

Risk Factors Comparison 2025-02-21 to 2024-02-15 Form: 10-K

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The following is a summary of the principal risks described below in “Item 1A. Risk Factors” in this Annual Report on Form 10-K. We believe that the risks described in the “Risk Factors” section are material to investors, but other factors not presently known to us or that we currently believe are immaterial may also adversely affect us. The following summary should not be considered an exhaustive summary of the material risks facing us, and it should be read in conjunction with the “Risk Factors” section and the other information contained in this Annual Report on Form 10-K.

- If we fail to maintain and grow our client base and spend through our platform **and related offerings**, our revenue and business may be negatively impacted.
- The loss of advertising agencies, **advertisers or holding companies** as clients could significantly harm our business, financial condition and results of operations.
- ~~If we fail to innovate or make the right investment decisions in our offerings and platform, we may fail to attract and retain advertisers and advertising agencies and our revenue and results of operations may decline.~~
- The market for programmatic buying for advertising campaigns is relatively new and evolving. If this market develops slower or differently than we expect, our business, growth prospects and financial condition could be adversely affected.
- ~~The market in which we participate is intensely competitive, and we may not be able to compete successfully with our current or future competitors.~~
- Any decrease in the use of the advertising channels that we are primarily dependent upon, failure to expand the use of emerging channels, or unexpected shift in use among the channels in which we operate, could harm our growth prospects, **financial condition and results of operations.**
- **Macroeconomic conditions beyond our control could harm the overall demand for advertising and the economic health of advertisers, which could adversely affect our business.**
- financial condition and results of operations.
- If our access to quality advertising inventory is diminished or fails to expand, our revenue could decline and our growth could be impeded.
- **The market in which we participate is intensely competitive, and we may not be able to compete successfully with our** ~~Current current~~ or future **competitors** global market uncertainties or downturns and associated macroeconomic conditions beyond our control could harm the overall demand for advertising and the economic health of advertisers, which could adversely affect our business, financial condition and results of operations.
- **If we fail to innovate** Seasonal fluctuations in advertising activity could have a negative impact on our ~~revenue, cash flow and results of operations.~~ **or make the right investment decisions in** revenue, cash flow and results of operations.
- We allow our clients to utilize application programming interfaces (“APIs”) with our platform and related offerings, which could result in outages **we may fail to attract and retain advertisers and advertising agencies and** ~~or our revenue~~ security breaches and negatively impact our business, financial condition and results of operations.
- We may **decline** experience outages, disruptions and malfunctions on our platform and related offerings if we fail to maintain adequate security and supporting infrastructure and processes, which may harm our reputation and negatively impact our business, financial condition and results of operations.
- Operational performance and internal control issues may adversely affect our business, financial condition and results of operations and subject us to liability.
- If unauthorized access is obtained to user, client or inventory and third-party provider data, or our platform or related offerings are compromised, our services may be disrupted or perceived as insecure, and as a result, we may lose existing clients or fail to attract new clients, and we may incur significant reputational harm and legal and financial liabilities.
- Privacy and data protection laws to which we and our clients, inventory partners, and third-party data providers are subject may cause us to incur additional or unexpected costs, subject us to investigations or enforcement actions for alleged compliance failures, result in less demand for our **offerings** ~~products and services~~, or cause us to change our platform, related offerings or business model, which may have a material adverse effect on our business.
- **Third parties control our access to unique identifiers, and if the use of “third-party cookies” or other technology to uniquely identify devices or users is rejected by Internet users, restricted or otherwise subject to unfavorable regulation, blocked or limited by preference signals, technical changes on end users’ devices and web browsers, or our clients’ ability to use data, including on our platform or related offerings is otherwise restricted, our performance may decline, and we may lose advertisers and revenue.**
- **We may experience fluctuations in our results of operations, which could make our future results of operations difficult to predict or cause our results of operations to fall below analysts’ and investors’ expectations.**
- **Operational performance and internal control issues may adversely affect our business, financial condition and results of operations and subject us to liability.**
- **We may experience outages, disruptions and malfunctions on our platform and related offerings if we fail to maintain adequate security and supporting infrastructure and processes, which may harm our reputation and negatively impact our business, financial condition and results of operations.**
- Advertising technology industry self-regulation may lead to investigation by government or self-regulatory bodies, government or private litigation, and operational costs or harm to reputation or brand.
- **Our future** ~~Third parties control our access~~ **success depends** to unique identifiers, and if the use of “third-party cookies” or other technology to uniquely identify devices or users is rejected by Internet users, restricted or otherwise subject to unfavorable regulation, blocked or limited by preference signals, technical changes on **the continuing efforts of** end users’ devices and web browsers, or **our** ~~our~~ **key employees, including Jeff T. Green,** and our clients’ ability to **attract** use data, **hire** including on our platform or related offerings is otherwise restricted, **retain** our performance may decline, and we may lose advertisers and revenue **motivate highly skilled employees in the future.**
- Our failure to meet standards and provide services that our advertisers and inventory suppliers trust, could harm our brand and reputation and those of our partners and negatively impact our business, financial condition and results of operations.
- **Seasonal fluctuations in advertising activity could** ~~The effects of health epidemics, such as the ongoing global COVID-19 pandemic, have a negative~~ **had, and could in the future have, an adverse impact on our business** **revenue,** financial condition **cash flow** and results of

operations. • We often have long sales cycles, which can result in significant time between initial contact with a prospect and execution of a client agreement, making it difficult to project when, if at all, we will obtain new clients and when we will generate revenue from those clients. • We are subject to payment- related risks that may adversely affect our business, working capital, financial condition and results of operations, including from advertising agencies that do not pay us until they receive payment from their advertisers and from clients that dispute or do not pay their invoices. • **The effects of health epidemics have had, and could in the future have, an adverse impact on our business, financial condition and results of operations.** • The market price of our Class A common stock may be volatile or may decline regardless of our operating performance, and you may not be able to resell your shares at or above your purchase price. • Substantial future sales of shares of our common stock could cause the market price of our Class A common stock to decline. • Insiders have substantial control over our company, including as a result of the dual class structure of our common stock, which could limit your ability to influence the outcome of key decisions, including a change of control. This section contains forward- looking statements. You should refer to the explanation of the qualifications and limitations on forward- looking statements described above. PART I Item 1. Business Overview

The Trade Desk, Inc. (the “ Company, ” “ we, ” “ our, ” or “ The Trade Desk ”) offers a self- service, cloud- based ad- buying platform that empowers our clients to plan, manage, optimize and measure more expressive data- driven digital advertising campaigns. Our platform allows clients to execute integrated campaigns across ad formats and channels, including ~~video (which includes~~ connected television (“ CTV ”)) **and other video**, display, audio, **and native, on a multitude of devices, such as televisions, streaming devices, mobile devices, computers and** digital- out- of- home, ~~native and social, on a multitude of devices, such as computers, mobile devices, televisions and streaming~~ devices. Our platform’ s integrations with major inventory, publisher and data partners provide ad buyers reach and decisioning capabilities, and our enterprise application programming interfaces (“ APIs ”) enable our clients to customize and expand platform functionality. Our clients are advertising agencies, advertisers and other service providers for agencies or advertisers, with whom we enter into ongoing master services agreements (“ MSAs ”). We generate revenue by charging our clients a platform fee **generally** based on a percentage of ~~a our~~ **client clients’** total **platform** spend **and on advertising**. We also generate revenue from providing ~~data and other~~ value- added services and ~~platform features~~ **data to support their advertising campaigns**. The Trade Desk **was originally incorporated in 2009 and** is a ~~Delaware~~ **Nevada** corporation. ~~We are established in 2009 and~~ headquartered in Ventura, California. Our Industry

We believe that several trends in the advertising industry, happening in parallel, will result in programmatic advertising — the buying and selling of advertising inventory using algorithmic software that automates the process — being the predominant means by which companies reach consumers online and through connected devices. Some of the key industry trends are: Media is Increasingly Digital. Media is increasingly digital as a result of advances in technology and changes in consumer behavior. This shift has enabled unprecedented options for advertisers to target and measure their advertising campaigns across nearly every media channel and connected device. The digital advertising market is a significant and growing part of the total advertising market. As media becomes increasingly digital, decisions based on consumer and behavioral data are more prevalent. Fragmentation of Audience. As digital media grows, audience fragmentation is accelerating. A growing “ long tail ” of mobile applications, social media platforms, streaming services and websites presents a challenge for advertisers trying to reach a large audience. Additionally, the number of devices used by individual consumers has increased. Both of these fragmentation trends are opportunities for technology companies that can consolidate and simplify media buying options for advertisers and agencies. Emergence of CTV. We are witnessing a generational shift from linear television to CTV as Internet and television programming converge. New technologies, ~~including 5G internet,~~ support seamless delivery of streaming video content, accelerating consumers’ demand to watch what they want, when they want and where they want. We believe that this increased demand for CTV will bring about new opportunities for content owners and advertisers to connect with consumers, including through ad- supported subscription models, and will further drive the shift towards data- driven advertising. Increased Use of Data and Measurement. Advances in software and hardware, and the ubiquitous use of the Internet, have enabled the generation of user data at an unprecedented scale. Data vendors and other organizations are able to collect this user data across a wide range of Internet properties and connected devices, aggregate it and combine it with other data sources. This data is pseudonymized and made available within seconds based on specific parameters and attributes. Advertisers can integrate this targeting data with their own data or an agency’ s proprietary data relating to client attributes, the advertisers’ own store locations and other related characteristics. Through the use of these types of data sources, together with measurement features, including real- time feedback on consumer reactions to the ads, programmatic advertising increases the value of impressions for advertisers and inventory owners, and viewers receive more relevant ads. At the same time, new laws, enforcement of existing laws, and self- regulatory rules regarding the collection, use, and disclosure of personal information continue to impact these practices. Automation of Ad Buying. The growing complexity of digital advertising and the laws and rules that govern it have increased the need for automation. Technology that enables fast, accurate and cost- effective decision making through the application of computer algorithms that use extensive data sets has become critical for the success of digital advertising campaigns. Using programmatic inventory buying tools, advertisers are able to automate their campaigns, providing them with better price discovery on an impression- by- impression basis. As a result, advertisers are able to bid on and purchase the advertising inventory they value the most, pay less for advertising inventory they do not value as much and abstain from buying advertising inventory that does not fit their campaign parameters. Digital Advertising Ecosystem The digital advertising ecosystem is divided into buyers, sellers and marketplaces, which can be further segmented on the basis of whether participants provide services or technology. We believe that participants on the buy side or sell side should be advocates for their buyers or sellers, while those in the marketplace business should act as a referee or have market- driven incentives to protect or enhance the integrity of the marketplace. What We Do We empower ad buyers by providing a self - service cloud- based ad- buying platform that enables them to plan, manage, optimize and measure data - driven digital advertising campaigns. Our platform allows clients to execute integrated campaigns across various advertising channels and formats, including **CTV and other** video

(which includes CTV), display, audio **and native**, **on a multitude of devices, including televisions, streaming devices, mobile devices, computers and** digital- out- of- home, ~~native and social, on a multitude of devices, including computers, mobile devices, televisions and streaming devices.~~ • We Are Focused on the Buy Side. We focus on buyers since they control the advertising budgets. The supply of digital advertising inventory exceeds demand, and accordingly, we believe it is a buyer's market. We also believe that by aligning our core offerings with buyers, we are able to avoid conflicts of interest that exist when serving both the buy side and sell side. **We provide and are developing additional offerings and features that work with publishers and supply- side partners to help ensure access to quality advertising inventory and to enable improved evaluation of such inventory and better decisioning capabilities for buyers of advertising.** This focus allows us to build trust with clients, many of whom leverage their proprietary data on our platform. That trust and ability to use their own data on our platform, without worrying about it being used by other participants, enables our clients and their advertisers to achieve better results. This trust provides us with the benefit of long- term and stable relationships with our clients. • We Are an Enabler, Not a Disruptor. Through our platform and related offerings, we enable advertisers, agencies and other service providers that participate in the digital advertising ecosystem. Advertisers are able to use our platform directly or through their agencies of choice. • We Are Data Driven. Our platform was founded on the principle that data- driven decisions will be the future of advertising. We built a data- management platform first, before building our ad- buying technology. While data from third- party data providers improves campaign performance, our clients' success often relies largely on our ability to ingest proprietary data directly from advertisers and agencies to enable intelligent decisioning that optimizes advertising campaigns. Given our independent buy- side focused approach and our strict protocols governing the ingestion of client first- party data into our data management platform, our clients trust us with their most granular and expressive data. Our technology platform enables effective use of such data, allowing our clients to run precisely targeted advertising campaigns that help maximize their return on advertising investments. Additionally, we are able to better optimize campaigns by using the data streams that we capture across different devices, so that data from one channel can be used to inform another (subject to appropriate consumer choices). The breadth of data that we make available on our data marketplace from numerous data sources across channels gives our clients a holistic view of their target audiences, enabling more effective targeting across different channels. **Finally, the depth of data we make available, such as various types of retail data, including in- store purchase data, gives our clients the ability to engage in more precise attribution and closed- loop measurement.** • We Do Not Arbitrage Advertising Inventory. To further align our interests with those of our clients, we do not buy advertising inventory in order to resell it to our clients for a profit. Instead, we provide our clients with a platform that allows them to manage their omnichannel advertising campaigns, on a self- service basis with robust reporting. With our platform, our clients control their campaign spend and can access and choose from many inventory sources. • We Have Ongoing Relationships with Clients. We derive substantially all of our revenue from ongoing MSAs with our clients, rather than episodic insertion orders. We believe this approach strengthens our relationships with our clients and helps us grow their use of our platform over the long term, providing us with a highly scalable business model. • We Are a Clear Box, Not a Black Box. Our platform is transparent and shows our clients their **costs of spend on advertising inventory**, **value- added services** and data ~~our~~; **the platform fee**; and detailed performance metrics on their advertising campaigns. Our clients directly access and execute campaigns on our platform and control all facets of inventory purchasing decisions. Clients also receive detailed, real- time reporting on all their advertising campaigns. By providing transparent information on our platform, we enable our clients to continually compare results and target their budgets toward the most effective advertising inventory, data providers and channels. • We Are an Open Platform. Clients can customize and build their own features on top of our platform. For example, clients may use our APIs to design their own user interface, bulk manage advertising campaigns and link other systems, including ad servers or reporting tools. By using our APIs or by working with our engineering team, clients can invest their own resources to build their own proprietary tools for reporting, campaign strategy, custom algorithms, proprietary data use or other use cases. Our open platform approach enables our advertising agency and service provider clients to provide differentiated offerings to their clients, which we believe leads to long- term relationships and increased use of our platform. Our Platform At the core of our platform is our bid- factor- based architecture that allows users to define desirable factors and the value associated with those factors. Based on these factors, our platform can compute the value of impressions in real time and bid only for optimal impressions. Because of the granularity of the bid factors, users of our platform can rapidly create billions of different bid permutations with only a few clicks. This expressiveness enables better targeting, pricing and campaign results. Our platform is powerful and user friendly: • Easy to Use, Open and Customizable. Our platform includes easy- to- use tools and interfaces that help our users focus on managing the key elements of their campaigns. Our platform also enables clients to integrate custom features and interfaces for their own use through our APIs. • Expressiveness. Our platform allows clients to easily define and manage advertising campaigns with multiple targeting parameters that could result in quadrillions of permutations, which we refer to as expressiveness. We believe that expressiveness provides clients with the ability to target audiences with an extremely high level of precision and thus obtain higher returns on their advertising spend. • Integrated, Omnichannel and Cross Device. Our platform provides integrated access to a wide range of omnichannel inventory and data sources, as well as third- party services such as ad servers, ad- verification services and survey vendors. Our platform's integration of these sources and services enables our clients to deploy their budgets through a wide variety of channels, ~~media screens~~ **device types** and formats, targeted in their desired manner, all through a single platform. Some of the key features of our platform are: • Auto Optimization. We provide auto- optimization features that allow buyers to automate their campaigns and support them with computer- generated modeling and decision making. In addition, by giving clients full reporting, budgeting and bidding transparency, clients can take control of targeting variables when desired, and apply algorithmic automation when appropriate. • Advanced Reporting and Analytics Tools. We provide a comprehensive view of consumers' interactions with the ads purchased through our platform with robust reporting of performance insights across multiple variables, such as audience characteristics, ad format, site category, website, device, creative type and geography.

