*Prepared Remarks of*




**Fourth Quarter 2021 Earnings Call**

**February 16, 2022**

**Chris Toth, Vice President Investor Relations**

Thank you, Operator. Hello and good morning to everyone. Welcome to The Trade Desk fourth quarter 2021 earnings conference call. On the call today are our Founder and CEO Jeff Green, and Chief Financial Officer Blake Grayson.

A copy of our earnings press release can be found on our website at thetradedesk.com in the Investor Relations section. Before we begin, I would like to remind you that, except for historical information, some of the discussion and our responses in Q&A may contain forward-looking statements, which are dependent upon certain risks and uncertainties. In particular, our expectations around the impact of the Covid-19 pandemic on our business and results of operations in addition to potential supply chain disruptions that could disrupt advertising spend are subject to change. Should any of these risks materialize, or should our assumptions prove to be incorrect, actual financial results could differ materially from our projections or those implied by these forward-looking statements. I encourage you to refer to the risk factors referenced in our press release and included in our most recent SEC filings. In addition to reporting our GAAP financial results, we present supplemental non-GAAP financial data. A reconciliation of the GAAP to non-GAAP measures can be found in our earnings press release. We believe that providing non-GAAP measures combined with our GAAP results provides a more meaningful representation of the Company's operational performance.

I will now turn the call over to Founder and CEO Jeff Green.

**Jeff Green, CEO**

Thanks, Chris. Good morning and thanks to everyone for joining us today. Q4 2021 was another outstanding quarter for The Trade Desk and an exclamation point on a terrific year. Across the board, we exceeded all our goals for 2021, which culminated in crossing the billion-dollar revenue mark, ending the year with $1.2 billion in annual revenue, an increase of 43% year-over-year. Total platform spend was almost $6.2 billion. It's only ten years ago, May of 2011, when we received our first penny of spend. To think, last year we passed $6 billion in spend. It is both astonishing and inspiring. I say that because I truly believe that we are just getting started. With our innovation, our amazing team, our unrivaled customer service, and a growing roster of global partnerships, I am convinced that we will continue to outperform in an addressable advertising market that is racing toward a $1 trillion TAM.

One aspect of our business in 2021 that was particularly encouraging was the pace at which we signed major customer agreements. As the year progressed, we signed an increasing number of long-term commitments with some of the largest brand advertisers in the world. Last year, the top 25 advertisers on our platform increased their spend on our platform more than 50% compared to the prior year. And that's before some of these long-term agreements have fully activated. Momentum is also growing due to increased awareness and understanding of our value among brand marketers and their agencies.

I'd like to spend my time today looking back on the highlights of 2021 and also discuss the factors that are shaping 2022 into what I expect will be the most impactful year The Trade Desk has ever had. I believe this will provide color on why brand marketers are increasingly gravitating to our platform.

Looking back on 2021, one of the highlights was the launch of our biggest product ever, Solimar. As you know, we launched Solimar on 7/7, after years of investment. But as with any major platform overhaul, there's always the question of exactly what the impact will be?

The answer is that Solimar has been an upgrade to our business in every way. It helps advertisers and agencies embrace completely new ways of thinking about data, measurement, goal-setting and campaign optimization. And I'm pleased to report that as of today, the majority of ad impressions on our platform are now bought via Solimar. At the current pace, we expect to deprecate the legacy platform before the fourth quarter of this year. To accomplish a complete transition to a new platform within about one year is impressive by anyone's standards, and it speaks to the value that advertisers are realizing with Solimar.

Solimar was created to help advertisers make better, data-driven decisions at every step of the marketing funnel, and in doing so, take full advantage of the power of the open internet. We wanted to make set up easier and decisions more data-driven. We also wanted to make certain that our AI and Machine Learning product -- branded as KOA -- was always on when the benefit was obvious.

With a better blend of human and machine, advertisers can apply the right data automatically, and Solimar can optimize everything from predictive clearing to audience targeting to price discovery. Every ad campaign becomes more effective. Every ad dollar is working as hard as it can. And as a result, the flywheel spins faster, activating even more campaign dollars.

Let me share some data about how the move to Solimar is going:

- First, KOA adoption on Solimar is now over 90 percent, nearly 50% higher than with the legacy platform. Now, nearly all of our advertisers are getting richer data-driven insights and recommendations on how to reach and measure their target audiences most effectively, and across the full scope of channels to optimize performance.

- In fact, average channel usage for Solimar campaigns has also increased about 50%. With Solimar, advertisers get a better perspective on cross channel performance, and insight into how an omni-channel campaign can take a consumer through an integrated advertising experience.

- And finally, and probably one of the most important changes: For those advertisers that have switched to Solimar, the average number of data elements applied to each impression has more than doubled.

Many of the amazing results we are seeing from Solimar are due to a restructuring of our data marketplace and the courage of our data partners to try something new in the hopes of upgrading the entire open internet. As a result, Solimar is a bit of a two for one -- a better decisioning engine and a better data marketplace. Let me spend a moment on the improved data marketplace as it represents a significant upgrade to how the industry currently thinks about data and data pricing.

Until now, I would describe the marketplace for data in digital advertising as somewhat anemic. And that's largely because of the way that data has traditionally been priced across the web. In walled gardens data pricing is opaque with effectively zero price discovery. In the open web, historically data pricing has been more fixed than variable, which leaves little room for price discovery or even value discovery. It's akin to a real estate agent charging a fixed dollar rate regardless of the value of the home that's being sold. In the case of data, that has meant that each data element could be too expensive relative to the value of the impression. This also then becomes an inhibitor to advertisers who want to apply a full scope of data to every impression.

