclassification is not itself a violation of the National Labor Relations Act ("NLRA")**. Under the new legal framework, it may be more likely for our independent contractors or our subcontractors to be classified as our employees, resulting in such individuals becoming entitled to the reimbursement of certain expenses, to the benefit of wage- and- hour laws, and to the protections under the ~~NLRA National Labor Relations Act~~ **NLRA National Labor Relations Act** including the right to organize for union representation. If such classification was made, we could also be liable for employment and withholding tax and benefits for such individuals, and liable to such individuals for violations of other laws protecting employees. Any such determination could result in a material reduction of the number of subcontractors we can use for our business or significantly increase our costs to serve our customers, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Existing or new tariffs and other trade restrictions imposed on imports from China, **Mexico**, or other countries where much of our end-user equipment is manufactured, or any counter-measures taken in response, may harm our business and results of operations. Tariffs imposed on imports from China **or Mexico, (including enhanced U. S. tariffs recently imposed and / or threatened to be imposed on goods from China)**, where certain components included in our end-user equipment are manufactured, and any counter-measures taken in response to such new tariffs, may harm our business and results of operations. ~~In~~ **For example, in** 2018 and 2019, the U. S. federal government imposed tariffs on certain alarm equipment components manufactured in China, and on other categories of electronic equipment manufactured in China that we install in our customers' premises, such as batteries and thermostats ~~as well as imported solar energy equipment~~. Certain of these tariffs ~~are~~ **were** as high as 25 % and such tariffs ~~have~~ **increased** our costs for such equipment as a result of some or all of such new tariffs being passed on to us by our suppliers. If any or all such costs continue to be passed on to us by our suppliers, we may be required to raise our prices, which could result in the loss of customers and harm our business and results of operations. Alternatively, we may seek to find new sources of end-user products, which may result in higher costs and disruption to our business. In addition, the U. S. federal government's 2018 National Defense Authorization Act imposed a ban on the use of certain surveillance, telecommunications, and other equipment manufactured by certain of our suppliers based in China, to help protect critical infrastructure and other sites deemed to be sensitive for national security purposes in the U. S. This federal government ban implemented in August 2019, and the ban on use of certain covered equipment by federal contractors implemented in August 2020, has required us to find new sources of end-user products, which has resulted in higher costs and disruption to our business. It is also possible **new or** additional tariffs will be imposed on imports of equipment that we install in end-user premises, or that our business will be impacted by retaliatory trade measures taken by China, **Mexico**, or other countries, causing us to raise our prices or make changes to our business, any of which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. **During the 2024 presidential campaign, President Trump threatened to impose, and since taking office, has begun imposing, significant tariffs on goods imported from China, Canada, Mexico and other countries. Given the uncertainty regarding the scope and duration of these trade actions by the U. S. and any retaliatory trade actions taken by such other countries, we cannot predict whether, or to what extent, tariffs and other trade restrictions may be imposed on or otherwise become applicable to our product offerings or supply chain, and the impact of these trade actions on our business remains uncertain.** In addition, in November 2021, President Biden signed the Secure Equipment ~~Law Act~~ into effect, and in November 2022, the FCC adopted rules stating that they will no longer review or give licenses to the equipment that makes use of radio frequencies manufactured by companies believed to pose a national security threat, including Huawei, ZTE, Dahua, and Hikvision. This could impact our ability to source products compatible with a customer's existing system, or

make repairs if new, compatible equipment cannot be sourced. In the November 2022 order, the FCC also issued an additional Notice of Proposed Rulemaking in which it asks if existing authorizations should be revoked, and if so, how. If existing authorizations were revoked, it could limit ADT's ability to maintain and service existing customer equipment. It could also force some customers to replace equipment currently in service. We are also subject to supply chain disruptions should we learn that any one of our suppliers is in violation of legislation such as the Uyghur Forced Labor Prevention Act signed into law in December 2021, which bans the import of goods based on their method of production, such as through the use of forced labor, or otherwise. Any inability to source product, product parts, or other components required by our business in a timely and cost-effective manner could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