Better reporting results in better learning, enabling better campaign optimization and outcomes. • Data Management and Measurement Tools. Our platform enables clients to optimize campaigns with numerous highly relevant data sets, including from an extensive selection of third- party vendors, in a seamless and easy manner. We also empower our clients with an extensive set of measurement capabilities, both through a number of proprietary benchmarking tools and indices, and through integrations with a broad selection of third- party measurement partners. • Artificial Intelligence. Koa, our predictive algorithmic ~~tools-~~ **tool**, utilizes artificial intelligence to process complex data sets and make recommendations for campaign optimizations. These recommendations help platform users make data- driven decisions without sacrificing control or transparency and empower users to choose which optimizations make the most sense for their campaigns. Koa’ s artificial intelligence capabilities are used across various aspects of the platform, including predictive clearing, ad impression relevance scoring, measurement and forecasting, budget optimization and key performance indicator scoring. • Informed Media Planning. Our platform enables clients to use audience insights and strategic goals to help optimize campaign planning, with the ability to generate, analyze and launch data- driven, programmatic media plans. Our tools analyze the actions of existing core audiences with the data we see across the open Internet to deliver fully transparent, performance- focused and ready- to- activate campaigns. • Private Marketplace Support. For clients who wish to transact directly with individual publishers, we offer a comprehensive user interface for discovering and transacting via a wide variety of private contracts. Additionally, we offer a solution for advertisers to access publisher inventory via a direct tag in a publisher’ s ad server where there is no other programmatic access to such publisher’ s inventory. Our platform enables advertisers and agencies to: • purchase digital media programmatically on various media exchanges and sell- side platforms, **as well as directly from publishers**; • acquire and use third- party data to optimize and measure digital advertising campaigns; • integrate and deploy their proprietary first- party data within our platform to optimize campaign efficacy; • monitor and manage ongoing digital advertising campaigns on a real- time basis; • link digital campaigns to offline sales results or other business objectives; • access other services such as our data management platform and publisher management platform marketplace; and • use our user interface and APIs to customize and expand platform functionality. Our Technology The core elements of our technology are: • Scalable Architecture. Our platform infrastructure is hosted in data centers around the world. Our core bidding architecture is easily adaptable to a variety of inventory formats, allowing our platform to communicate with many different inventory sources. • Predictive Models. We use campaign data captured by our platform to build predictive models around user characteristics, such as demographic, purchase intent or interest data. Data from our platform is continually fed back into these models, which enables them to improve over time as the use of our platform increases. • Performance Optimization. During campaign execution, our optimization engine continually scores a variety of attributes of each impression, such as website, industry vertical or geography, for their likelihood to achieve campaign performance goals. Our bidding engine then shifts bids and budgets in real time to deliver optimal performance. Additionally, our platform enables clients to set multiple, simultaneous optimization goals for their advertising. • Real- time Analytics. Our platform continuously collects data regarding inventory availability. Real- time campaign delivery and spend totals are used to manage campaign budgets and goal caps, as well as campaign reporting. This data is fed back into our optimization engine to improve campaign performance and into machine- learning models for user demographic predictive modeling. Our Growth Strategy The key elements of our long- term growth strategy include: • Increase Our Share of Existing Clients’ Digital Advertising Spend. Many advertisers are moving a greater percentage of their advertising budgets to programmatic channels. We believe that this shift will provide us with the opportunity to capture a larger share of the overall advertising spend by our existing clients. Additionally, we plan to promote additional services, data, and incentive plans to our clients, helping us grow our business. • Grow Our Client Base. We have extensive relationships with many advertising agencies, **advertisers** and other service providers, and we believe that, given the decentralized nature of the advertising industry, we have the opportunity to expand our relationships ~~within these agencies and with new additional agencies, advertisers and service providers existing~~ **clients**. We expect to continue making investments to grow our sales and client service team to support this strategy. • Expand Our Omnichannel Capabilities. We believe offering clients capabilities across all media channels and devices enables advertisers to manage highly effective omnichannel campaigns, where data from each channel can inform decisions in other channels. We believe these capabilities will continue to further strengthen our relationships with our clients. We intend to continue investing in innovation across all channels, including the integration of new inventory sources within CTV, ~~and~~ other video, **display**, audio **and**, ~~mobile, social, native and digital out- of- home~~. • Extend Our Reach in CTV. Television is the largest category of advertising spend, and we believe that the future of television is CTV, the streaming of media and video on demand through subscription and ad- supported streaming services. We plan to continue investing significant resources in technology, sales and support staff related to our CTV growth initiatives. • **Ensure Access to Quality Inventory. Our continued success depends on our ability to secure increasing amounts of attractive, high- quality inventory on reasonable terms for our clients. As part of such efforts, we have developed and plan to** ~~Continue continue to enhance~~ **OpenPath Innovate in Technology. Data our offering intended to give clients access to quality inventory through a simplified, direct connection to publishers,** ~~and Measurement we may develop additional features or offerings to help our clients evaluate the quality and cost of inventory~~. ~~We~~ **Because the amount, quality and cost of inventory available to us can change at any time, we** intend to continue ~~innovating making investments to maintain and grow~~ improving the technology underlying our platform **available inventory** and ~~enhancing ensure~~ its **quality** features and functionalities. We view data and measurement as key competitive advantages and we will continue to invest resources in growing our data and measurement offerings. • Further Enhance Identity Solutions, Including Unified ID 2. 0. We continue to develop and enhance Unified ID 2. 0, ~~an a new open- source identity framework that~~, which is currently in use with approved partners. ~~Unified ID 2. 0 aims to preserve the value of relevant advertising on the open internet without reliance upon third- party cookies, while giving consumers transparency and control over their data. Unified ID 2. 0 operates by transforming email addresses or phone numbers into an advertising identifier (a “ UID2 ”) that is designed to not directly identify the individual. Subject to appropriate~~

guardrails, participants in Unified ID 2.0 can then use this UID2 in connection with our platform and other services, including ad buying and reporting. We have worked to cultivate industry-wide support and collaboration for the Unified ID 2.0 approach, and we intend to continue these efforts. EUID, a European-focused version of Unified ID 2.0, was released in a limited beta in 2023.

• Continue to ensure access to quality inventory. Innovate in technology, including through OpenPath Data and Measurement. Our success depends on innovating and improving the technology underlying our platform and enhancing its features and functionalities, including the development of new or improved value-added services to secure increasing amounts of attractive, high-quality inventory on reasonable terms for our clients. As part of such efforts, we have developed OpenPath, our offering intended to give clients access to quality inventory through a simplified, direct connection to publishers. Because the inclusion amount, quality and cost of inventory available to us can change at any time, **we view data and measurement as key competitive advantages, and we will continue to invest resources in growing and enhancing our available inventory data and measurement offerings.**

• Expand Our International Presence. Many of our clients serve advertisers on a global basis, and we intend to expand our presence outside of the United States **to serve the needs of those advertisers in additional geographies. As we expand relationships with our existing clients, we are investing in select regions in Europe and Asia. In particular, we believe that the United Kingdom (“U. S. K.”) to serve the needs of those advertisers in additional geographies. As we expand relationships with our existing clients, we are investing in select regions in Europe and Asia. In particular, we believe that the United Kingdom, Germany, France, China, Japan, India and Australia may represent substantial growth opportunities, and we are investing in developing our business in those and other markets.** Our clients consist of purchasers of programmatic advertising inventory, value-added services and data. **Our As of December 31, 2023, we had over 1,100 clients, consisting primarily of advertising agencies, advertisers or groups within advertising agencies that have independent relationships with us, manage budgets independently of one another, are based in different jurisdictions and are served by unique Trade Desk teams. Many of these advertising agencies are owned by holding companies, where decision making is decentralized such that purchasing decisions are made, and relationships with advertisers are located, at the agency, local branch or division level. Our client count includes only those parties that have signed MSAs with us and have spent more than \$20,000 on our platform. Our clients typically enter into MSAs with us that give users constant access to our platform. The Our MSAs, some of which may include joint business plans and other incentive programs, do not contain any material commitments on behalf of clients to use our platform to purchase ad inventory, value-added services or data or other features. Generally, these MSAs have one-year terms that renew automatically for additional one-year periods, unless earlier terminated, and are terminable at any time upon 60 days’ notice by either party. Our clients are loyal, as reflected by our client retention rate of over 95% in each of the last ten-eleven years. In addition, our clients typically grow their use of our platform and related offerings over time. If all of our individual client contractual relationships were aggregated at the holding company level, one holding company, Publicis Groupe, would have represented more than 10% of our gross billings in 2024 and 2023 and 2022. We generally do not have contractual relationships with holding companies; rather, in most cases we enter into separate contracts and billing relationships with various of their individual agencies and account for those agencies as separate clients.**

Our Advertising Inventory and Data Suppliers We believe that we are an important business partner for suppliers of programmatic advertising inventory and data as we represent one of the largest sources of buy-side demand within the digital advertising industry. We obtain digital advertising inventory from over **140-220** directly integrated ad exchanges, publishers and supply-side platforms, providing us with access to a breadth of programmatic advertising inventory across **computers, televisions, streaming devices, mobile devices, computers and CTV-digital-out-of-home devices.** We believe that our data marketplace represents an important distribution channel for third-party data vendors. As of December 31, **2023-2024**, we have integrated our platform with more than **250-350** third-party data vendors whose products are available for purchase through our platform. Sales and Marketing Given our self-service business model, we focus on supporting, advising and training our clients to use our platform independently as soon as they are ready to transact. Once a new client has access to our platform, they work closely with our client service teams, which onboard the new client and provide continuous support throughout the early campaigns. Typically, once a client has gained some initial experience, it will move to a fully self-service model and request support as needed. To help train our clients, suppliers and other digital media participants, we have created an e-learning program called The Trade Desk Edge Academy. We believe that this initiative is an important component in our strategy of enabling rapid onboarding to our platform. Our marketing efforts are focused on increasing awareness for our brand, executing thought-leadership initiatives, supporting our sales team and generating new leads. We seek to accomplish these objectives by presenting at industry conferences, hosting client conferences, publishing white papers and research, engaging in public relations activities, expanding our social media presence and launching advertising campaigns. Technology and Development Rapid innovation is a core driver of our business success and our corporate culture. We prioritize and align our product roadmap with our clients’ needs, and we aim to refresh our platform weekly. Our development teams are intentionally lean and nimble in nature, providing for transparency and accountability. We expect technology and development expense to increase as we continue to invest in the development of our platform and related offerings to support additional **platform features and functions functionality**, increase the number of advertising **inventory** and data **inventory** suppliers and support anticipated increases in volume of advertising **spending—spend** by our clients on our platform. We also intend to invest in technology to further automate our business processes. Seasonality In the advertising industry, companies commonly experience seasonal fluctuations in revenue. For example, many advertisers allocate the largest portion of their budgets to the fourth quarter of the calendar year in order to coincide with increased holiday purchasing. Historically, the fourth quarter of the year reflects our highest level of advertising activity and the first quarter reflects the lowest level of such activity. We expect our revenue to continue to fluctuate based on seasonal factors that affect the advertising industry as a whole. Our Competition Our industry is highly competitive and fragmented. We compete with other demand-side platform providers, some of which are smaller,

privately held companies and others are divisions of large, well- established companies such as Google and ~~Adobe~~ **Amazon**. We believe that we compete primarily based on the performance, capabilities and transparency of our platform as well as our focus on the buy side. We believe we are differentiated from our competitors in the following areas: • we are an independent technology company focused on serving advertising agencies, **advertisers** and others on the buy side of our industry; • our client relationships are based on MSAs as opposed to campaign- specific insertion orders; • our platform provides comprehensive access to a wide range of inventory types and third- party data vendors; • our platform allows clients to build proprietary advantages by integrating custom features and interfaces for their own use through our APIs; and • our technology provides highly expressive targeting. In addition, we believe new entrants would find it difficult to gain direct access to inventory providers, given their limited scale and the costs that additional integrations impose on inventory providers.

Human Capital We believe our values of vision, agility, grit, openness, generosity and being full hearted are an important component of our success. Behind all our innovations are the talented people around the world who bring them to life. To continue to produce such innovations, we believe it is crucial that we continue to attract and retain top talent. We strive to make The Trade Desk a diverse and inclusive workplace, where our people feel they belong, with opportunities for our employees to grow and develop their careers, supported by strong compensation, benefits and health and wellness programs, and by programs that build connections between our employees and their communities. To ensure we live our values and our culture stays unique and strong, our board of directors and executive team has put significant focus on our human capital resources. As of December 31, ~~2023~~ **2024**, we had 3, ~~115~~ **522** full- time employees in ~~19~~ **20** countries. Regionally, North America, Asia Pacific (“ APAC ”) and Europe, Middle East and Africa (“ EMEA ”) make up approximately 64 %, 17 % and 19 % of our workforce, respectively.

Diversity and Inclusion We are committed to fostering a culture of inclusion and belonging in which all employees are empowered to bring their whole, authentic selves to work every day. At The Trade Desk, we believe in the people who work for us, and we prioritize diversity and inclusion as part of our investment in our people. Our goal is to create a culture where we value, respect and provide fair treatment and opportunities for all employees. Team members are encouraged to come to their managers with questions, feedback or concerns, and we conduct various internal surveys that gauge employee sentiment in areas like career development, culture, manager performance and inclusivity. Our leaders review the survey feedback, **if applicable, and other concerns raised by team members** and work with their teams to take action ~~based on survey results~~. We demonstrate this commitment through a strategy of education, celebration, donations to the community, diversification of our talent and the creation of forums for internal dialogue and listening. As of December 31, ~~2023~~ **2024**, our global leadership team is ~~64~~ **68** % male and ~~36~~ **32** % female.

Talent Development Despite our rapid growth, we still cherish our roots as a startup and our company culture of ownership. We empower employees to develop their skills and abilities by acting on great ideas regardless of their role or function, which translates into personal investment in building our organization. We work to provide an environment where talented individuals and teams can thrive in fulfilling careers. To set our global team up for success, we define key competencies for roles that are aligned with our values and extend to all levels of leadership regardless of experience and role. We encourage everyone to create individual development plans leveraging competency frameworks tied into their chosen career path, outlining a specific plan and actions to increase proficiency or learn new skills. We seek to provide a wide range of learning and development opportunities in both individual and group settings with formal, social and experiential learning.

Compensation and Benefits We provide compensation and benefits programs to help meet the needs of our employees and reward their efforts and contributions. We seek fairness in total compensation with reference to external comparisons, internal comparisons and the relationship between management and non- management compensation. In addition to salaries, we provide competitive compensation programs commensurate with our peers and industry. Such compensation and benefit programs may include bonuses, equity awards, 401 (k) plans, healthcare and insurance benefits, health savings and flexible spending accounts, paid time off, family leave, family care resources, employee assistance programs and tuition assistance, among many others. Such programs and our overall compensation packages seek to facilitate retention of key personnel.

Health, Safety and Wellness The success of our business is fundamentally connected to the well being of our people. Accordingly, we are committed to the health, safety and wellness of our employees. We provide our employees and their families with access to a variety of innovative, flexible and convenient health and wellness programs. ~~We utilize~~ **In response to the COVID-19 pandemic, we implemented significant changes, such as implementing** a hybrid work model that includes both in- person work and working from home, which we determined ~~were~~ **was** in the best interests of our employees, ~~as well as the communities in which we operate, and which comply with applicable government regulations~~. We continue to evolve our programs to meet our employees’ health and wellness needs.