Risks Related to Macroeconomic and Related Factors General economic conditions can affect our business, and we are susceptible to changes in the business economy, in the housing market, and in business and consumer discretionary income, which may inhibit our ability to grow our customer base and impact our results of operations. Demand for our products and services is affected by the general economy, the business environment, and the turnover in the housing market, among other things. Downturns in the general economy, the business environment, and the housing market would reduce opportunities to make sales of our products and services. Downturns in the rate of the sale of new and existing homes, which we believe drives a substantial portion of our new residential customer volume in any given year, and downturns in the rate of commercial property development, which may drive demand for our small business offerings, would reduce opportunities to make new sales and reduce opportunities to take over systems. Recoveries in the housing market increase the occurrence of relocations, which may lead to customers disconnecting service and not contracting with us in their new homes. The demand for our products and services is also dependent, in part, on national, regional, and local economic conditions, as well as our customers' level of discretionary income. When our customers' discretionary income is reduced (such as by higher housing, energy, interest, operating or other costs, or where the actual or perceived wealth of customers has decreased as a result of circumstances such as lower real estate values, increased foreclosure rates, inflation, increased tax rates, or other economic disruptions), we could experience increased attrition rates and reduced customer demand in home automation systems. Where levels of business activity decline, the small business customers could experience increased attrition rates and reduced demand for our offerings. No assurance can be given that we will be able to continue acquiring quality customers or that we will not experience higher attrition rates. Our long-term revenue growth rate primarily depends on revenue from installations and new contracts exceeding disconnects. If customer disconnects or defaults increase, our business, financial condition, results of operations, and cash flows could be materially adversely affected. Rising interest rates or increased consumer lender fees could adversely impact our sales, profitability, and our financing costs. Our business model, in part, relies on customers financing the purchase price of their system through ADT or third-party lenders. Those lenders charge us fees on the principal balance of those loans. Rising interest rates, as we have experienced during recent years and which we may continue to experience, may increase the lenders' cost of capital and those increased costs will result in an increase in the fees charged to us. In addition, where we have committed to provide financing internally, as interest rates rise, our cost of capital also gets more expensive and we may not be able to pass on such increased costs to our customers. Any increase in those fees or costs will have an adverse impact on our ability to offer attractive pricing to customers, which could negatively impact our sales and profitability, or increase the cost to us upon the sale of our aggregated customer loans. Any such outcome could have a material adverse effect on our business, financial condition, results of operations, and cash flows. A substantial part of our CSB-revenue is derived from the recurring monthly revenue due from customers under alarm monitoring and other service contracts and we are subject to credit risk and other risks associated with our customers, dealers, and third-party lenders. A substantial part of our revenue is derived from the recurring monthly revenue due from customers under alarm monitoring and other service contracts. Therefore, we are dependent on our customers' ability and willingness to pay amounts due under alarm monitoring or other service contracts in a timely manner. Although customers are contractually obligated to pay amounts due under an alarm monitoring or other service contract and are generally contractually obligated to pay cancellation fees if they prematurely cancel the contract during its initial term (typically between two and five years), customers' payment obligations are unsecured, which could impair our ability to collect any unpaid amounts from our customers. To the extent customer payment defaults under alarm monitoring and other service contracts are greater than anticipated, our business, financial condition, results of operations, and cash flows could be materially adversely affected. We have introduced and will continue to explore different commercial terms for our products and services, such as increasing or otherwise changing the amount of up-front payments, providing different financing options, such as retail installment contracts for the amount of up-front payments associated with our transactions, or offering longer or shorter contract term options. These options could increase the credit risks associated with our customers, and the introduction of, or transition to, different options could result in quarterly revenue and expense fluctuations that are significantly greater than our historic patterns. While we intend to manage such credit risk by evaluating the credit quality of customers eligible for our financing options and non-standard term lengths, our efforts to mitigate risk may not be sufficient to prevent an adverse effect on our business, financial condition, results of operations, and cash flows. Some of these customer financing options may be supported by financing arrangements with third parties, including uncommitted receivables securitization financing agreements, which may impose or result in limitations on the products and services we offer that are financed under such arrangements. These limitations may adversely affect our relationships with customers, and may subject us to risk with respect to our ability to generate current levels of cash flow should, for example, such arrangements be terminated. In addition, rising interest rates, as we have experienced during 2022 and 2023 and which we may continue to experience, could increase the financing costs of our products and services substantially. Any such result could have a material adverse effect on our business, financial condition, results of operations, and cash flows. We also placed a substantial reliance on third-party lenders in order to access loan products for our customers in our solar segment. The financial difficulty or insolvency of any such third party lender has and may in the future result in a delay in customer installations, a write-off in accounts receivables, or other negative impacts on the

~~customer experience or our financial condition.~~ In addition, any disruption in our relationship with a third party lender could have an adverse impact on certain customer relationships or result in liability to us. ~~For example, in 2022, a large third party lender notified us that it had entered insolvency proceedings which caused disruptions to our business and lost sales for certain customers who could not secure alternate financing options.~~ Certain third party lenders also have the contractual right to require us to repurchase loans if we fail to achieve certain contractual milestones with respect to customer installations. If any of our third party lenders invokes such a right, the necessary repurchases could have a material, adverse effect on our cash flow for the quarter in which they occur. Industry trends could also change, for example, by third party lenders more systematically requiring the repurchase of loans, or requiring a guarantee with respect to amounts that such lenders would otherwise require be repurchased, if we fail to achieve the relevant milestones. ~~In February 2023, one of our largest third party lenders of loans advised us that they are implementing such policies effective during the first quarter of 2023, with additional policy changes forthcoming this year, and we are in discussions with them regarding the relevant loan portfolio.~~ We cannot predict the timing or extent to which the broader industry will implement such changes or the related impact on us. Failure to maintain effective customer financing options and satisfactory relationships with third party lenders or the decision by a third party lender to require us to repurchase or guarantee loans could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Offering additional commercial terms and financing options, and transitions between such options, may introduce operational complexity, require the devotion of resources that could otherwise be deployed elsewhere, and may increase market valuation risks due to differences in the financial treatment of different offerings. Such increased offerings or transitions between different offerings or equipment ownership models could also result in customer confusion or dissatisfaction, limit or remove our ability to offer “ free device ” promotions or other customer satisfaction programs critical for customer acquisition and retention, and may provide competitors with the opportunity to target our existing and potential clients by offering such “ free device ” promotions, or other customer satisfaction programs that we may be unable to offer. Any of the foregoing could materially adversely affect our business, financial condition, results of operations, and cash flows. Under the standard alarm monitoring contract acquisition agreements that we enter into with our dealers, if a customer terminates his or her service with us during the first thirteen months after we have acquired the alarm monitoring contract, the dealer is typically required to substitute with a compatible alarm monitoring contract or compensate us in an amount based on the original acquisition cost of the terminating alarm monitoring contract. We are subject to the risk that dealers will breach these obligations. Although we generally withhold specified amounts from the acquisition cost paid to dealers for alarm monitoring contracts (“ holdback ”), which may be used to satisfy or offset these and other applicable dealer obligations under the alarm monitoring contract acquisition agreements, there can be no guarantee that these amounts will be sufficient to satisfy or offset the full extent of the default by a dealer of its obligations under its agreement. If the holdback proves insufficient to cover dealer obligations, we are also subject to the credit risk that the dealers may not have sufficient funds to compensate us or that any such dealer will otherwise breach its obligation to compensate us for a terminating alarm monitoring contract. To the extent defaults by dealers of the obligations under their agreements are greater than anticipated, our business, financial condition, results of operations, and cash flows could be materially adversely affected. Goodwill and other identifiable intangible assets represent a significant portion of our total assets, and we may never realize the full value of our intangible assets. As of December 31, ~~2023~~ **2024**, we had a carrying value of goodwill and other identifiable intangible assets of approximately \$ 9. 8 billion. We review goodwill and indefinite lived intangible assets for impairment at least annually. We review long- lived assets for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset or asset group may not be fully recoverable. Impairment may result from, among other things, deterioration in performance; adverse market conditions; adverse changes in applicable laws or regulations, including changes that restrict our activities or affect the products and services we offer; challenges to the validity of certain registered intellectual property; reduced sales of certain products or services incorporating registered intellectual property; increased attrition; and a variety of other factors. For example, during 2023 and 2022, we recorded cumulative goodwill impairment charges of \$ 712 million related to our **former** Solar reporting unit due to continued deterioration of industry conditions, general macroeconomic decline, underperformance of the **former** reporting unit’ s operating results relative to expectations, and, during the third quarter of 2023, our decision to close a significant number of branches and reduce headcount. Following these goodwill impairment charges, the balance of goodwill in the **former** Solar reporting unit ~~is was~~ zero. It is possible that we may never realize the full value of our intangible assets. Any future determination of impairment of goodwill or other identifiable intangible assets ~~in our CSB segment~~ could have a material adverse effect on our financial condition and results of operations. We have significant deferred tax assets, and any impairments of or valuation allowances against these deferred tax assets in the future could materially adversely affect our results of operations, financial