Development of International Markets We have been increasing our focus on markets outside the **United States** ~~U.S.~~ to serve the global needs of our clients. We believe that the global opportunity for programmatic advertising is significant and will continue to expand as publishers and advertisers outside the **United States** ~~U.S.~~ seek to adopt the benefits that programmatic advertising provides. To capitalize on this opportunity, we intend to continue investing in our presence internationally. Our growth and the success of our initiatives in newer markets will depend on the continued adoption of our platform by our existing clients, as well as new clients, in these markets. Information about our geographic gross billings is set forth in Note 12 — Segment and Geographic Information of “ Item 8. Financial Statements and Supplementary Data ” in this Annual Report on Form 10- K.

Intellectual Property The protection of our technology and intellectual property is an important component of our success. We rely on intellectual property laws, including trade secret, copyright, patent and trademark laws in the **United States** ~~U.S.~~ and abroad, and use contracts, confidentiality procedures, non- disclosure agreements, employee disclosure and invention assignment agreements and other contractual rights to protect our intellectual property. We have a small number of patents; however, historically, we have not patented our proprietary technology in order to keep our technology architecture, trade secrets and engineering roadmap private. Our patent applications may not result in the issuance of any patents, and our issued patents may not actually provide adequate defensive protection or competitive advantages to us.

Collection and Use of Data; Privacy and Data Protection Legislation and Regulation To power our platform,

we and our clients currently use pseudonymous data about Internet and mobile app users to manage and execute digital advertising campaigns in a variety of ways, including delivering advertisements to end users based on information such as their geographic locations, the type of device they are using, their interests as inferred from their web browsing or app usage activity or their relationships with our clients. Such data is passed to us from third parties, including original equipment manufacturers, application providers, **data providers** and publishers, **as well as our advertiser clients**. We do not use this data to discover the identity of individuals, and we currently contractually prohibit clients, data providers and inventory suppliers from importing data that directly identifies individuals onto our ad buying platform. In connection with **certain some of our newer** offerings, including Unified ID 2.0 and EUID, we do allow users of those services to disclose some directly identifying information, such as phone number and email address, to us for purposes of transforming that information into pseudonymous identifiers to use on our platform. We also take in email addresses and phone numbers to operationalize the opt-out portal we offer in connection with Unified ID 2.0 and EUID, **as well as in connection with a single-sign on tool we offer to publishers, known as OpenPass**. Our ability, and the ability of other advertising technology companies, to collect, augment, analyze, use and share data relies upon the ability to uniquely identify devices across websites and applications, and to collect data about user interactions with those devices for purposes such as serving relevant ads and measuring the effectiveness of ads. The processes used to identify devices and similar and associated technologies are governed by U.S. and foreign laws and regulations and are dependent upon their implementation within the industry ecosystem. Such laws, regulations, and industry standards change frequently, including those relating to the level of consumer notice, consent and / or choice required when a company uses data for certain purposes, including targeted advertising, or employs cookies or other electronic tools to collect data about interactions with users online. In the **United States U.S.**, both federal and state legislation govern activities such as the collection and use of personal data, and data privacy in the advertising technology industry has frequently been subject to review by the Federal Trade Commission (the “FTC”), U.S. Congress, and individual states. Relying on Section 5 of the FTC Act, which prohibits companies from engaging in “unfair” or “deceptive” trade practices, the FTC actively pursues alleged violations of representations concerning privacy protections and acts that allegedly violate individuals’ privacy interests. In addition, increasing consumer concern over data privacy in recent years has led to a myriad of enacted and proposed legislation and regulation both at the federal and state levels, some of which has affected and will continue to affect our operations and those of clients, inventory sources, and other industry partners. Many states have adopted omnibus consumer privacy laws, **some a number** of which are already enforceable, while others will take effect over the coming years. Other states are considering similar legislation. These state laws define “personal information” broadly enough to include many online identifiers provided by individuals’ devices, applications, and protocols (such as IP addresses, mobile application identifiers and unique cookie identifiers), individuals’ location data, and hashed versions of email addresses and phone numbers. In many respects, these state laws focus significantly on advertising activities, mandating that businesses that engage in certain advertising uses of consumer personal information to offer and honor an opt-out of such activities, including, in some states, through browser or device-based preference signals. (Terminology varies slightly among some of the state laws, referring to such practices as “processing for targeted advertising” or “sales” or “sharing” of personal information, but the opt-out requirement exists under each state’s law.) These state privacy laws also provide consumers other rights, such as to access, correct or delete their personal information (subject to certain limitations), opt out of certain processing of their personal information, and impose special rules on the collection of data from minors, as well as transparency and data governance obligations. Importantly, as a consequence of the obligations under these laws, the availability of data within our platform, our related offerings, and the advertising ecosystem more broadly may decline, potentially making our platform and services less valuable to our clients. The requirement under certain states’ laws to honor users’ requests to opt out of certain disclosures and uses of data for advertising purposes through preference signals, such as the Global Privacy Control (“GPC”) or similar signals, reflects a broader attention that privacy advocates, the media and some government regulators, have devoted to digital advertising in recent years. If the use of the GPC or similar technical signals is adopted by many Internet users, is imposed by additional states or by federal or foreign legislation, or is agreed upon by standard setting groups, we may have to change our business practices, our clients may reduce their use of our platform and services, and our business could be harmed. As our business is global, our activities are also subject to foreign legislation and regulation. In **Europe, including the United Kingdom** (“U.K.”) and the European Union (the “EU”) **and (including** the European Economic Area (the “EEA”) and the countries of Iceland, Liechtenstein and Norway), separate laws and regulations (and member states’ implementations thereof) govern the processing of personal data, and these laws and regulations continue to impact us. The General Data Protection Regulation (“EU GDPR”) and the **U.K.’s version of the GDPR United Kingdom General Data Protection Regulation and Data Protection Act 2018** (the “UK GDPR”) (the EU GDPR and UK GDPR are hereinafter referred to **collectively** as the GDPR), which apply to us, define “personal data” broadly. Together with related laws, such as the ePrivacy Directive, we and our clients and inventory partners face enhanced data protection obligations, both as controllers of such data and as service providers processing the data. These laws also provide certain rights, such as access and deletion, to the individuals about whom the personal data relates, and require consent for certain activities. IAB Europe previously collaborated with the digital advertising industry to create a user-facing framework (the Transparency and Control Framework, or “TCF”) for establishing and managing legal bases under the GDPR and other U.K. and EU privacy laws including the ePrivacy Directive (discussed below). Although the TCF is actively in use, its viability as a compliance mechanism is under review by the **European authorities Belgian Data Protection Authority and others** and we cannot predict its effectiveness over the long term (as further detailed in the Risk Factors section). Maintaining compliance with the requirements of European privacy laws and regulations, including monitoring and adjusting to rulings and interpretations that affect our approach to compliance, requires significant time, resources and expense, and may lead to significant changes in our business operations, as will the effort to monitor whether additional changes to our business practices and our backend configuration are needed, all of which may increase operating

costs, or limit our ability to operate or expand our business. Additionally, in the EU, the EU Directive 2002 / 58 / EC (as amended by Directive 2009 / 136 / EC), commonly referred to as the ePrivacy or Cookie Directive, directs EU member states to ensure that accessing information on an Internet user' s computer, such as through a cookie and other similar technologies, is allowed only if the Internet user has been informed about such access, and provided consent. A replacement for the ePrivacy Directive is currently under discussion by EU member states to complement and bring electronic communication services in line with the EU GDPR and force a harmonized approach across EU member states. Although it remains under debate, the proposed ePrivacy Regulation may further raise the bar for the use of cookies, and the fines and penalties for breach may be significant. We cannot yet determine the impact such future laws, regulations and standards may have on our business. To address the transfer of personal data from ~~Europe~~ **the EEA, Switzerland and U. K.** to the United States, we rely upon, and are currently certified under, the EU- U. S. and Swiss- U. S. Data Privacy Frameworks (" DPF ") and the U. K. Extension to the EU- U. S. DPF. The European Commission adopted an adequacy decision for the DPF in July 2023, replacing the prior Privacy Shield Framework, as an adequate mechanism by which EU companies may pass personal data to the **United States U. S.** However, the DPF is already subject to legal challenge in Europe. Whether and how other European mechanisms for adequate data transfer, such as ~~the latest~~ standard contractual clauses, can be used to transfer personal data to the **United States U. S.** remains in question. If all or some jurisdictions within the EU or the U. K. determine that the latest standard contractual clauses cannot be used to transfer personal data to the **United States U. S.** and if the DPF is ultimately struck down in a manner similar to the Privacy Shield Framework, then, we could be left with no reasonable option for the lawful cross- border transfer of personal data. In such circumstance, continuing to transfer personal data from the EU to the **United States U. S.** could lead to governmental enforcement actions, litigation, fines and penalties or adverse publicity. Such consequences could have an adverse effect on our reputation and business, such as by requiring us to establish systems to maintain certain data in the EU, which may involve substantial expense and cause us to divert resources from other aspects of our operations, all of which may harm our business. Other jurisdictions have adopted or are considering cross- border or data residency restrictions, which could reduce the amount of data we can collect or process and, as a result, significantly impact our business. In addition, the online advertising ecosystem is subject to best practices and self- regulatory standards, such as those promulgated by the Network Advertising Initiative, or NAI, the Digital Advertising Alliance, or DAA, and their international counterparts. Available Information We file Annual Reports on Form 10- K, Quarterly Reports on Form 10- Q, Current Reports on Form 8- K, proxy statements and related amendments, exhibits and other information with the ~~Securities and Exchange Commission (the "SEC ")~~. You may access and read our filings without charge through the SEC' s website at [www. sec. gov](http://www.sec.gov) or through our website at [http: // investors. thetradedesk. com](http://investors.thetradedesk.com), as soon as reasonably practicable after such materials are electronically filed with or furnished to the SEC pursuant to Section 13 (a) or 15 (d) of the Exchange Act. Website addresses referred to in this Annual Report on Form 10- K are not intended to function as hyperlinks, and the information contained on our website is not incorporated into, and does not form a part of this Annual Report on Form 10- K or any other report or documents we file with or furnish to the SEC. Investing in our Class A common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information contained in this Annual Report on Form 10- K, including the consolidated financial statements and the related notes and Management' s Discussion and Analysis of Financial Condition and Results of Operations, before making investment decisions related to our Class A common stock. If any of the following risks are realized, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the market price of our Class A common stock could decline and you could lose part or all of your investment. Risks Related to Our Business and Industry To sustain or increase our revenue, we must regularly add new clients and encourage existing clients to maintain or increase the amount of **spend** advertising inventory purchased through our platform and adopt **existing or new offerings features and functionalities** that we make available. If competitors introduce lower cost or differentiated offerings that compete with or are perceived to compete with our offerings, our ability to sell our services to new or existing clients could be impaired. We have spent significant effort in cultivating our relationships with advertising agencies **and advertisers**, which has resulted in an increase in the budgets allocated to, and the amount of advertising purchased on, our platform. However, it is possible that we may reach a point of saturation at which we cannot continue to grow our revenue from such agencies **or advertisers** because of internal limits that advertisers may place on the allocation of their advertising budgets to digital media to a particular provider or otherwise. While we generally have master services agreements (" MSAs ") in place with our clients, such agreements allow our clients to choose the amount they spend through our platform and terminate our services with limited notice. We at times supplement our MSAs with joint business plans and other incentive programs designed to increase ~~spending~~ **spend** from existing clients; however, such increased ~~spending~~ **spend** may not materialize in the amounts we expect or at all. We do not typically have exclusive relationships with our clients and there is limited cost and difficulty to moving their media spend to our competitors. As a result, we have limited visibility to our future advertising revenue streams. We cannot assure you that our clients will continue to use our platform **or related offerings** to the extent that we expect or at all, or that we will be able to replace, in a timely or effective manner, departing clients with new clients that generate comparable revenue. If a major client representing a significant portion of our business decides to materially reduce its use of our platform or **related offerings or** to cease **their use using our platform** altogether, it is possible that our revenue or revenue growth rate could be significantly reduced, and our business negatively impacted. Our client base consists primarily of advertising agencies **and advertisers**. We do not have exclusive relationships with advertising agencies **or advertisers**, and we depend on agencies to work with us to build and maintain advertiser relationships and execute advertising campaigns. The loss of agencies **or advertisers** as clients could significantly harm our business, financial condition and results of operations. If we fail to maintain satisfactory relationships with an advertising agency, we risk losing business from the current and future advertisers represented by that agency. Advertisers may change advertising agencies. If an advertiser switches from an agency that utilizes our platform to one that does not, we will lose revenue from that advertiser. In addition, some advertising agencies have their own

relationships with suppliers of advertising inventory and **data and** can directly connect advertisers with such suppliers. Our business may suffer to the extent that advertising agencies and **inventory-such** suppliers purchase and sell advertising inventory **or data** directly from one another or through intermediaries other than us. **Our** We had over 1,100 clients **include**, consisting primarily of advertising agencies, as of December 31, 2023. Many **many** of **which** these agencies are owned by holding companies, where decision making is decentralized such that purchasing decisions are made, and relationships with advertisers are located, at the agency, local branch or division level. If all of our individual client contractual relationships were aggregated at the holding company level, **Publicis Groupe one holding company** would have represented more than 10 % of our gross billings for **2023-2024**. In most cases, we enter into separate contracts and billing relationships with the individual agencies and account for them as separate clients. However, some holding companies for these agencies may choose to exert control over the individual agencies in the future. **Additionally, a holding company may be acquired by, or consolidate with, another holding company that does not utilize our platform, or may otherwise reduce overall spend on our platform as a result of an acquisition or consolidation.** If so, any **consolidation of, or** loss of relationships with such holding companies and consequently, of their agencies, local branches or divisions, as clients could significantly harm our business, financial condition and results of operations. **Our industry is subject to rapid..... condition and operations may be adversely affected.** The substantial majority of our revenue has been derived from clients that programmatically purchase advertising **inventory** through our platform. We expect that **spending--- spend** on programmatic ad buying will continue to be our primary source of revenue for the foreseeable future and that our revenue growth will largely depend on increasing spend through our platform. The market for programmatic ad buying is **an emerging a relatively new** market, and our current and potential clients may not shift to programmatic ad buying from other buying methods as quickly as we expect, which would reduce our growth potential. If the market for programmatic ad buying deteriorates or develops more slowly than we expect, it could reduce demand for our platform, and our business, growth prospects and financial condition would be adversely affected. In addition, our revenue may not necessarily grow at the same rate as spend on our platform. As the market for programmatic buying for advertising matures, growth in spend may outpace growth in our revenue due to a number of factors, including pricing competition, **quantity-volume** discounts and shifts in **product, media, client and channel mix**, **and the composition of offerings provided to our clients**. A significant change in revenue as a percentage of spend could reflect an adverse change in our business and growth prospects. In addition, any such fluctuations, even if they reflect our strategic decisions, could cause our performance to fall below the expectations of securities analysts and investors, and adversely affect the price of our common stock. **We operate in a highly competitive and..... or the loss of market share.** Historically, our clients have predominantly used our platform to purchase **CTV and other video**, mobile, **and** display **and video** advertising inventory. In particular, the CTV market is quickly evolving and the demand for CTV inventory on our platform has been a significant driver of growth. We expect that these will continue to be significant channels used by our clients for digital advertising in the future. We also believe that our revenue growth may depend on our ability to expand within **social our channels**, **native, audio, and** especially CTV, and we have been, and are continuing to, enhance such channels. Any decrease in the use of **video, mobile, and** display **and video** advertising, whether due to clients losing confidence in the value or effectiveness of such channels, regulatory restrictions, consumer choices, or other causes, or any inability to further penetrate **certain channels including social, native, audio or** CTV, or enter new and emerging advertising channels, could harm our growth prospects, financial condition and results of operations. Each advertising channel presents distinct and substantial risk and, in many cases, requires us to continue to develop additional functionality or features to address the particular requirements of the channel. Our ability to provide capabilities across multiple advertising channels, which we refer to as omnichannel, may be constrained if we are not able to maintain or grow advertising inventory for such channels, and some of our omnichannel offerings may not gain market acceptance. If we fail to maintain a diversified channel mix, a decrease in the demand for any channel or channels that we become primarily dependent upon could harm our business, financial condition and results of operations. We may not be able to accurately predict changes in overall advertiser demand for the channels in which we operate and cannot assure you that our investment in channel development will correspond to any such changes. Furthermore, if our channel mix changes due to a shift in client demand, such as clients shifting their **spending--- spend** more quickly or more extensively than expected to channels in which we have relatively less functionality, features, or inventory, then demand for our platform could decrease, and our business, financial condition, and results of operations could be adversely affected. **Our business depends on the overall demand for advertising and on the economic health of advertisers that benefit from our platform. Market uncertainties or downturns, whether global, local or industry or sector specific, and associated macroeconomic conditions,** such as growing inflation, **rising changes in** interest rates, recessionary fears, changes in foreign currency exchange rates, supply chain disruptions, the impact of global instability in many parts of the world and public health crises, may disrupt the operations of our clients and partners and cause advertisers to decrease or pause their advertising budgets, which could reduce spend through our platform and adversely affect our business, financial condition and results of operations. As we explore new countries to expand our business, economic downturns or unstable market conditions in any of those countries could also result in our investments not yielding the returns we anticipate. **Our revenue, cash flow, results of operations and other key operating and performance metrics may vary from quarter to quarter due to the seasonal nature of our clients' spending on advertising campaigns. For example, clients tend to devote**. We must maintain a consistent supply of **attractive-quality** ad inventory **that is attractive to our clients**. Our success depends on our ability to secure quality inventory on reasonable terms across a broad range of advertising networks and exchanges and social media platforms, including **CTV and other video, mobile, display and** CTV, **audio and mobile** inventory. The amount, quality and cost of inventory available to us can change at any time, including as publishers and other inventory suppliers respond to changes in the legal and regulatory landscape. A few inventory suppliers hold a significant portion of the programmatic inventory either generally or concentrated in a particular channel, such as audio and social media. In addition, we compete with companies with which we have business relationships. For example, Google is one of our largest advertising inventory suppliers in addition to