condition, and cash flows. We are subject to income taxes in the U. S. and Canada, and in various state, territorial, provincial, and local jurisdictions. The amount of income taxes we pay is subject to our interpretation and application of tax laws in jurisdictions in which we file. Changes in current or future laws or regulations, the imposition of new or changed tax laws or regulations, or new related interpretations by taxing authorities in the jurisdictions in which we file could materially adversely affect our business, financial condition, results of operations, and cash flows. Our future consolidated federal and state income tax liability may be significantly reduced by tax **attributes such as tax** credits ~~and~~, tax net operating loss (“ NOL ”), **and disallowed interest** carryforwards available to us under the applicable tax codes. ~~Certain of the entities we have acquired had material NOL carryforwards prior to our acquisition.~~ Our ability to fully utilize these deferred tax assets **attributes**, however, may be limited for various reasons, including whether projected future taxable income becomes insufficient to recognize the full benefit of our ~~NOL carryforwards~~ **tax attributes** prior to their expirations. If a corporation experiences an “ ownership change, ” Sections 382 and 383 of the Internal Revenue Code (“ IRC ”) provide annual limitations with respect to the ability of a corporation to utilize its ~~NOL (as well as certain built- in losses)~~ and tax **attributes** credit carryforwards against future U. S. taxable income. In general, an ownership change may result from transactions increasing the ownership of certain

stockholders in the stock of the corporation by more than 50 percentage points over a three- year testing period. Because our ability to fully utilize ~~the NOL carryforwards of our entities~~ **tax attributes** is subject to the limitations under Section 382 of the IRC, it is also possible that future changes in the direct or indirect ownership in our equity might result in additional ownership changes that may trigger the imposition of additional limitations under Section 382 of the IRC with respect to these tax attributes. In addition, audits by the U. S. Internal Revenue Service (“ IRS ”) as well as state, territorial, provincial, and local tax authorities could reduce our tax attributes and / or subject us to tax liabilities if tax authorities make adverse determinations with respect to our ~~NOL or tax attributes credits carryforwards~~ **attributes credits** or ~~NOL carryforwards~~ as a result of legislative change could materially adversely affect our tax obligations. Any increase in taxation or limitation of benefits could have a material adverse effect on our business, financial condition, results of operations, or cash flows. In connection with the Tax Cuts and Jobs Act of 2017 (“ Tax Reform ”), a new limitation under IRC Section 163 (j) was imposed on the amount of interest expense allowed as a deduction in our tax returns each year. The amounts disallowed each year can be carried forward indefinitely and used in subsequent years if an excess limitation exists. We have ~~begun to accumulate~~ **accumulated** a significant deferred tax asset related to this disallowed interest carryforward. However, there is a risk that we will not recognize the benefit of this deferred tax asset in the foreseeable future due to our annual interest expense exceeding the imposed limitation. We may need to record a valuation allowance against this deferred tax asset in the future as the deferred tax asset grows, which may have a material adverse effect on our future financial condition and results of operations. ~~After the utilization of our NOLs, there~~ **There** is a risk that the interest disallowance may have a material adverse ~~impact effect~~ on our financial condition, results of operations, and cash flows.

Risks Related to Our Indebtedness Our substantial indebtedness limits our financial and operational flexibility and could materially adversely affect our business, financial condition, results of operations, and cash flows. As of December 31, ~~2023~~ **2024**, we had \$ 7. ~~9~~ **8** billion face value of outstanding indebtedness, excluding finance leases, and we may increase our debt level at any time. Such substantial indebtedness negatively impacts our business because: • a significant portion of our cash flow is used to service our debt, and therefore impedes our ability to grow the business or fuel innovation; • restrictive covenants under our debt arrangements could prevent us from borrowing additional funds for working capital, capital expenditures, and debt service requirements, which could result in a default, an inability to fund our strategic initiatives, an inability to declare and pay dividends, or otherwise preclude us from undertaking actions that are in the best interests of our Company and our stockholders; • we may be required to make non- strategic divestitures to fund our debt servicing needs; • an increase in interest rates, as experienced recently or as we may experience in the future, could significantly increase the cost of our variable rate debt and make any refinancing of our current fixed rate debt significantly more costly. Although we have interest rate swap contracts that hedge certain of our interest rate exposure on variable rate debt, the majority of which mature in 2026, those hedges are themselves subject to counterparty risks and may prove to be insufficient. Moreover, any unhedged variable rate debt maturing beyond 2026 and any refinancing of current fixed rate debt exposes us to changes in market rates; • any downgrade to our credit rating may increase our cost of borrowings and any refinancing could be on terms or with conditions that limit our ability to successfully conduct business in the future; and • any inability to service or refinance our debt or acceleration of debt due could result in default which could result in all of our outstanding debt becoming due and payable, an inability to access our revolving credit facility, foreclosure against our assets, and bankruptcy or liquidation. In 2023, we used the net proceeds of the