being one of our competitors. If Google or any other company with attractive advertising inventory limits our access to its advertising inventory, our business could be adversely affected. If our relationships with certain of our suppliers were to cease, or if the material terms of these relationships were to change unfavorably, our business would be negatively impacted. Our suppliers are generally not bound by long- term contracts. As a result, there is no guarantee that we will have access to a consistent supply of quality inventory on favorable terms or at all. If we are unable to compete favorably for advertising inventory available on real- time advertising exchanges, or if real- time advertising exchanges decide not to make their advertising inventory available to us, we may not be able to place advertisements or find alternative sources of inventory with comparable traffic patterns and consumer demographics in a timely manner. Furthermore, the inventory that we access through real- time advertising exchanges may be of low quality or misrepresented to us, despite attempts by us and our suppliers to prevent fraud and conduct quality assurance checks. Inventory suppliers control the bidding process, rules and procedures for the inventory they supply. Such processes may not always work in our favor or for the benefit of our clients and may create inefficiencies in the supply chain for advertising inventory. **Although we have in the past and may in the future undertake efforts to address these supply chain inefficiencies, we may not be successful in such efforts.** Given the importance of ensuring access to quality inventory for our advertisers, we launched our OpenPath offering in order to give clients a simplified, direct connection to publishers. ~~However, We have been investing in this offering and plan to continue to grow there--~~ **the can be no amount of OpenPath inventory and publishers available through our platform, but we cannot guarantee that we this or future offerings will prove attractive to our clients or otherwise** be successful in any such efforts or at all. As new types of inventory become available, we will need to expend significant resources to ensure we have access to such new inventory. For example, although television advertising is a large market, only a very small percentage of it is currently purchased through digital advertising exchanges. We are investing heavily in our programmatic television offering, including by increasing our workforce and by adding new features, functions and integrations to our platform. If the CTV market does not continue to grow as we anticipate or we fail to successfully serve such market, our growth prospects could be harmed. Our success depends on consistently adding valued inventory in a cost- effective manner. If we are unable to maintain a consistent supply of quality inventory for any reason, client retention and loyalty, and our financial condition and results of operations could be harmed. **We operate in a highly competitive and rapidly changing industry** Our business depends on the overall demand for advertising and on the economic health of advertisers that benefit from our platform. Current or **We expect competition to persist and intensify in the future** global market uncertainties or downturns and associated macroeconomic conditions, such as growing inflation, rising interest..... and loss of goodwill, any of which could harm our business, financial condition **ability to increase revenue and maintain profitability.** New technologies and methods of buying advertising present a dynamic competitive challenge, as market participants develop and offer new products and services aimed at capturing advertising spend or disrupting the digital marketing landscape, such as analytics, automated media buying and exchanges. We may also face competition from new companies entering the market, including large established companies and companies that we do not yet know about or do not yet exist. If existing or new companies develop, market or resell competitive high- value products or services that results- result of operations. As we expand our offerings, which in **additional competition** some instances involves ingesting more identifiable information, the consequences of potential security vulnerabilities become more significant for **advertising spend our- or advertising inventory** business. We expect to continue to invest in technology and security services, equipment, and expertise, including engineers, data centers, network services and database technologies, as well as potentially increase our- **or reliance if they acquire on one of** open source software. Without these improvements, our operations might suffer from security vulnerabilities or **our existing competitors** misuse, system disruptions, data loss, slow transaction processing, unreliable service levels, impaired quality or delays in reporting accurate information regarding transactions in our- **or platform, any form a strategic alliance with one** of which **our competitors, our ability to compete effectively could be significantly compromised** negatively affect our financial condition, reputation and ability to attract and retain clients. In addition, the expansion and improvement of our systems and infrastructure may require us to commit substantial financial, operational and technical resources, with no assurance our business will increase. If we fail to respond to technological change or **our** to adequately maintain, protect, expand, upgrade and develop our systems and infrastructure in a timely fashion, our growth prospects and results of operations could be **We operate in a highly competitive and rapidly changing industry. We expect competition to persist and intensify in the future, which could harm our ability to increase revenue and maintain profitability.** New technologies and methods of buying advertising present a dynamic competitive challenge, as market participants develop and offer new products and services aimed at capturing advertising spend or disrupting the digital marketing landscape, such as analytics, automated media buying and exchanges. We may also face competition from new companies entering the market, including large established companies and companies that we do not yet know about or do not yet exist. If existing or new companies develop, market or resell competitive high- value products or services that result in additional competition for advertising spend or advertising inventory or if they acquire one of our existing competitors or form a strategic alliance with one of **our competitors, our ability to compete effectively could be significantly compromised and our results of operations could be** harmed. Our current and potential competitors may have significantly more financial, technical, marketing, and other resources than we have, which may allow them to devote greater resources to the development, promotion, sale and support of their products and services. They may also have more extensive advertiser bases and broader publisher relationships than we have, rich first- party data sets, and may be better positioned to execute on advertising conducted over certain channels, such as social media, mobile, and video. Some of our competitors may have a longer operating history and greater name recognition. As a result, these competitors may be better able to respond quickly to new technologies, develop superior solutions, develop deeper advertiser relationships or offer services at lower prices. Any of these developments would make it more difficult for us to sell our platform or related offerings and could result in increased pricing pressure, increased development, sales and marketing

expense, or the loss of market share. Our industry is subject to rapid and frequent changes in technology and laws governing our activities, evolving client needs and expectations and the frequent introduction by our competitors of new and enhanced offerings. If new or existing competitors have more attractive offerings, we may lose clients or clients may decrease their use of our platform. New client demands, superior competitive offerings or new industry standards could require us to make unanticipated and costly changes to our platform or business model. We must constantly make investment decisions regarding offerings and technology to meet client demand and evolving industry and legal standards. We may make bad decisions regarding these investments. Furthermore, even if we believe that our investments improve upon our platform and related offerings, such as updates to our various platform features and user interface, they may nevertheless fail to meet new or existing client expectations or preferences, which could result in decreased client adoption or use of our platform. In addition, adversely affected. The steps we take **If unauthorized access is obtained to user** increase the reliability, integrity **client or inventory** and security of **third- party provider data, or** our platform and related offerings as they scale are expensive and complex, and **our** or execution could result in operational failures and..... results of operations. Our platform and related offerings are **compromised** complex and proprietary, and we rely on the expertise of members of our **services** engineering, operations and software development teams for their continued performance. Operational, performance and internal control issues may arise due to **be disrupted or perceived as insecure, and as a result** variety of factors, including infrastructure changes, introductions of **we may lose existing clients or fail to attract** new functionality **clients**, human or software errors and **we** other internal and external variables. Such issues have caused errors, failures, design flaws, vulnerabilities and bugs in the past and may **incur significant** again in the future. We also....., damage to our brand and reputation **reputational harm**; government investigations, loss of clients, loss of data, loss of or delay in market acceptance or market share of our platform or related offerings, increased costs or loss of revenue, loss of the ability to access our platform or related offerings, loss of competitive position, claims by clients for losses sustained by them and **legal** loss of stockholder confidence in the accuracy and completeness of our financial **liabilities** reports. Alleviating problems resulting from such issues could require significant expenditures of capital and other resources and could cause interruptions, delays or the cessation of our business, any of which may adversely affect our business, financial condition and results of operations. We face various and evolving cybersecurity risks that threaten the confidentiality, integrity and availability of our systems and the data that we process. Our **offerings** **products and services** involve the storage and transmission of significant amounts of data from users, clients, and inventory and data providers, a large volume of which is hosted by third- party service providers. Our services and the data on our platform, related offerings and in our systems could be exposed to unauthorized access due to activities that breach or undermine security measures, including: negligence or malfeasance by internal or external actors; attempts by outside parties to fraudulently induce employees, clients or vendors to disclose information or data, including personal information; or errors or vulnerabilities in our systems, **products-offerings** or processes or in those of our service providers, clients, and vendors. For example, from time to time, we experience cyberattacks of varying degrees and other attempts to obtain unauthorized access to our systems, including to employee mailboxes. We have dedicated and expect to continue to dedicate resources toward security protections that shield data from these activities, including worldwide incident response teams and dedicated resources to incident response processes. However, such measures cannot provide absolute security and could, among other issues, fail to be adequate or accurately assess the incident severity, not proceed quickly enough, or fail to sufficiently remediate an incident. Further, we can expect that the deployment of techniques to circumvent our security measures may occur with more frequency and sophistication and may not be recognized until launched against a target. Accordingly, we may be unable to anticipate or detect these techniques or to implement adequate preventative measures. Many of our employees now have a hybrid work schedule consisting of both in-person work and working from home. Although we have implemented work- from- home protocols and provide work- issued devices to employees, the actions of our employees while working from home may have a greater effect on the security of our systems, platform, related offerings and the data we process, including by increasing the risk of compromise to our systems, confidential information or data arising from employees' combined personal and private use of devices, accessing our systems or data using wireless networks that we do not control or the ability to transmit or store company- controlled data outside of our secured network. A breach of our security, a flawed design, and / or our failure to respond sufficiently to a security incident could disrupt our services and result in theft, misuse, loss, corruption, or improper use or disclosure of data. This could result in government investigations, lawsuits (including class actions), enforcement actions and other legal and financial liability, and / or loss of confidence in the availability and security of our **offerings** **products and services**, all of which could seriously harm our reputation and brand and impair our ability to attract and retain clients. As some of our newer offerings involve the receipt and processing of identifiable information, the risks associated with data, including risks to breach of our systems increases, and we could be subject to contractual breach and indemnification claims from other clients and partners and otherwise suffer damage to our reputation, brand, and business. **We could also be required to notify regulators, customers or other third parties**. Our platform may also receive data in aggregated or pseudonymized form, and if our systems are breached and such data or information is compromised, it could be damaging to our brand, reputation, and business. Cyberattacks could also compromise our own trade secrets and other **sensitive-confidential** information and result in such information being disclosed to others and becoming less valuable, which could negatively affect our business. Although we maintain errors or omissions and cyber liability insurance, the costs related to an incident or other security threats or disruptions may not be fully insured or indemnified by other means and insurance and other safeguards might only partially reimburse us for our losses, if at all. We also cannot guarantee that applicable insurance will be available to us in the future on economically reasonable terms or at all. Information relating to individuals and their devices (commonly called "personal information" or "personal data") is regulated under a wide variety of local, state, national and international laws and regulations that apply to its collection, use, retention, protection, disclosure, transfer (including transfer across national boundaries) and other processing. We typically collect and store IP addresses and other device identifiers (such as unique cookie identifiers and mobile application identifiers), which are or may be

considered personal data or personal information in many jurisdictions or otherwise subject to regulation. In connection with certain of our offerings, including the Unified ID 2.0, EUID and OpenPass, we receive information that directly identifies individuals, such as email addresses and phone numbers, both directly from consumers and from our clients or others. We deploy technical and security measures, internal policy controls, and contractual measures to limit how such identifying information is used and shared and to help honor consumer choices. Nevertheless, we cannot guarantee any such measures or controls will be effective and handling identifying information increases our exposure under privacy and data protection laws. The global regulatory landscape regarding the privacy and protection of personal information is evolving, and U. S. (state, federal and local) and foreign governments ~~are continue to considering~~ ~~consider and enacting~~ **enact** additional legislation and rulemaking related to privacy and data protection, **often with a particular focus on intermediaries in the online advertising ecosystem, including those that engage in targeted advertising, “sell” or “share” personal data, and we act as “data brokers.”** We expect to see an increase in, or changes to, **privacy and data protection** legislation and regulation in this area **for the foreseeable future**. For example, in the **United States U. S.**, the FTC continues to propose updates to existing regulations, including those governing collection of data from children online and related to “commercial surveillance” generally. Further, the FTC uses its enforcement powers under Section 5 of the Federal Trade Commission Act (**the “FTC Act”**) (which prohibits “unfair” and “deceptive” trade practices) to investigate companies engaging in online tracking. For example, the FTC ~~brought several~~ **has been very active in bringing enforcement** actions ~~in 2023~~ against companies **that handle personal** ~~regarding their alleged disclosure of consumer health data~~ **it views as sensitive to third-party platforms** for advertising purposes, **including location data brokers and companies that process health-related data. These enforcement announcements** ~~signaling~~ ~~signal~~ **increased ongoing** regulatory scrutiny of advertising practices that involve “sensitive” categories of personal data such as health data **and precise location information. The Commission could continue to build on this trend under its recently granted authority to enforce a federal law focused on disclosures of certain “sensitive” information by companies operating as data brokers to certain restricted countries or entities “controlled” by such countries**. Other companies in the advertising technology space have been subject to government investigation by regulatory bodies; advocacy organizations have also filed complaints with data protection authorities against advertising technology companies, arguing that certain of these companies’ practices do not comply with data privacy laws, or consumer protection laws such as the FTC Act. We cannot avoid the possibility that one of these investigations or enforcement actions will require us to alter our practices. In addition, a potential federal omnibus privacy law remains **a possibility** ~~the subject of active discussion~~. If **ultimately** passed, such a law would likely substantially impact the online advertising ecosystem. State lawmakers are also actively addressing consumer data privacy issues. Many states have adopted omnibus consumer privacy laws, ~~some a host~~ of which are already enforceable, while others will take effect over the coming years. These state laws define “personal information” broadly enough to include many online identifiers provided by individuals’ devices, applications, and protocols (such as IP addresses, mobile application identifiers and unique cookie identifiers), individuals’ location data, and hashed versions of email addresses and phone numbers. These laws generally require covered businesses to meet numerous data privacy-related obligations and establish data privacy rights for consumers in such states (including rights to opt out of certain processing of their personal data and to request correction ~~and~~, deletion of and access to personal data), imposing special rules on the collection of personal data from minors and other personal data deemed “sensitive” under the laws, and creating new notice obligations. **Many also impose data minimization requirements, mandating that companies only collect and process data for certain purposes.** Most significant for the advertising industry, however, these laws require businesses that engage in certain advertising uses of personal data to offer and honor an opt-out of such activities, including, in some states, through browser or device-based preference signals. (Terminology varies slightly among some of the state laws, tying the opt-out requirement to “targeted advertising,” “sales” or “sharing” of personal data.) Because of these obligations, the availability of data within our platform, our ~~other-related~~ **related** offerings and the advertising ecosystem more broadly may decline, potentially making our platform and **related** offerings less valuable to our clients. The requirement under certain states’ laws to honor users’ requests to opt out of certain disclosures and uses of data for advertising purposes through preference signals, such as the Global Privacy Control (“GPC”) or similar signals, reflects a broader attention that privacy advocates, the media and some government regulators, such as the FTC, have devoted to digital advertising in recent years. If the use of the GPC or similar technical signals is adopted by many Internet users, is imposed by additional states or by federal or foreign legislation or is agreed upon by standard setting groups, we may have to change our business practices, our clients may reduce their use of our platform and **related** offerings, and our business could be harmed. These laws and their implementing regulations will likely also increase compliance costs and obligations on us, our clients, and other companies in the advertising industry. Although we have attempted to mitigate certain risks posed by these laws through contractual ~~and~~, platform **and offering** changes, we cannot predict with certainty the effect of these laws and their implementing regulations, many of which are not yet finalized, on our business, nor the share of consumers who will carry out their opt-out and other rights and how these actions will impact us, our clients, inventory sources, and our industry. Further, enforcement activity under **such** laws already in effect, particularly in California, reflects an ongoing focus on online advertising activities and signals regulators’ willingness to pursue in-depth investigations and impose substantial penalties on entities allegedly operating in violation of the statute. Thus, we expect that continuing to maintain compliance with states’ varying legal requirements, including monitoring and adjusting to new regulations and interpretations that emerge through enforcement actions, **will** require significant time, resources, and expense, as will the effort to monitor whether additional changes to our business practices and our backend configuration are needed, all of which may increase operating costs, or limit our ability to operate or expand our business. In addition to these broad-based consumer privacy laws, lawmakers and regulators continue to focus on activities that involve use of categories of personal data perceived as especially sensitive, such as health data and children’s data. For example, **the FTC has recently finalized an update to the Children Online Privacy Protection Act, modifying requirements regarding the use of children’s data for**

targeted advertising and several states have enacted laws that would substantially impact activities that involve showing targeted advertisements to individuals under 18 through a variety of new restrictions, **or in some cases prohibit it altogether** though many of these laws are subject to ongoing legal challenge on First Amendment and other grounds. Several recent federal bills would likewise further regulate the processing of children's data and other personal data perceived as especially sensitive. Further, several states have recently enacted new laws or, updated existing laws **or have introduced bills** to impose new privacy obligations related to health- related personal information beyond that governed by federal and state laws governing medical records and similar information, such as HIPAA. For example, Washington's My Health, My Data Act ("MHMD") **introduces introduced** a host of new requirements related to a very broadly- defined notion of consumer health data that **will impact impacts that the** advertising industry in part because MHMD is subject to a private right of action (unlike other state privacy laws), so plaintiffs' attorneys could explore claims that stretch the bounds of the law's text. These laws and the heightened scrutiny associated with the enforcement of such laws may, in turn, ultimately lead to increased compliance and defense costs, and more obligations on us, our clients and other companies in the advertising industry. Laws governing the processing of personal data in Europe (including the U. K., E. U. and EEA, and the countries of Iceland, Liechtenstein, and Norway) also continue to impact us and continue to evolve. For example, the GDPR defines "personal data" broadly and enhances data protection obligations for controllers of such data and for service providers processing the data. It also provides certain rights, such as access and deletion, to the individuals about whom the personal data relates. IAB Europe previously collaborated with the digital advertising industry to create a user- facing framework (the Transparency and Control Framework, or "TCF") for establishing and managing legal bases under the GDPR and other U. K. and EU privacy laws including the ePrivacy Directive. Although the TCF is actively in use, its viability as a compliance mechanism **is remains** under review by European authorities and we cannot predict its effectiveness over the long term. **Non-compliance Because we are under the supervision of relevant data protection authorities in both the EEA and the U. K., we may be fined under both the EU GDPR and the UK GDPR for the same breach,** with **penalties** the GDPR can trigger steep fines of up to the greater of € 20 million / **BP 17.5 million** or 4 % of total worldwide annual revenue. Relatedly, authorities enforcing the U. K. GDPR have the **ability to separately fine up to the greater of £ 17.5 million or 4 % of global turnover.** Continuing to maintain compliance with the requirements of the GDPR, including monitoring and adjusting to rulings and interpretations that affect our approach to compliance, requires significant time, resources and expense, as will the effort to monitor whether additional changes to our business practices and our backend configuration are needed, all of which may increase operating costs, or limit our ability to operate or expand our business. Data residency and cross- border transfer restrictions also impact our operations. For the transfer of personal data from Europe to the U. S., we rely upon, and are certified under, the EU- U. S. and Swiss- U. S. Data Privacy Frameworks ("DPF") and the U. K. extension to the EU- **US U. S.** DPF. The DPF replaced the Privacy Shield Framework as an adequate mechanism by which EU companies may pass personal data to the U. S. However, the DPF is already subject to legal challenge in Europe. Relatedly, whether and how other transfer mechanisms, such as standard contractual clauses, can be used to transfer personal data to the U. S. is in question. While the **recent** adequacy decision for the DPF helps to reduce the legal uncertainty of cross- border transfers of personal data, the long- term validity of these transfer mechanisms remains uncertain. If all or some jurisdictions within the EU or the U. K. determine that the latest standard contractual clauses also cannot be used to transfer personal data to the U. S. and if the DPF is ultimately struck down in a manner similar to the Privacy Shield Framework, we could be left with no reasonable option for the lawful cross- border transfer of personal data. In such circumstances, continuing to transfer personal data from the EU to the U. S. could lead to governmental enforcement actions, litigation, fines and penalties or adverse publicity. **Such consequences As the regulatory guidance and enforcement landscape in relation to data transfers continue to develop, we could suffer additional costs, complaints or regulatory investigations or fines; we may have to stop using certain tools and an adverse effect on vendors and make other operational changes; we may have to implement alternative data transfer mechanisms under the GDPR or our reputation take additional compliance and business operational measures,** such as **by requiring us to establish establishing** systems to maintain certain data in the **EU EEA**, potentially involving substantial expense and causing us to divert resources from other aspects of our operations, all of which may adversely affect our business. Other jurisdictions have adopted or are considering cross- border or data residency restrictions, which could reduce the amount of data we can collect or process and, as a result, significantly impact our business. Further, our legal risk depends in part on our clients' or other third parties' adherence to data privacy laws and regulations and their use of our services in ways consistent with end user expectations. **There can be no assurances that the privacy and security- related measures and safeguards we have put into place in relation to these third parties will be effective to protect us and / or the relevant personal information from the risks associated with the third- party processing of such data.** We rely on representations made to us by clients, partners and providers that they will comply with all applicable laws, including all relevant data privacy and data protection regulations. Although we make reasonable efforts to enforce such representations and contractual requirements, we do not fully audit our clients' compliance with our recommended disclosures or their adherence to data privacy laws and regulations. If our clients, partners or providers fail to adhere to our expectations or contracts in this regard, we and our clients could be subject to adverse publicity, damages and related possible investigation or other regulatory activity. Adapting our business to enhanced and evolving privacy obligations across relevant jurisdictions could continue to involve substantial expense and may cause us to divert resources from other aspects of our operations, all of which may adversely affect our business. Additionally, as the advertising industry evolves, and new ways of collecting, combining and using data are created, governments may enact legislation in response to technological advancements and changes that could result in our having to re- design features or functions of our platform and related offerings, therefore incurring unexpected compliance costs. Further, adaptation of the digital advertising marketplace requires increasingly significant collaboration between participants in the market, such as publishers and advertisers. Failure of the industry to adapt to changes required for operating under existing and future data privacy laws, industry approaches that

disfavor our platform and **related** offerings, and user response to such changes could negatively impact inventory, data, and demand. We cannot control or predict the pace or effectiveness of such adaptation, and we cannot currently predict the impact such changes may have on our business. In addition to laws regulating the processing of personal data, we, our advertisers, and publishers are also subject to regulation with respect to political advertising activities, which are governed by various federal and state laws in the **United States U.S.**, and national and provincial laws worldwide. Online political advertising laws are rapidly evolving and, in certain jurisdictions, impose varying substantive transparency and disclosure requirements on advertisers, publishers, and / or others in the ecosystem. ~~We saw publishers impose varying prohibitions and restrictions on the types of political advertising and breadth of targeted advertising allowed on their platforms with respect to advertisements for the 2020 U. S. presidential election in response to political advertising scandals, such as the scandal involving Cambridge Analytica. The lack of uniformity and increasing restrictions and requirements on transparency and disclosure could adversely impact the inventory made available for political advertising and the demand for such inventory on our platform, and otherwise increase our operating and compliance costs.~~ Concerns about political advertising or other advertising in areas deemed sensitive, whether or not valid and whether or not driven by applicable laws and regulations, industry standards, client or inventory provider expectations, or public perception, may harm our reputation, result in loss of goodwill, and inhibit use of our platform by current and future clients. We deploy technical and organizational measures, internal policy controls, and contractual measures to limit how ~~such~~ identifying information is used and shared and to help honor consumer choices. Nevertheless, we cannot guarantee any such measures or controls will be effective and handling identifying information increases our exposure under privacy and data protection laws. These laws and other obligations may be interpreted and applied in a manner that is inconsistent with our existing data management practices or the features of our platform and related offerings. If so, in addition to the possibility of fines, lawsuits and other claims, we could be required to fundamentally change our business activities and practices or modify our **products offerings**, which could have an adverse effect on our business. In addition, public perception regarding data protection and privacy are significant in the programmatic advertising buying industry. Concerns about industry practices ~~with regard~~ **regarding** to the collection, use, and disclosure of personal data, whether or not valid and whether driven by applicable laws and regulations, industry standards, client or inventory provider expectations, or the broader public, may harm our reputation, result in loss of goodwill, and inhibit use of our platform or related offerings by current and future clients. For example, perception that our practices involve an invasion of privacy or are designed with insufficient protections, whether or not such practices are consistent with current or future laws, regulations, or industry practices, may subject us to public criticism, private class actions, reputational harm, or claims by regulators, which could disrupt our business and expose us to increased liability. We may be unable to make such changes and modifications in a commercially reasonable manner or at all, and our ability to develop new **products and offerings or certain** features could be limited. All of this could impair our or our clients' ability to collect, use, or disclose information relating to consumers, which could decrease demand for our platform and related offerings, increase our costs, and impair our ability to maintain and grow our client base and increase our revenue. **In addition to laws, the..... future standards may have on our business.** Our ability to successfully leverage user data and generate revenue from opportunities to serve advertisements could be impacted by restrictions imposed by laws or by third parties, including restrictions on our ability to use or read cookies, device identifiers, or other tracking features or our ability to use real-time bidding networks or other bidding networks. For example, if publishers or supply- side platforms decide to limit the data that we receive in order to comply (in their view) with state privacy laws or a potential federal privacy law, then our service may prove to be less valuable to our clients and we may find it more difficult to generate revenue. That is, if third parties on which we rely for data or opportunities to serve advertisements impose limitations (for whatever reason) or are restricted by other ecosystem participants or applicable regulations, **then** we may lose the ability to access data, bid on opportunities ~~or~~ purchase digital ad space, which could have a substantial impact on our revenue. Digital advertising mostly relies on the ability to uniquely identify devices or users across websites and applications, and to collect data about user interactions for purposes such as serving relevant ads and measuring the effectiveness of ads. Devices are identified through unique identifiers stored in cookies (and similar technologies), provided by device operating systems for advertising purposes, or **are** generated based on statistical algorithms applied to information about a device, such as the IP address and device type. We use device and other identifiers to record information such as when an Internet user views an ad, clicks on an ad, or visits one of our advertiser' s websites or applications. We **also** use device and other identifiers to help us achieve our advertisers' campaign goals, including to limit the instances that an Internet user sees the same advertisement, report information to our advertisers regarding the performance of their advertising campaigns, and detect and prevent malicious behavior and invalid traffic throughout our network of inventory. We also use data associated with device and other identifiers to help our clients decide whether to bid on, and how to price, an opportunity to place an advertisement in a specific location, at a given time, in front of a particular Internet user. Additionally, our clients rely on device and other identifiers to add information they have collected or acquired about users into our platform. Without such data, our clients may not have sufficient insight into an Internet user' s activity, which may compromise their and our ability to determine which inventory to purchase for a specific campaign and may undermine the effectiveness of our platform or our ability to improve our platform and remain competitive. Today, digital advertising, including our platform, makes significant use of cookies to store device identifiers for the advertising activities described above. When we use cookies, they are generally considered third- party cookies, which are cookies owned and used by parties other than the owners of the website visited by the Internet user. The most commonly used Internet browsers — Chrome, Firefox, Internet Explorer and Safari — allow Internet users to modify their browser settings to prevent some or all cookies from being accepted by their browsers. Internet users can delete cookies from their computers at any time. Additionally, some browsers currently, or may in the future, block or limit some third- party cookies by default or may implement user control settings that algorithmically block or limit some cookies. Today, three major web browsers — Apple' s Safari, Mozilla' s Firefox and Microsoft' s Edge — block third- party cookies by default. Google' s web browser, Chrome, has introduced new controls over