Commercial Divestiture and cash on hand to reduce our debt by approximately \$ 2 billion. However, we can provide no assurance that our business will generate sufficient cash flow from operations to service or repay our debt, or that we will have the ability to issue new debt, draw on our revolving credit facility or ~~fund find~~ other alternative sources of funds to satisfy our obligations. Our inability to generate sufficient cash flow to satisfy our debt obligations, or to refinance our indebtedness on commercially reasonable terms or at all, could result in a material adverse effect on our business, financial condition, results of operations, and cash flows. **On February 7, 2025, we issued an irrevocable notice of partial redemption for \$ 500 million of the First Lien Notes due 2026, which will be redeemed on March 9, 2025. Prior to the issuance of such notice, certain lenders provided commitments that they will fund a new \$ 600 million first lien seven- year term loan facility. The closing of this new facility, which remains subject to market and other customary conditions, is expected to occur on or around March 7, 2025. The Company intends to use proceeds of this new facility for the partial redemption of the First Lien Notes due 2026 among other general corporate purposes.** Our debt agreements contain restrictions that limit our flexibility and limit the manner in which we conduct our business and finance future operations or capital needs, which ~~would could~~ have a material adverse effect on our business and financial condition. Our debt agreements contain, and any future indebtedness of ours would likely contain, a number of covenants that impose significant operating and financial restrictions on us, including restrictions on our and our subsidiaries’ ability to, among other things: • incur additional debt, guarantee indebtedness, or issue certain preferred equity interests; • pay dividends on or make distributions in respect of, or repurchase or redeem, our capital stock, or make other restricted payments; • prepay, redeem, or repurchase certain debt; • make loans or certain investments; • sell certain assets; • create liens on certain assets; • consolidate, merge, sell, or otherwise dispose of all or substantially all of our assets; • enter into certain transactions with our affiliates; • alter the businesses we conduct; • enter into agreements restricting our subsidiaries’ ability to pay dividends; and • designate our subsidiaries as unrestricted subsidiaries. As a result of these covenants, we will continue to be limited in the manner in which we conduct our business, and we may be unable to engage in favorable business activities or finance future operations or capital needs, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. We have pledged a significant portion of our assets as collateral under our debt agreements. If any of the holders of our indebtedness accelerate the repayment of such indebtedness upon an event of default, there can be no assurance that we will have sufficient assets to repay our indebtedness. A failure to comply with the covenants under our debt agreements or any future indebtedness could result in an event of default, which, if not cured or waived, could have a material adverse effect on our business, financial condition, results of operations, and cash flows. In the

event of any such default, the lenders thereunder: • will not be required to lend any additional amounts to us; • could elect to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be immediately due and payable; or • could require us to apply all of our available cash to repay these borrowings. Such actions by the lenders could cause cross-defaults under our other indebtedness. If we are unable to repay those amounts, our secured lenders could proceed against the collateral granted to them to secure that indebtedness. If any of our outstanding indebtedness were to be accelerated, there can be no assurance that our assets would be sufficient to repay such indebtedness in full. Risks Related to the Ownership of Our Common Stock Our stock price may fluctuate significantly. The market price of our ~~common~~ **Common stock Stock** could vary significantly as a result of a number of factors, some of which are beyond our control. In the event of a drop in the market price of our common stock, you could lose a substantial part or all of your investment in our ~~common~~ **Common stock Stock**. Among others, the following factors could affect our stock price: • our business performance and prospects, including the success of our strategic relationship with State Farm ~~and~~ **our partnership with Google and our ADT Solar rationalization activity and subsequent determination to exit the ADT Solar business**; • sales of our ~~common~~ **Common stock Stock**, or the perception that such sales may occur, by us or by our stockholders, including ~~our controlling stockholder~~ Apollo (which has already and may continue to sell shares in registered offerings pursuant to demand registration requests), State Farm, ~~or~~ **Google, or any of the recipients of our common stock upon our acquisition of ADT Solar**; • quarterly variations in the rates of growth of our operating and financial indicators, such as net income (loss) per share, net income (loss) and total revenue; • any failure to achieve near or long term goals we have publicly disclosed for our operating and financial performance; and • the realization of any risks described under this “ Risk Factors ” section, or other risks that may materialize in the future. The stock markets in general have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our ~~common~~ **Common stock Stock**. Securities class action litigation has often been instituted against companies following periods of volatility in the overall market and in the market price of a company’ s securities. Such litigation, if instituted against us, could result in very substantial costs, divert our management’ s attention and resources, and have a material adverse effect on our business, financial condition, results of operations, and cash flows. ~~We continue to be controlled by~~ Apollo **continues to exert significant