third-party cookies and **had** announced plans to deprecate support for third-party cookies and user agent strings entirely **beginning in the second half of 2025. In July 2024, which Google announced that it was updating its plan for deprecation of cookies and would, at some point in the future, introduce a new experience in Chrome that allows users to indicate a preference of an undefined type that would apply in an unstated way to the user's web browsing activity. Google has stated it will continue making** follow a one-percent deprecation of third-party cookies for Chrome users globally in the first half of 2024. In 2024, Google is **its also investments and** testing various technologies under its label of "Privacy Sandbox"; which may provide modified targeting and measurement functionality to digital advertising ecosystem participants as a limited replacement for the functionality currently provided through the use of third-party cookies. We believe that Google's **to planned deprecation of third-party cookies be defined framework for browser-based user choice** and its ongoing development of these technologies, which we expect to be technically complex and designed in a manner that does not favor us or our partners, has created and will likely continue to create industry uncertainty regarding the potential effects on user experience and advertiser targeting and measurement. Although we believe our platform is well-positioned to adapt to such changes, particularly with our Unified ID 2.0 **approach-offering**, the impact of such changes remains uncertain and could be more disruptive than we anticipate, including to the display advertising ecosystem in particular, where such changes could adversely impact our growth in that channel. Some Internet users also download free or paid ad-blocking software that not only prevents third-party cookies from being stored on a user's computer, but also blocks all interaction with a third-party ad server. In addition, Google has introduced ad-blocking software in its Chrome web browser that will block certain ads based on quality standards established under a multi-stakeholder coalition. If such a feature inadvertently or mistakenly blocks ads that are not within the established blocking standards, or if such capabilities become widely adopted and the advertising technology industry does not collaboratively develop alternative technologies, our business could be harmed. The Interactive Advertising Bureau and Digital Advertising Alliance have also developed frameworks that allow users to opt out of the "sale" or use of their personal data for targeted advertising purposes under **U. S.** state privacy laws in ways that stop or severely limit the ability to show targeted ads. Because **additional many** state privacy laws require businesses to permit end users to opt out of processing their personal data for purposes of targeted advertising, including, in some states through automated signals, we expect that more opt-out solutions will become available that may ultimately be used by end users, which may reduce our clients' use of our platform and related offerings, and our business, financial condition, and results of operations could be adversely affected. Advertising shown on mobile applications can also be affected by blocking or restricting use of mobile device identifiers. Data regarding interactions between users and devices are tracked mostly through stable, pseudonymous advertising identifiers that are built into the device operating system with privacy controls that allow users to express a preference with respect to data collection for advertising, including to disable the identifier. These identifiers and privacy controls are defined by the developers of the platforms through which the applications are accessed and could be changed by the platforms in a way that may negatively impact our business. For example, Apple has shifted to require user opt-in before permitting access to Apple's unique identifier, or IDFA, and Google has announced that it will **eventually** deprecate the mobile advertising identifier used on Android devices entirely. These changes have had, and will likely continue to have, a substantial impact on the mobile advertising ecosystem and could adversely impact our growth in this channel. In addition, in the EU, Directive 2002 / 58 / EC (as amended by Directive 2009 / 136 / EC), commonly referred to as the ePrivacy or Cookie Directive, directs EU member states to ensure that accessing information on an Internet user's computer, such as through a cookie and other similar technologies, is allowed only if the Internet user has been informed about such access and given his or her consent. A replacement for the ePrivacy Directive is currently under discussion by EU member states to complement and bring electronic communication services in line with the GDPR and force a harmonized approach across EU member states. Like the GDPR, the proposed ePrivacy Regulation **has applies** extra-territorial **territorially** application as it applies to businesses established outside the EU who provide publicly available electronic communications services to, or gather data from the devices of, users in the EU. Though still subject to debate, the proposed ePrivacy Regulation may further raise the bar for the use of cookies and the fines and penalties for breach may be significant. We may be required to, or otherwise may determine that it is advisable to, make significant changes in our business operations and **offerings product and services** to obtain user opt-in for cookies and use of cookie data, or develop or obtain additional tools and technologies to compensate for a lack of cookie data. **Recent-Increased transparency into the collection and use of data for digital advertising, introduced both through features in browsers and devices and regulatory requirements, such as the GDPR, U. S.** state privacy laws and regulations, **issued pursuant to those laws address and expand on requirements for honoring browser-based or similar technical signals for consumers to opt out of the sale and the use of personal data for targeted advertising purposes. If use of the "Global Privacy Control" or similar opt-out signals is adopted by many Internet users or if such a standard is imposed by even more states or by federal or foreign legislation or is agreed upon by standard setting groups, we may have to change our business practices, our clients may reduce their use of our platform and related offerings, and our business, financial condition and results of operations could be adversely affected. Increased transparency into the collection and use of data for digital advertising, introduced both through features in browsers and devices and regulatory requirements, such as the GDPR, state privacy laws, "Global Privacy Control," and the ePrivacy Directive, as well as compliance with such requirements, may create operational burdens to implement and may lead more users to choose to block the collection and use of data about them. Adapting to these and similar changes has in the past and may in the future require significant time, resources and expense, which may increase our cost of operation or limit our ability to operate or expand our business.** In addition to laws, the online advertising ecosystem is subject to best practices and self-regulatory standards, such as those promulgated by the Network Advertising Initiative and the Digital Advertising Alliance, and similar organizations in Europe and Canada. If we or our clients or partners make mistakes in the implementation of these principles, if self-regulatory bodies expand these guidelines, if government authorities issue different guidelines regarding targeted advertising, if opt out mechanisms fail to work as designed, or if Internet users misunderstand our technology or our

commitments with respect to these principles, we could be subject to negative publicity, government investigation, government or private litigation or investigation by self-regulatory bodies or other accountability groups. Any such action against us, or investigations, even if meritless, could be costly and time consuming, require us to change our business practices, cause us to divert management's attention and our resources and be damaging to our brand, reputation and business. In addition, privacy advocates and industry groups may propose new and different standards that either legally or contractually apply to us. We cannot yet determine the impact such future standards may have on our business.

We do not provide or control the content of the advertisements that we serve or the content of the websites providing the inventory. Advertisers provide the advertising content and inventory suppliers provide the inventory. Both advertisers and inventory suppliers are concerned about being associated with content they consider inappropriate, competitive or inconsistent with their brands or illegal, and they are hesitant to spend money or make inventory available, respectively, without some guarantee of brand security. Consequently, our reputation depends in part on providing services that our advertisers and inventory suppliers trust, and we have contractual obligations to meet content and inventory standards. We contractually prohibit the misuse of our platform by our clients and inventory suppliers. Additionally, we use our proprietary technology and third-party services to, and we participate in industry co-ops that work to, detect malware and other content issues as well as click fraud (whether by humans or software known as "bots") and to block fraudulent inventory, including "tool bar" inventory, which is inventory that appears within an application and displaces any advertising that would otherwise be displayed on the website. Despite such efforts, our clients may inadvertently purchase inventory that proves to be unacceptable for their campaigns, in which case we may not be able to recoup the amounts paid to inventory suppliers. Preventing and combating fraud is an industry-wide issue that requires constant vigilance, and we cannot guarantee that we will be successful in our efforts. Our clients could intentionally run campaigns that do not meet the standards of our inventory suppliers or attempt to use illegal or unethical targeting practices or seek to display advertising in jurisdictions that do not permit such advertising or in which the regulatory environment is uncertain, in which case our supply of ad inventory from such suppliers could be jeopardized. Some of our competitors undertake human review of content, but because our platform is self-service, and because such means are cost-intensive, we do not utilize all means available to decrease these risks. We may provide access to inventory that is objectionable to our advertisers, serve advertising that contains malware, objectionable content, or is based on questionable targeting criteria to our inventory suppliers, or be unable to detect and prevent non-human traffic, any one of which could harm our or our clients' brand and reputation, decrease their trust in our platform, and negatively impact our business, financial condition and results of operations. Our **revenue, cash flow, results of operations and other key operating and performance metrics may vary from quarter to quarter due to the seasonal nature of our clients' spend on advertising campaigns. For example, clients tend to devote more of their advertising budgets to the fourth calendar quarter to coincide with consumer holiday spending. Moreover, advertising inventory in the fourth quarter may be more expensive due to increased demand for it. Political advertising could also cause our revenue to increase during election cycles and decrease during other periods. Our historical revenue growth has lessened the impact of seasonality; however, seasonality could have a more significant impact on our revenue, cash flow and results of operations from period to period if our growth rate declines, if seasonal spend becomes more pronounced, or if seasonality otherwise differs from our expectations. If we fail to offer sufficient client training and support, our business and reputation would suffer. Because we offer a self-service platform with many proprietary and complex tools and functionalities, client training and support is important for the successful marketing and full utilization of our platform and for maintaining and increasing spend through our platform from existing and new clients. Providing this training and support requires that our platform operations personnel have specific domain knowledge and expertise along with the ability to train others, which makes it more difficult for us to hire qualified personnel and to scale up our support operations due to the extensive training required. The importance of high-quality client service will increase as we expand our business and pursue new clients. If we are not responsive and proactive regarding our clients' advertising needs, or do not provide effective support for our clients' advertising campaigns, our ability to retain our existing clients would suffer and our reputation with existing or potential clients would be harmed, which would negatively impact our business.** Failure to manage our growth effectively could cause our business to suffer and have an adverse effect on our financial condition and results of operations. We have experienced and continue to experience significant growth in a short period of time. To manage our growth effectively, we must continually evaluate and evolve our organization. We must also manage our employees, operations, finances, technology and development and capital investments efficiently. Our efficiency, productivity and the quality of our platform and client service may be adversely impacted if we do not train our new personnel, particularly our sales and support personnel, quickly and effectively, or if we fail to appropriately coordinate across our organization. Additionally, our rapid growth may place a strain on our resources, infrastructure and ability to maintain the quality of our platform and related offerings. Our revenue growth and levels of profitability in recent periods should not be considered as indicative of future performance. In future periods, our revenue or profitability could decline or grow more slowly than we expect. Failure to manage our growth effectively could cause our business to suffer and have an adverse effect on our financial condition and results of operations. As our costs increase, we may not be able to generate sufficient revenue to sustain profitability. We have expended significant resources to grow our business in recent years by **improving and expanding our offerings**, increasing the offerings of our **number of employees and platform**, adding new offerings, growing our number of employees and expanding internationally. Supporting our continued growth may require substantial financial and other resources to, among other things:

- develop our platform and related offerings, including by investing in our engineering team, creating, acquiring or licensing new **products offerings** or **certain** features, and improving the availability and security of our platform and related offerings;
- continue to expand internationally by growing our sales force and client services team in an effort to increase our client base and spend through our platform, and by adding inventory and data from countries our clients are seeking;
- improve our technology infrastructure, including investing in internal technology development and acquiring outside

technologies; • expand our platform's reach in new and growing channels such as CTV, including expanding the supply of CTV inventory; • cover general and administrative expenses, including legal, accounting and other expenses necessary to support a larger organization; • cover sales and marketing expenses, including a significant expansion of our direct sales organization; • cover expenses relating to data collection and use and consumer privacy compliance, including additional infrastructure, **product certain** features, security, automation and personnel; and • explore strategic acquisitions. Investing in the foregoing, however, may not yield anticipated returns. Consequently, as our costs increase, we may not be able to generate sufficient revenue to sustain profitability. Our **future success depends on the continuing efforts of our key employees, including Jeff T. Green, and our ability to attract, hire, retain and motivate highly skilled employees in the future.** Our future success depends on the continuing efforts of our executive officers and other key employees, including Jeff T. Green, our founder and Chief Executive Officer. We rely on the leadership, knowledge, and experience that our executive officers provide. They foster our corporate culture, which has been instrumental to our ability to attract and retain new talent. We also rely on our ability to hire and retain qualified and motivated employees, particularly those employees in our product development, support, and sales teams that attract and keep key clients. The market for talent in many of our areas of operations, including California and New York, is intensely competitive, as technology companies like ours compete to attract the best talent. As a business-to-business company, we do not have the same level of name recognition among potential recruits as business-to-consumer companies. Additionally, we have less experience with recruiting and less name recognition in geographies outside of the United States and may face additional challenges in attracting and retaining international employees. In addition, many companies now offer a remote or hybrid work environment, which may increase the competition for employees from employers outside of our traditional office locations. As a result, we may incur increasingly significant costs to attract and retain employees, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards, and we may lose new employees to our competitors or other companies before we realize the benefit of our investment in recruiting and training them. Employee turnover, including changes in our management team or failure to manage executive succession effectively, could disrupt our business. None of our key employees have an employment agreement for a specific term, and all of our employees may terminate their employment with us at any time. The loss of one or more of our executive officers or our inability to attract and retain highly skilled employees could have an adverse effect on our business, financial condition and results of operations. Our sales cycle for our platform and **newer-related** offerings, from initial contact to contract execution and implementation, can take significant time. Our sales efforts involve educating our clients about the use, technical capabilities and benefits of our platform and related offerings. Some of our clients undertake an evaluation process that frequently involves not only our platform but also the offerings of our competitors. As a result, it is difficult to predict when we will obtain new clients and begin generating revenue from these new clients. Even if our sales efforts result in obtaining a new client, under our usage-based pricing model, the client controls when and to what extent it uses our platform. As a result, we may not be able to add clients or generate revenue as quickly as we may expect, which could harm our revenue growth rates. Spend on our platform primarily comes through our agency clients. Many of our contracts with advertising agencies provide that if the advertiser does not pay the agency, the agency is not liable to us, and we must seek payment solely from the advertiser, a type of arrangement called sequential liability. Contracting with these agencies, which in some cases have or may develop higher-risk credit profiles, may subject us to greater credit risk than if we were to contract directly with advertisers. This credit risk may vary depending on the nature of an advertising agency's aggregated advertiser base. In addition, typically, we are contractually required to pay advertising inventory and data suppliers within a negotiated period of time, regardless of whether our clients pay us on time, or at all. In addition, we typically experience slow payment cycles by advertising agencies as is common in our industry. While we attempt to negotiate long payment periods with our suppliers and shorter periods from our clients, we are not always successful. As a result, we often face a timing issue with our accounts payable on shorter cycles than our accounts receivables, requiring us to remit payments from our own funds, and accept the risk of credit loss. This collections and payments cycle may increasingly consume working capital if we continue to be successful in growing our business. If we are unable to borrow on commercially acceptable terms, our working capital availability could be reduced, and as a consequence, our financial condition and results of operations would be adversely impacted. We may also be involved in disputes with clients, and in the case of agencies, their advertisers, over the operation of our platform, the terms of our agreements or our billings for purchases made by them through our platform. If we are unable to resolve disputes with our clients, we may lose clients or clients may decrease their use of our platform and our financial performance and growth may be adversely affected. If we are unable to collect or make adjustments to bills to clients, we could incur write-offs for credit loss, which could harm our results of operations. In the future, credit loss may exceed reserves for such contingencies and our credit loss exposure may increase over time. Any increase in write-offs for credit loss could harm our business, **financial condition and results of operations. Even if we are not paid by our clients on time or at all, we are still obligated to pay suppliers for the cost of advertising inventory, value-added services and data that clients purchase on our platform, and as a consequence, our business, financial condition and results of operations would be adversely impacted.** Our business and operations have been, and could in the future be, adversely affected by health epidemics, such as the global COVID-19 pandemic. The COVID-19 pandemic and efforts to control its spread curtailed the movement of people, goods and services worldwide, including in the regions in which we and our clients and partners operate, and significantly impacted economic activity and financial markets. Many marketers ~~have decreased or paused their advertising spending~~ **spend** as a response to the economic uncertainty, decline in business activity and other COVID-19-related impacts, which ~~have negatively impacted, and with respect to the COVID-19 pandemic or other future health epidemics, may continue to negatively impact, our revenue and results of operations, the extent and duration of which we may not be able to accurately predict.~~ The economic uncertainty caused by **future health epidemics** ~~the COVID-19 pandemic has made and may continue to make it difficult for us to forecast revenue and operating results and to make decisions regarding operational cost structures and investments.~~ The duration and extent of the impact from **future health epidemics or the other health events** ~~COVID-19~~

depend on future developments that cannot be accurately predicted at this time, including the emergence of new variant strains of COVID-19 and the measures taken by governments, businesses and other organizations in response to such epidemic or other public health event, and if we are not able to respond to and manage the impact of such events effectively, our business may be harmed. Failure to manage our growth effectively....., which would negatively impact our business. If the non-proprietary technology, software, products and services that we use are unavailable, have future terms we cannot agree to, or do not perform as we expect, our business, financial condition and results of operations could be harmed. We depend on various technology, software, products and services from third parties or available as open source, including data centers and API technology, payment processing, payroll and other technology and professional services, some of which are critical to the features and functionality of our platform. For example, in order for clients to target ads in ways they desire and otherwise optimize and verify campaigns, our platform must have access to data regarding Internet user behavior and reports with demographic information regarding Internet users. Identifying, negotiating, complying with and integrating with third-party terms and technology are complex, costly and time-consuming matters. Failure by third-party providers to maintain, support or secure their technology either generally or for our accounts specifically, or downtime, errors or defects in their products or services, could adversely impact our platform, our administrative obligations or other areas of our business. Having to replace any third-party providers or their technology, products or services could result in outages or difficulties in our ability to provide our services. If we are unsuccessful in establishing or maintaining our relationships with our third-party providers or otherwise need to replace them, internal resources may need to be diverted and our business, financial condition and results of operations could be harmed. Disruptions to service from our third-party data center hosting facilities and cloud computing and hosting providers could impair the delivery of our services and harm our business. A significant portion of our business relies upon hardware and services that are hosted, managed and controlled by third-party co-location providers for our data centers, and we are dependent on these third parties to provide continuous power, cooling, Internet connectivity and physical and technological security for our servers. In the event that these third-party providers experience any interruption in operations or cease business for any reason, or if we are unable to agree on satisfactory terms for continued hosting relationships, we would be forced to enter into a relationship with other service providers or assume some hosting responsibilities ourselves. Even a disruption as brief as a few minutes could have a negative impact on marketplace activities and could result in a loss of revenue. These facilities may be located in areas prone to natural disasters and may experience catastrophic events such as earthquakes, fires, floods, power loss, telecommunications failures, public health crises and similar events. They may also be subject to break-ins, sabotage, intentional acts of vandalism, cyberattacks and similar misconduct. Although we have made certain disaster recovery and business continuity arrangements, such events could cause damage to, or failure of, our systems generally, or those of the third-party cloud computing and hosting providers, which could result in disruptions to our service. We face potential liability and harm to our business based on the human factor of inputting information into our platform. Campaigns are set up using several variables available to our clients on our platform. While our platform includes several checks and balances, it is possible for human error to result in significant overspending. The system requires a daily cap at the ad group level. We also provide for the client to input daily and overall caps at the advertising inventory campaign level at their discretion. Additionally, we set a credit limit for each user so that they cannot spend beyond the level of credit risk we are willing to accept. Despite these protections, the ability for overspend exists. For example, campaigns which last for a period of time can be set to pace evenly or as quickly as possible. If a client with a high credit limit enters the wrong daily cap with a campaign set to a rapid pace, it is possible for a campaign to accidentally go significantly over budget. While our client contracts state that clients are responsible for media purchased through our platform, we are ultimately responsible for paying the inventory providers, and we may be unable to collect from clients facing such issues, in which case our results of operations would be harmed. We have international operations and plan to continue expanding abroad where we have more limited operating experience, which may subject us to additional cost and economic risks that can adversely affect our business, financial condition and results of operations. Our international operations and expansion plans create challenges associated with supporting a rapidly growing business across a multitude of cultures, customs, monetary, legal and regulatory systems and commercial infrastructures. We have a limited operating history outside of the United States, and our ability to manage and expand our business and conduct our operations internationally requires considerable attention and resources. We have personnel in countries within North America, Central America, Europe, Asia and Australia, and we are continuing to expand our international operations. Some of the countries into which we are, or potentially may, expand score unfavorably on the Corruption Perceptions Index (“CPI”) of the Transparency International. Our teams in locations outside the United States are substantially smaller than some of our teams in the United States. To the extent we are unable to effectively engage with non-U.S. advertising agencies or international divisions of U.S. agencies due to our limited sales force capacity, or we are unable to secure quality non-U.S. ad inventory and data on reasonable terms due to our limited inventory and data team capacity, we may be unable to effectively grow in international markets. Our international operations and expansion subject us to a variety of additional risks, including: • risks related to local advertising markets, where adoption of programmatic ad buying may be slower than in the United States, advertising buyers and inventory and data providers may be less familiar with demand-side platforms and our brand, and business models may not support our value proposition; • exposure to public health issues and to travel restrictions and other measures undertaken by governments in response to such issues; • risks related to compliance with local laws and regulations, including those relating to privacy, cybersecurity, data security, antitrust, data localization, anti-bribery, import and export controls, economic sanctions (including to existing and potential partners and clients), tax and withholding (including overlapping of different tax regimes), and varied labor and employment laws (including those relating to termination of employees); corporate formation, partnership, restrictions on foreign ownership or investment and other regulatory limitations or obligations on our operations (such as obtaining requisite licenses or other governmental requirements); and the increased administrative costs and risks associated with such compliance; • operational and execution risk, and other challenges caused by distance, language and cultural

differences, which may burden management, increase travel, infrastructure and legal compliance costs, and add complexity to our enforcement of advertising standards across languages and countries; • geopolitical and social factors, such as concerns regarding negative, unstable or changing economic conditions in the countries and regions where we operate, recessions, armed conflicts and wars, political instability and trade disputes; • risks related to pricing structure, payment and currency, including aligning our pricing model and payment terms with local norms, higher levels of credit risk and payment fraud, difficulties in invoicing and collecting in foreign currencies and associated foreign currency exposure, and difficulties in repatriating or transferring funds from or converting currencies; and • reduced protection for intellectual property rights in some countries and practical difficulties in enforcing contractual and intellectual property rights abroad. We have a U. K. entity through which we have entered into international client and partner agreements, including with those in the EU, which are governed by English Law, and some of our clients and partners pay us in British Pounds and Euros. We may incur significant operating expenses as a result of our international operations and expansion, and we may not be successful. Our international business also subjects us to the impact of differing regulatory requirements, costs and difficulties in managing a distributed workforce, and potentially adverse tax consequences in the United States and abroad. If our international activities were found to be in violation of any existing or future international laws or regulations or if interpretations of those laws and regulations were to change, our business in those countries could be subject to fines and other financial penalties, have licenses revoked, or be forced to restructure operations or shut down entirely. In addition, advertising markets outside of the United States are not as developed as those within the United States, and we may be unable to grow our business sufficiently. Any failure to successfully manage the risks and challenges related to our international operations could adversely affect our business, financial condition and results of operations. We have entered into, and may in the future enter into, credit facilities which may contain operating and financial covenants that restrict our business and financing activities. We have entered into, and may in the future enter into, credit facilities which contain restrictions that limit our flexibility in operating our business. Our credit facility contains, and any future credit facility may contain, various covenants that limit our ability to engage in specified types of transactions. Subject to exceptions, these covenants limit our ability to, among other things: • sell assets or make changes to the nature of our business; • engage in mergers or acquisitions; • incur, assume or permit additional indebtedness and guarantees; • make restricted payments, including paying dividends on, repurchasing, redeeming or making distributions with respect to our capital stock; • make specified investments; • engage in transactions with our affiliates; and • make payments in respect of subordinated debt. Our obligations under our credit facility are collateralized by a pledge of substantially all of our assets, including accounts receivable, deposit accounts, intellectual property and investment property and equipment. The covenants in our credit facility may limit our ability to take actions and, in the event that we breach one or more covenants, our lenders may choose to declare an event of default and require that we immediately repay all amounts outstanding, terminate the commitment to extend further credit and foreclose on the collateral granted to them to collateralize such indebtedness, which includes our intellectual property. In addition, if we fail to meet the required covenants, we will not have access to further draw-downs under our credit facility. If we do not effectively grow and train our sales and client service teams, we may be unable to add new clients or increase sales to our existing clients and our business will be adversely affected. We are substantially dependent on our sales and client service teams to obtain new clients and to increase spend by our existing clients. We believe that there is significant competition for sales personnel with the skills and technical knowledge that we require. Our ability to achieve revenue growth will depend, in large part, on our success in recruiting, hiring, training, integrating and retaining sufficient numbers of sales personnel to support our growth in the United States and internationally. Due to the complexity of our platform, new hires require significant training, and it may take significant time before they achieve full productivity. Our account managers, for instance, need to be trained quickly on the features of our platform since failure to offer high-quality support may adversely affect our relationships with our clients. Our recent and planned hires may not become productive as quickly as we expect, and we may be unable to hire or retain sufficient numbers of qualified individuals in the markets where we do business or plan to do business. If we are unable to hire and train sufficient numbers of effective sales personnel, or the sales personnel are not successful in obtaining new clients or increasing our existing clients' spend with us, our business will be adversely affected. Our corporate culture has contributed to our success, and if we are unable to maintain it as we grow, our business, financial condition and results of operations could be harmed. We have experienced and may continue to experience rapid expansion of our employee ranks. We believe our corporate culture has been a key element of our success. However, as our organization grows and expands globally, it may be difficult to maintain our culture, which could reduce our ability to innovate and operate effectively. The failure to maintain the key aspects of our culture as our organization grows could result in decreased employee satisfaction, increased difficulty in attracting top talent, increased turnover and could compromise the quality of our client service, all of which are important to our success and to the effective execution of our business strategy. In the event we are unable to maintain our corporate culture as we grow to scale, our business, financial condition and results of operations could be harmed. Our proprietary rights may be difficult to enforce, which could enable others to copy or use aspects of our technology without compensating us, thereby eroding our competitive advantages and harming our business. We rely upon a combination of trade secrets, third-party confidentiality and non-disclosure agreements, additional contractual restrictions on disclosure and use, and trademark, copyright, patent and other intellectual property laws to establish and protect our proprietary rights. These laws, procedures and restrictions provide only limited protection. We currently have “theTradeDesk” and variants and other marks registered as trademarks or pending registrations in the United States and certain foreign countries. We also rely on copyright laws to protect computer programs related to our platform and our proprietary technologies, although to date we have not registered for statutory copyright protection. We have registered numerous Internet domain names in the United States and certain foreign countries related to our business. We endeavor to enter into agreements with our employees and contractors in order to limit access to and disclosure of our proprietary information, as well as to clarify rights to intellectual property associated with our business. Protecting our intellectual property is a challenge, especially after our employees or our contractors end their relationship with us, and, in some

cases, decide to work for our competitors. Our contracts with our employees and contractors that relate to intellectual property issues generally restrict the use of our confidential information solely in connection with our services, and strictly prohibit reverse engineering. However, reverse engineering our software or the theft or misuse of our proprietary information could occur by employees or other third parties who have access to our technology. Enforceability of the non-compete agreements that we have in place is not guaranteed, and contractual restrictions could be breached without discovery or adequate remedies. Historically, we have prioritized keeping our technology architecture, trade secrets and engineering roadmap private, and as a general matter, have not patented our proprietary technology. As a result, we cannot look to patent enforcement rights to protect much of our proprietary technology. Furthermore, our patent strategy is still in its early stages. We may not be able to obtain any further patents, and our pending applications may not result in the issuance of patents. Any issued patents may be challenged, invalidated or circumvented, and any rights granted under these patents may not actually provide adequate defensive protection or competitive advantages to us. Additionally, the process of obtaining patent protection is expensive and time-consuming, and we may not be able to prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. Policing unauthorized use of our technology is difficult. In addition, the laws of some foreign countries may not be as protective of intellectual property rights as those of the United States, and mechanisms for enforcement of our proprietary rights in such countries may be inadequate. If we are unable to protect our proprietary rights (including in particular, the proprietary aspects of our platform) we may find ourselves at a competitive disadvantage to others who have not incurred the same level of expense, time and effort to create and protect their intellectual property. We may be sued by third parties for alleged infringement of their proprietary rights, which would result in additional expense and potential damages. There is significant patent and other intellectual property development activity in the digital advertising industry. Third-party intellectual property rights may cover significant aspects of our technologies or business methods or block us from expanding our offerings. Our success depends on the continual development of our platform. From time to time, we may receive claims from third parties that our platform and underlying technology infringe or violate such third parties' intellectual property rights. To the extent we gain greater public recognition, we may face a higher risk of being the subject of intellectual property claims. The cost of defending against such claims, whether or not the claims have merit, is significant, regardless of whether we are successful in our defense, and could divert the attention of management, technical personnel and other employees from our business operations. Litigation regarding intellectual property rights is inherently uncertain due to the complex issues involved, and we may not be successful in defending ourselves in such matters. Additionally, we have obligations to indemnify our clients or inventory and data suppliers in connection with certain intellectual property claims. If we are found to infringe these rights, we could potentially be required to cease utilizing portions of our platform. We may also be required to develop alternative non-infringing technology, which could require significant time and expense. Additionally, we could be required to pay royalty payments, either as a one-time fee or ongoing, as well as damages for past use that was deemed to be infringing. If we cannot license or develop technology for any allegedly infringing aspect of our business, we would be forced to limit our service and may be unable to compete effectively. Any of these results could harm our business. We face potential liability and harm to our business based on the nature of our business and the content on our platform. Advertising often results in litigation relating to misleading or deceptive claims, copyright or trademark infringement, public performance royalties or other claims based on the nature and content of advertising that is distributed through our platform. Though we contractually require clients to generally represent to us that their advertisements comply with our ad standards and our inventory providers' ad standards and that they have the rights necessary to serve advertisements through our platform, we do not independently verify whether we are permitted to deliver, or review the content of, such advertisements. If any of these representations are untrue, we may be exposed to potential liability and our reputation may be damaged. While our clients are typically obligated to indemnify us, such indemnification may not fully cover us, or we may not be able to collect. In addition to settlement costs, we may be responsible for our own litigation costs, which can be expensive. We are subject to anti-bribery, anti-corruption and similar laws and non-compliance with such laws can subject us to criminal penalties or significant fines and harm our business and reputation. We are subject to anti-bribery and similar laws, such as the U. S. Foreign Corrupt Practices Act of 1977, as amended, the U. S. domestic bribery statute contained in 18 U. S. C. § 201, the USA PATRIOT Act, U. S. Travel Act, the U. K. Bribery Act 2010 and Proceeds of Crime Act 2002, and possibly other anti-corruption, anti-bribery and anti-money laundering laws in countries in which we conduct business. Anti-corruption laws have been enforced with great rigor in recent years and are interpreted broadly. Such laws prohibit companies and their employees and their agents from making or offering improper payments or other benefits to government officials and others in the private sector. As we increase our international sales and business, particularly in countries with a low score on the CPI by Transparency International, and increase our use of third parties such as sales agents, distributors, resellers or consultants, our risks under these laws will increase. We adopt appropriate policies and procedures and conduct training, but cannot guarantee that improprieties will not occur. Noncompliance with these laws could subject us to investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension and / or debarment from contracting with specified persons, the loss of export privileges, reputational harm, adverse media coverage, and other collateral consequences. Any investigations, actions and / or sanctions could have a material negative impact on our business, financial condition and results of operations. We are subject to governmental economic sanctions requirements and export and import controls that could impair our ability to compete in international markets or subject us to liability if we are not in compliance with applicable laws. As a U. S. company, we are subject to U. S. export control and economic sanctions laws and regulations, and we are required to export our technology and services in compliance with those laws and regulations, including the U. S. Export Administration Regulations and economic embargo and trade sanctions programs administered by the Treasury Department's Office of Foreign Assets Control. U. S. economic sanctions and export control laws and regulations prohibit the shipment of specified products and services to countries, governments and persons targeted by U. S. sanctions. While we take precautions to prevent doing any business,

directly or indirectly, with countries, governments and persons targeted by U. S. sanctions and to ensure that our technology and services are not exported or used by countries, governments and persons targeted by U. S. sanctions, such measures may be circumvented. There can be no assurance that we will be in compliance with U. S. export control or economic sanctions laws and regulations in the future. Any such violation could result in significant criminal or civil fines, penalties or other sanctions and repercussions, including reputational harm that could materially adversely impact our business. Furthermore, if we export our technology, the exports may require authorizations, including a license, a license exception or other appropriate government authorization. Complying with export control and sanctions regulations may be time-consuming and may result in the delay or loss of opportunities. In addition, various countries regulate the import of encryption technology, including the imposition of import permitting and licensing requirements, and have enacted laws that could limit our ability to offer our platform or could limit our clients' ability to use our platform in those countries. Changes in our platform or future changes in export and import regulations may create delays in the introduction of our platform in international markets or prevent our clients with international operations from deploying our platform globally. Any change in export or import regulations, economic sanctions or related legislation, or change in the countries, governments, persons, or technologies targeted by such regulations, could result in decreased use of our platform by, or in our decreased ability to export our technology and services to, existing or potential clients with international operations. Any decreased use of our platform or limitation on our ability to export our platform would likely adversely affect our business, financial condition and results of operations.

Risks Related to Ownership of Our Class A Common Stock

The market price of our stock and of equity securities of technology companies has historically experienced high levels of volatility. If you purchase shares of our Class A common stock, you may not be able to resell those shares at or above your purchase price. The market price of our Class A common stock has fluctuated and may fluctuate significantly in response to numerous factors, some of which are beyond our control and may not be related to our operating performance, including:

- announcements of new offerings, products, services or technologies, commercial relationships, acquisitions, or other events by us or our competitors;
- price and volume fluctuations in the overall stock market from time to time;
- significant volatility in the market price and trading volume of technology companies in general and of companies in the digital advertising industry in particular;
- fluctuations in the trading volume of our shares or the size of our public float;
- trading activity in our share repurchase program;
- actual or anticipated changes or fluctuations in our results of operations;
- whether our results of operations meet the expectations of securities analysts or investors;
- actual or anticipated changes in the expectations of investors or securities analysts;
- litigation involving us, our industry, or both;
- regulatory developments in the United States, foreign countries, or both;
- general economic conditions and trends;
- terrorist attacks, political upheaval, natural disasters, war, public health crises, or other major catastrophic events;
- sales of large blocks of our common stock;
- departures of key employees; or
- an adverse impact on us from any of the other risks cited herein.