influence over us**, and ~~its~~ Apollo’ s interests may conflict with our interests and the interests of other stockholders ~~Apollo has the power to elect a majority of our directors. Therefore, and could negatively impact~~ individuals affiliated with Apollo will have effective control over the outcome of votes on all matters requiring approval by our ~~ability to~~ **ability to** stockholders, including entering ~~enter~~ into significant corporate transactions ~~such~~. **While we are no longer a “ controlled company,” Apollo continues to be able to exert significant influence over us and** as mergers of December 31, 2024 tender offers, and had the right to, among the other sale things, **nominate 50 % of all or our** substantially all of our assets ~~directors pursuant to the Amended and issuance of additional debt or equity~~ **Restated Stockholders Agreement, dated December 14, 2018, (the “ Stockholders Agreement ”) between the Company and Ultimate Parent and the Co- Investors (as defined therein)**. The interests of Apollo and its affiliates, including funds affiliated with Apollo, could conflict with or differ from our interests or the interests of our other stockholders. For example, the concentration of ownership held by funds affiliated with Apollo could **(i) delay, defer, or prevent a change in control of our company or, (ii) impede a merger, takeover, or other business combination which may otherwise be favorable for us or that another stockholder may otherwise view favorably or (iii) cause us to enter into transactions or agreements that are not in the best interests of all stockholders**. Additionally, Apollo and its affiliates are in the business of making investments in companies and may, from time to time, acquire and hold interests in or provide advice to businesses that compete directly or indirectly with us, or are suppliers or customers of ours. Apollo and its affiliates may also pursue acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities may not be available to us. Any such investment may increase the potential for the conflicts of interest discussed in this risk factor. So long as funds affiliated with Apollo continue to directly or indirectly own a significant amount of our equity, even if such amount is less than 50 %, Apollo and its affiliates will continue to be able to substantially influence or effectively control our ability to enter into corporate transactions. In addition, **we are party to the Stockholders Agreement with Ultimate Parent and the Co-Investors. The Stockholders Agreement specifies that we will not take certain significant actions without the prior consent of Ultimate Parent, including, among other things, hiring or terminating any executive officer of our company, designating any new executive officer of our company, entering into certain merger, consolidation or other “ change of control ” transactions or changing the size of our Board of Directors. The Stockholders Agreement also specifies that Ultimate Parent has the right to nominate individuals for election to our Board of Directors and that we are, to the fullest extent permitted by applicable law, required to nominate and recommend that each such individual be elected** as long as Apollo beneficially owns a majority of our common stock, Apollo will control all matters requiring stockholder approval including the election of directors ~~director, and the right to designate a member to each committee of or our Board~~ amendments to any certificate of **Directors** incorporation which would impede the ability to undertake a change in control and otherwise negatively impact our stock price. We are a **Relatedly, our amended and restated Bylaws (the “ Bylaws controlled company ”) provide that Ultimate Parent** within the meaning of the NYSE rules and, as **has** a result **the right, subject** qualify for and intend to continue ~~certain conditions,~~ to rely **have its representatives appointed to serve on committees** exemptions from certain corporate governance requirements. Apollo controls a majority of the voting power of our outstanding voting stock, and as a result, we are a controlled company within the meaning of the NYSE corporate governance standards. Under the NYSE rules, a company of which more than 50 % of the voting power is held by another person or ~~our~~ group of persons acting together is a controlled company and may elect not to comply with certain corporate governance requirements, including the requirements that: • a majority of the Board of Directors consist of independent directors; • the nominating and corporate governance committee be composed entirely of independent directors; and • the compensation committee be composed entirely of independent directors. We use, and intend to continue using, these exemptions as long as we remain a

controlled company. Accordingly, stockholders may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the NYSE. If we fail to establish and achieve the objectives of our ESG sustainability program, or if we fail to report on such ESG sustainability matters, consistent with investor, customer, employee, or other stakeholder expectations, and in compliance with legal and regulatory requirements, we may not be viewed as an attractive investment, service provider, workplace, or business, which could have a negative effect on our Company company. Investors are placing a greater emphasis on non-financial factors, including ESG sustainability matters, when evaluating investment opportunities. We have published an annual In 2022, we released our first publicly available corporate ESG Report which included (the “ ESG Report ”), including a Sustainable Accounting Standards Board (“ SASB ”) Index report, each year since 2022. Additionally, since 2022 we have completed the annual Corporate Questionnaire provided by the Carbon Disclosure Project, a non-profit organization focused on sustainability reporting. In our Impact ESG Report and other disclosures, including in various filings with the SEC, we detail our sustainability progress. ESG Sustainability initiatives and goals may be difficult and expensive to implement and may not be advanced at a sufficient pace. If we are unable