In addition, if the stock market for technology companies, or the stock market generally, experiences a loss of investor confidence, the trading price of our Class A common stock could decline for reasons unrelated to our business, financial condition or results of operations. Stock prices of many technology companies have fluctuated in a manner unrelated or disproportionate to the operating performance of those companies. The trading price of our Class A common stock might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. In the past, stockholders have filed securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our core business, and adversely affect our business. The market price of our Class A common stock could decline as a result of substantial sales of our common stock, particularly sales by our directors, executive officers and significant stockholders, or the perception in the market that holders of a large number of shares intend to sell their shares. Additionally, our directors, executive officers, employees and, in certain instances, service providers, hold shares of common stock subject to outstanding options, restricted stock awards and restricted stock units under our equity incentive plans. Those shares and the shares reserved for future issuance under our equity incentive plans are and will become eligible for sale in the public market, subject to certain legal and contractual limitations. Our Class B common stock has ten votes per share and our Class A common stock has one vote per share. Because of the ten-to-one voting ratio between our Class B and Class A common stock, the holders of our Class B common stock collectively have substantial control of the combined voting power of our common stock. Our ~~certificate articles~~ of incorporation ~~provides~~ **provide** that all Class B common stock will convert automatically into Class A common stock on December 22, 2025, unless converted prior to such date. As of December 31, ~~2023~~ **2024**, stockholders who held shares of Class B common stock, including our executive officers, employees, and directors and their affiliates, together held approximately 49.73% of the voting power of our outstanding capital stock. This concentrated control limits or precludes your ability to influence corporate matters, as the holders of Class B common stock are able to influence or substantially control matters requiring approval by our stockholders, including the election of the directors, excluding the director we have designated as a Class A director, and the approval of mergers, acquisitions or other extraordinary transactions. Their interests may differ from yours and they may vote in a manner that is adverse to your interests. This ownership concentration may deter, delay or prevent a change of control of our company, deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of our company and may ultimately affect the market price of our common stock. Furthermore, in connection with the **dual class nature amendments to our certificate of our common stock** incorporation and related matters voted on at the Special Meeting of Stockholders held on ~~December 22, 2020~~, we have become subject to legal proceedings and could become involved in additional litigation, including securities class action claims and / or derivative litigation. Any such legal proceedings, regardless of outcome or merit, may divert management's time and attention and may result in the incurrence of significant expense, including legal fees. For additional information regarding the pending legal ~~proceeding~~ **proceedings**, refer to **"Item 3. Legal Proceedings."** Transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions, such as transfers effected for estate planning or charitable purposes. However, until the conversion of all

outstanding shares of Class B common stock, the conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the voting power of those holders of Class B common stock who retain their shares in the long term. Our ~~charter governing~~ documents and ~~Delaware Nevada~~ law could discourage takeover attempts and other corporate governance changes. Our ~~articles amended and restated certificate~~ of incorporation and ~~amended and restated~~ bylaws contain provisions that could delay or prevent a change in control of our company. These provisions could also make it difficult for stockholders to elect directors that are not nominated by the current members of our board of directors or take other corporate actions, including effecting changes in our management. These provisions include the following provisions: • permit the board of directors to establish the number of directors and fill any vacancies and newly created directorships; • provide that our board of directors ~~is will be~~ classified into three classes with staggered, three- year terms and that directors may only be removed ~~for cause~~ **by the affirmative vote of the holders of at least 66 2 / 3 % of the voting power of the then- outstanding shares of capital stock that all of our stockholders would be entitled to cast in an election of directors**; • require super- majority voting to amend certain provisions in our ~~certificate articles~~ of incorporation and bylaws; • authorize the issuance of “ blank check ” preferred stock that our board of directors could use to implement a stockholder rights plan; • specify that special meetings of our stockholders can be called only by our board of directors, the chairman of our board of directors, our chief executive officer, or a stockholder that has held at least 20 % of our outstanding shares of common stock continuously for one year; • provide that the board of directors is expressly authorized to make, alter or repeal our bylaws; • provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum; • prohibit cumulative voting in the election of directors; • restrict the forum for certain litigation against us to ~~Delaware Nevada~~; • restrict the forum for certain litigation against us to the federal district courts of the United States; • permit our board of directors to alter our bylaws without obtaining stockholder approval; • reflect the dual class structure of our common stock, as discussed above; and • establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings. In addition, ~~as a Delaware corporation~~, we are subject to ~~Section 203 of the Delaware General Corporation Law~~ **Nevada’s statute on combinations with interested stockholders**. These provisions may prohibit large stockholders, in particular those owning ~~15-10~~ % or more **of the voting power** of our outstanding voting stock, from merging or combining with us for a period of time. Our ~~articles amended and restated certificate~~ of incorporation and ~~amended and restated~~ bylaws designate certain state or federal courts as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit stockholders’ ability to obtain a favorable judicial forum for disputes with us. Our ~~articles amended and restated certificate~~ of incorporation ~~provides~~ **provide** that, unless we consent in writing to the selection of an alternative forum, the ~~Court of Chancery of~~ **state courts located in** the State of ~~Delaware Nevada~~ will be, to the fullest extent permitted by law, the sole and exclusive forum for any state law claim for: • any ~~derivative~~ **action, suit or proceeding brought in our name or right or** on our behalf; • any action asserting **or based upon** a claim of breach of a fiduciary duty owed by any of our directors, officers, ~~other employees~~ **or stockholders agents** to us or our stockholders; **or** • any action asserting a claim arising pursuant to **, or to interpret, apply, enforce or determine the validity of,** any provision of the ~~Nevada Revised Statutes Delaware General Corporation Law~~, our ~~articles amended and restated certificate~~ of incorporation or our ~~amended and restated~~ bylaws ~~or~~ **as certain voting trust agreements** to which ~~we are the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware; or~~ • any action asserting a **party or a stated beneficiary** claim governed by the internal affairs doctrine (collectively, the “ ~~Delaware Nevada~~ Forum Provision ”). The ~~Delaware Nevada~~ Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Further, our ~~amended and restated~~ bylaws provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America will be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act (the “ Federal Forum Provision ”). In addition, our ~~articles amended and restated certificate~~ of incorporation and ~~amended and restated~~ bylaws provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the ~~Delaware Nevada~~ Forum Provision and the Federal Forum Provision, respectively; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the U. S. federal securities laws and the rules and regulations thereunder. The ~~Delaware Nevada~~ Forum Provision and the Federal Forum Provision in our ~~articles amended and restated certificate~~ of incorporation and ~~amended and restated~~ bylaws may impose additional litigation costs on stockholders in pursuing any such claims. Additionally, these forum selection clauses may limit our stockholders’ ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers ~~or~~, employees **or agents** (including, without limitation, any claims in respect of stockholder nominations of directors as permitted under our ~~amended and restated~~ bylaws), which may discourage the filing of lawsuits against us and our directors, officers ~~and~~, employees ~~and agents~~ even though an action, if successful, might benefit our stockholders. In addition, ~~while the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are “ facially valid ” under Delaware law~~, there is uncertainty as to whether other courts will enforce our Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The ~~state courts~~ **Court of Chancery** of the State of ~~Delaware Nevada~~ and the federal district courts may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders’. We cannot guarantee that our share repurchase program will be fully consummated, that it will enhance long-term stockholder value, or that it will successfully mitigate the dilutive effect of employee equity awards. Share repurchases diminish our cash reserves and could also increase the volatility of the trading price of our Class A common stock. While our board of directors authorized a share repurchase program that does not have an expiration date, the program does not obligate us

to acquire any particular amount of Class A common stock and it may be terminated at any time. We cannot guarantee that the program will be fully consummated, that it will enhance long- term stockholder value, or that it will successfully mitigate the dilutive effect of employee equity awards. Any repurchases will reduce the amount of cash we have available to fund working capital, capital expenditures, strategic acquisitions or business opportunities, and other general corporate requirements. In addition, the program could affect the trading price of our Class A common stock and increase volatility, and any announcement of a termination of this program may result in a decrease in the trading price of our Class A common stock.

General Risk Factors

If we fail to maintain an effective system of internal control over financial reporting in the future, we may not be able to accurately or timely report our financial condition or results of operations. If our internal control over financial reporting is not effective, it may adversely affect investor confidence in us and the price of our common stock. As a public company, we are required to maintain internal control over financial reporting and to report any material weaknesses in such internal control. Section 404 of the Sarbanes- Oxley Act of 2002, as amended (the “ Sarbanes- Oxley Act ”) requires that we evaluate and determine the effectiveness of our internal control over financial reporting and provide a management report on internal control over financial reporting. Our platform system applications are complex, multi- faceted and include applications that are highly customized in order to serve and support our clients, advertising inventory and data suppliers, as well as support our financial reporting obligations. We regularly make improvements to our platform to maintain and enhance our competitive position. In the future, we may implement new offerings and engage in business transactions, such as acquisitions, reorganizations or implementation of new information systems. These factors require us to develop and maintain our internal controls, processes and reporting systems, and we expect to incur ongoing costs in this effort. We may not be successful in developing and maintaining effective internal controls, and any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. If we identify material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal control over financial reporting is effective. If we are unable to assert that our internal control over financial reporting is effective, if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting, or if we are unable to comply with the requirements of the Sarbanes- Oxley Act in a timely manner, then, we may be late with the filing of our periodic reports, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected. Such failures could also subject us to investigations by Nasdaq, the stock exchange on which our securities are listed, the SEC or other regulatory authorities, and to litigation from stockholders, which could harm our reputation, financial condition or divert financial and management resources from our core business. The requirements of being a public company may strain our resources, divert our management’ s attention and affect our ability to attract and retain qualified board members. As a public company, we are subject to the reporting requirements of the Exchange Act, and are required to comply with the applicable requirements of the Sarbanes- Oxley Act and the Dodd- Frank Wall Street Reform and Consumer Protection Act, the listing requirements of Nasdaq, and other applicable securities rules and regulations. Compliance with these rules and regulations increases our legal and financial compliance costs, make some activities more difficult, time- consuming or costly and increase demand on our systems and resources. Among other things, the Exchange Act requires that we file annual, quarterly and current reports with respect to our business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. Significant resources and management oversight are required to maintain and, if required, improve our disclosure controls and procedures and internal controls over financial reporting to meet this standard. As a result, management’ s attention may be diverted from other business concerns, which could harm our business and results of operations. Exposure to foreign currency exchange rate fluctuations could negatively impact our results of operations. While the majority of the transactions through our platform are denominated in U. S. Dollars, we have transacted in foreign currencies, both for inventory and data and for payments by clients from use of our platform. We also have expenses denominated in currencies other than the U. S. Dollar. Given our anticipated international growth, we expect the number of transactions in a variety of foreign currencies to continue to grow in the future. While we generally require a fee from our clients that pay in non- U. S. currency, this fee may not always cover foreign currency exchange rate fluctuations. In addition, for those clients that pay in non- U. S. currency, we often pay for the advertising inventory and data purchased by such clients in U. S. Dollars. As a result, any increase in the value of the U. S. Dollar against these foreign currencies could cause our revenue to decline relative to our costs. Although we currently have a program to hedge exposure to foreign currency fluctuations, the use of hedging instruments may not be available for all currencies or may not always offset losses resulting from foreign currency exchange rate fluctuations. Moreover, the use of hedging instruments can itself result in losses if we are unable to structure effective hedges with such instruments. Future acquisitions, strategic investments or alliances could disrupt our business and harm our business, financial condition and results of operations. We explore, on an ongoing basis, potential acquisitions of companies or technologies, strategic investments, or alliances to strengthen our business; however, we have limited experience in acquiring and integrating businesses, products and technologies. Even if we identify an appropriate acquisition candidate, we may not be successful in negotiating the terms or financing of the acquisition, and our due diligence may fail to identify all of the problems, liabilities or other shortcomings or challenges of an acquired business, product or technology, including issues related to intellectual property, product quality or architecture, regulatory compliance practices, revenue recognition or other accounting practices or employee or client issues. Acquisitions involve numerous risks, any of which could harm our business, including:

- regulatory hurdles;
- anticipated benefits may not materialize;
- diversion of management time and focus from operating our business to addressing acquisition integration challenges;
- retention of employees from the acquired company;
- cultural challenges associated with integrating employees from the acquired company into our organization;
- integration of the acquired company’ s products and technology;
- integration of the acquired company’ s accounting, management information, human resources and other administrative systems;
- the need to implement or improve

controls, procedures and policies at a business that, prior to the acquisition, may have lacked effective controls, procedures and policies; • coordination of product development and sales and marketing functions; • liability for activities of the acquired company before the acquisition, including relating to privacy and data security, patent and trademark infringement claims, violations of laws, commercial disputes, tax liabilities and other known and unknown liabilities; and • litigation or other claims in connection with the acquisition, including claims from terminated employees, users, former stockholders or other third parties. Failure to appropriately mitigate these risks or other issues related to such acquisitions and strategic investments could result in reducing or completely eliminating any anticipated benefits of transactions, and harm our business generally. Future acquisitions could also result in dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities, amortization expenses or the impairment of goodwill, any of which could harm our business, financial condition and results of operations. We may not be able to secure additional financing on favorable terms, or at all, to meet our future capital needs, which may in turn impair our growth. We intend to continue to grow our business, which will require additional capital to develop new features or enhance our platform, improve our operating infrastructure, finance working capital requirements, or acquire complementary businesses and technologies. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us under our existing credit facility in an amount sufficient to fund our working capital needs. Accordingly, we may need to engage in additional equity or debt financings to secure additional capital. We cannot assure you that we would be able to locate additional financing on commercially reasonable terms or at all. Any debt financing that we secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities. If our cash flows and credit facility borrowings are insufficient to fund our working capital requirements, we may not be able to grow at the rate we currently expect or at all. In addition, in the absence of sufficient cash flows from operations, we might be unable to meet our obligations under our credit facility, and we may therefore be at risk of default thereunder. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. If we are unable to secure additional funding on favorable terms, or at all, when we require it, our ability to continue to grow our business to react to market conditions could be impaired and our business may be harmed. Our tax liabilities may be greater than anticipated. The U. S. and non- U. S. tax laws applicable to our business activities are subject to interpretation and are changing. We are subject to audit by the Internal Revenue Service and by taxing authorities of the state, local and foreign jurisdictions in which we operate. Our tax obligations are based in part on our corporate operating structure, including the manner in which we develop, value, use and hold our intellectual property, the jurisdictions in which we operate, how tax authorities assess revenue- based taxes such as sales and use taxes, the scope of our international operations and the value we ascribe to our intercompany transactions. Taxing authorities may challenge, and have challenged, our tax positions and methodologies for valuing developed technology or intercompany arrangements, positions regarding the collection of sales and use taxes, and the jurisdictions in which we are subject to taxes, which could expose us to additional taxes. Any adverse outcomes of such challenges to our tax positions could result in additional taxes for prior periods, interest and penalties, as well as higher future taxes. In addition, our future tax expense could increase as a result of changes in tax laws, regulations or accounting principles, or as a result of earning income in jurisdictions that have higher tax rates. For example, the European Commission has proposed, and various jurisdictions, including a number of states in the United States, are considering enacting or have enacted laws that impose separate taxes on specified digital services, which may increase our tax obligations in such jurisdictions. **In addition, the Organization for Economic Cooperation and Development (“ OECD ”) announced an Inclusive Framework on Base Erosion and Profit Shifting, including Pillar Two Model Rules defining a global minimum tax, which calls for the taxation of large multinational corporations at a minimum rate of 15 %. While the changes from these rules have not impacted our financial condition or results of operations, they could increase our effective tax rate and cash tax payments in future periods.** Any increase in our tax expense could have a negative effect on our financial condition and results of operations. Moreover, the determination of our provision for income taxes and other tax liabilities requires significant estimates and judgment by management, and the tax treatment of certain transactions is uncertain. Any changes, ambiguity, or uncertainty in taxing jurisdictions’ administrative interpretations, decisions, policies and positions, including, the position of taxing authorities with respect to revenue generated by reference to certain digital services, could also materially impact our income tax liabilities. Although we believe we will make reasonable estimates and judgments, the ultimate outcome of any particular issue may differ from the amounts previously recorded in our financial statements and any such occurrence could materially affect our financial condition and results of operations.