to provide sufficient and accurate disclosures about our ESG sustainability practices, or if we fail to establish and achieve the objectives of our ESG sustainability program, which could include targets or commitments, consistent with investor, customer, employee, or other stakeholder expectations, we may not be viewed as an attractive investment, service provider, workplace, or business and we may be exposed to potential liability or litigation, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. In addition, there exists certain negative “ anti-ESG ” sentiment among some individuals and government institutions toward certain sustainability practices and initiatives. Given the dynamic nature of ESG sustainability standards, expectations and regulations, which may change over time, we may from time to time need to update or otherwise revise our current practices, goals and initiatives, including in response to legislative, regulatory, or legal developments. As we continue to establish our ESG sustainability-related initiatives, we could face a negative reaction response or legislation that impedes our activities or reflects poorly upon the Company, any of which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. Our organizational documents may impede or discourage a takeover, which could deprive our investors of the opportunity to receive a premium on their shares. Provisions of our amended and restated certificate of incorporation and (as amended, our “ Certificate of Incorporation ”) and restated bylaws Bylaws may make it more difficult for, or prevent a third-party from, acquiring control of us without the approval of our Board of Directors. These provisions include: • providing that our Board of Directors will be divided into three classes, with each class of directors serving staggered three-year terms; • providing for the removal of directors only for cause and only upon the affirmative vote of the holders of at least 66 2 / 3 % in voting power of all the then-outstanding shares of stock of the Company entitled to vote thereon, voting together as a single class, if less than 50.1 % of our outstanding common Common stock Stock is beneficially owned by funds affiliated with Apollo; • empowering only the Board of Directors to fill any vacancy on our Board of Directors (other than in respect of a director designated by Apollo or other investors in our indirect parent entities), whether such vacancy occurs as a result of an increase in the number of directors or otherwise; • authorizing the issuance of “ blank check ” preferred stock with all terms established by the Board of Directors in its sole discretion without any need for action by stockholders, which could delay or prevent a change in control of the company Company; • prohibiting stockholders from acting by written consent if less than 50.1 % of our outstanding common Common stock Stock is beneficially owned by funds affiliated with Apollo; • to the extent permitted by law, prohibiting stockholders from calling a special meeting of stockholders if less than 50.1 % of our outstanding common Common stock Stock is beneficially owned by funds affiliated with Apollo; and • establishing advance notice requirements for nominations for election to our Board of Directors or for proposing matters that can be acted on by stockholders at stockholder meetings. Additionally, Section 203 of the Delaware General Corporation Law (“ DGCL ”) prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder, unless the business combination is approved in accordance with the statute. An interested stockholder includes a person, individually or together with any other interested stockholder, who within the last three years has owned 15 % or more of our outstanding voting stock, or who is our affiliate or associate and owned 15 % or more of our outstanding voting stock at any time within the three years immediately prior to the date on which it is sought to be determined whether such person is an interested stockholder. Our amended and restated certificate Certificate of incorporation Incorporation includes a provision that, with limited exceptions, restricts us from engaging in any business combination with an interested stockholder for three years following the date that person becomes an interested stockholder. Such restrictions do not apply to any business combination between Apollo or their direct and indirect transferees (as these terms are defined in our the amended and restated certificate Certificate of incorporation Incorporation) and any affiliate thereof, on the one hand, and us, on the other. Our amended and restated certificate Certificate of incorporation Incorporation provides for exclusive forum provisions which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes. Our amended and restated certificate Certificate of incorporation Incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Chancery Court of the State of Delaware shall be, to the fullest extent permitted by law, the sole and exclusive forum for (a) any derivative action or proceeding brought on our behalf; (b) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, or stockholders; (c) any action asserting a claim arising pursuant to any provision of the DGCL or of our amended and restated certificate Certificate of incorporation Incorporation or our or our amended and restated bylaws Bylaws; or (d) any action asserting a claim against us or any of our directors or officers governed by the internal affairs doctrine. In addition, our amended and restated certificate Certificate of incorporation Incorporation also provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. The exclusive forum provision in our amended and restated certificate Certificate of incorporation Incorporation does not apply to suits brought to enforce any duty

or liability created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. To the extent that any such claims may be based upon federal law claims, Section 27 of the Exchange Act creates federal jurisdiction over all suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and, to the fullest extent permitted by law, to have consented to the provisions described in this paragraph. These provisions may limit a stockholders' ability to bring a claim in a judicial forum of their choosing, which may discourage lawsuits against us and our directors, officers, and other employees. Our ~~amended and restated certificate of incorporation~~ **Certificate of Incorporation** ~~Incorporation~~ **contains a provision renouncing our interest and expectancy in certain corporate opportunities** ~~-, which could have a material adverse effect if attractive corporate opportunities are allocated by Apollo to itself or its portfolio companies, Funds funds, or other affiliates instead of to us. Under the Stockholders Agreement, funds~~ **affiliated with or managed by Apollo and certain other investors in our indirect parent entities ("Co-Investors") received certain rights, including the right to designate one person to serve as a director (such director, the "Co-Investor Designee") as long as such Co-Investor's ownership exceeds a specified threshold. As of the date of this Annual Report, one Co-Investor has the right to designate a Co-Investor Designee. Under our Stockholders Agreement with Prime Security Services TopCo Parent L. P., dated January 23, 2018, as amended, Ultimate Parent has the right, but not the obligation, to nominate the Co-Investor Designee to serve as a member of our Board of Directors. Ultimate Parent's right to nominate the Co-Investor Designee is in addition to Ultimate Parent's right to nominate a specified percentage of the directors to serve on our Board of Directors (the "Apollo Designees") based on the percentage of our outstanding common Common stock Stock** ~~beneficially owned by Apollo. Under our amended and restated certificate Certificate of incorporation Incorporation~~ **, none of Apollo, the one Co-Investor that maintains a right to appoint a director, or nor** ~~any of its their respective portfolio companies, funds, or other affiliates, or any of their its officers, directors, agents, stockholders, members, or partners have any duty to refrain from engaging, directly or indirectly, in the same business activities, similar business activities, or lines of business in which we operate. In addition, our amended and restated certificate Certificate of incorporation Incorporation~~ **provides that, to the fullest extent permitted by law, no officer or director of ours who is also an officer, director, employee, managing director, or other affiliate of Apollo or the Co-Investor will be liable to us or our stockholders for breach of any fiduciary duty by reason of the fact that any such individual directs a corporate opportunity to Apollo or the Co-Investor, as applicable, instead of us, or does not communicate information regarding a corporate opportunity to us that the officer, director, employee, managing director, or other affiliate has directed to Apollo or the Co-Investor, as applicable. As of the date of this Annual Report, this provision of our amended and restated certificate Certificate of incorporation Incorporation** ~~relates only to the Apollo Designees and the Co-Investor Designee. There are currently twelve fifteen~~ **directors of our Company, six of whom are Apollo Designees and one of whom is a Co-Investor Designee. These potential conflicts of interest could have a material adverse effect on our business, financial condition, results of operations, cash flows, or prospects if attractive corporate opportunities are allocated by Apollo or the Co-Investor to itself or their its respective portfolio companies, funds, or other affiliates instead of to us. We may issue preferred securities, the terms of which could adversely affect the voting power or value of our common Common stock Stock. Our amended and restated certificate Certificate of incorporation Incorporation** ~~authorizes us to issue, without the approval of our stockholders, one or more classes or series of preferred securities having such powers; designations; preferences; limitations; and relative, participating, optional, or other rights, including preferences over our common Common stock Stock with respect to dividends and other distributions, as our Board of Directors may determine. The terms of one or more classes or series of preferred securities could adversely impact affect the voting power or value of our common Common stock Stock. For example, we might grant holders of preferred securities the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we might assign to holders of preferred securities could affect the residual value of the our common Common stock Stock. We cannot guarantee that our share repurchase program will be fully consummated or that it will enhance long-term shareholder value. Share repurchases and dividend payments, including recent changes in the amount of our dividend, could also increase the volatility of the trading price of our stock and will diminish our cash reserves. Our On February 20, 2025, our~~ **Board of Directors has authorized a share repurchase plan (the "2025 Share Repurchase Plan"), pursuant to which the Company is authorized to repurchase, through late January April 30, 2025-2026, up to a maximum aggregate amount of \$ 350-500 million of shares of the Company's common Common stock Stock. We cannot guarantee that the 2025 Share Repurchase plan Plan will be fully consummated. The 2025 Share Repurchase Plan allows the Company to purchase shares of its Common Stock from time to time in one or more open market or privately negotiated transactions, including pursuant to Rule 10b5-1 or Rule 10b-18 of the Exchange Act or pursuant to one or more accelerated share repurchase agreements, subject to certain requirements and other factors. The Company is not obligated to repurchase any of its shares of common stock, and the timing and amount of any repurchases will depend on legal requirements, market conditions, stock price, the availability of the certain safe harbor harbors provided by Rule 10b-18 under the Exchange Act, alternative uses of capital, and other factors. Further, our share repurchases could affect our share trading prices, increase their volatility, reduce our cash reserves and may be suspended or terminated at any time, which may result in a decrease in the trading price of our stock.**