But with Solimar and the new data marketplace, we have shifted our data pricing model away from fixed rates toward percentage of CPM. This would never have been possible without the support and commitment of the hundreds of data partners who participate on our platform and who were willing to make this change. This allows for much greater flexibility and data deployment based on both value and relevance. We have created a market where there's more accurate price discovery for data which is more closely aligned to the value it creates, instead of high fixed rates.

Additionally, there is another major data marketplace design change that we'll fully roll out in the first half of 2022. This change will address the last major obstacle to cure the open internet's data anemia. Currently there is a disincentive to layer multiple data elements onto the same impression because the cost is prohibitive and price discovery has been a problem. With variable pricing now universal in our data marketplace, we can now add fractional pricing. This means we can offer, for example, a basket of data options for customers that in total doesn't necessarily cost them more, but activates more data sources and pays suppliers based on precise value created for the advertiser. In doing so, data providers have the opportunity to make more money, in aggregate.

This creates incentive to use data whenever it adds value and rewards data companies for the value they create.

We expect that this will create the most robust data marketplace ever on the open internet. Not only will the open internet benefit, but we will be able to layer in more data, significantly enriching each ad impression for the advertiser. In total, this increases the use of data. As we enrich each impression, advertisers on our platform become more effective, and they invest more. Already our data marketplace changes have been so successful that we have seen advertiser bid win rates increase significantly because they have been much more precise in understanding the value of each ad impression. Again, this means advertisers are inclined to spend more because they are achieving even better ROI, making the flywheel spin faster.

Looking back on another highlight from this last year, we blazed new trails in the rapidly emerging world of shopper marketing, another green field that is open to us because of the use of data.

As of the fourth quarter we are up and running with the Walmart DSP with select major advertisers. The initial results have been very encouraging.

BIC is one of the early adopters. As you probably know, BIC is headquartered in France but is a global leader in consumer products such as ballpoint pens, lighters and grooming. And Walmart is a major retail partner for them. In December, BIC ran holiday campaigns for some key products, including men's and women's razors, using the new Walmart DSP. The results were even better than we hoped for. BIC achieved return-on-ad-spend, or ROAS, of just under 500%. That means for every advertising dollar, they drove $5 in consumer purchases.

This data is significant for a few reasons. First, with closed loop measurement, BIC is able to get a very rapid assessment of ROAS. The shopper data available in the Walmart DSP makes it much easier for brands like BIC to make the connection between campaign spend and consumer purchase. And second, ROAS of 500% is well above the industry average. According to Nielsen, a "good" ROAS is around 270%. So, to take an industry standard benchmark, and almost double it, is pretty staggering.

Matt de Paolo is BIC's senior manager of Omnichannel Growth, and he recently spoke about the power of the Walmart DSP. To quote him directly, he said "I don't want to overstate it, but this is something the industry has been waiting for, for a very long time, and now we finally have it at our disposal. We had suspected that The Trade Desk would be a powerful complement to Walmart's capabilities and this test validated our suspicion." BIC represents the sentiment of many advertisers. They want retail data to help them improve their ad spend in digital. They want to better understand how media moves people through the purchase journey.

I firmly believe that 2022 will be the year that advertisers start to realize the power of shopper marketing. Walmart is leading the charge here.

Amy Lanzi is the commerce practice lead at Publicis for North America. She recently spoke with The Current, our online news site, about how the Walmart DSP is capturing the attention of CMOs who previously weren't as hands on with the retailer. To quote her directly, she said "It used to be that you would negotiate how you got a better display in a physical store. Now, it's a dynamic conversation that includes their digital shelves and how brands can reach Walmart shoppers who are outside the retailer's ecosystem."

In the coming quarters we'll have more to say about how we're partnering with other retailers in innovative ways to unlock the power of shopper marketing data for advertisers. As I mentioned, this is just one of the areas where brand marketing leaders are gaining a greater appreciation of the value of programmatic.

When looking back on the amazing success and land grab year that was 2021, it is impossible to not spend some time talking about the rise of CTV.

In 2021, CTV was once again the largest driver of spend on our platform. Last year, more than 15,000 advertisers spent on CTV on our platform, and we saw the number of advertisers that spent over $1 million in CTV almost double, compared to 2020.

And I highlight CTV again because it is such an important driver of the brand shift to programmatic more broadly. For most brands, TV is the largest element of their advertising campaigns. The TV team is often the power center of a brand marketing department. As TV digitizes, thanks to the massive consumer shift to streaming, advertisers are embracing the power of programmatic in their most significant channel. Once TV advertisers realize its potential, the focus rapidly shifts to the value of programmatic in an omni-channel context. And this is what I mean when I've said in the past that CTV is probably the most important driver of change across digital advertising.

Of course, it is not just the consumer shift that's driving advertisers to embrace CTV. TV content companies are also evolving their models at warp speed, and we continue to partner with all of the major CTV providers worldwide. Each year the inventory avails on our platform continue to rapidly increase.

And as we enter this year's upfront season, I expect we'll continue to see large TV companies further prioritize CTV as part of that process. Indeed, The Trade Desk has already been invited to participate in some of the digital upfront programs this year. And while we've talked a lot in recent quarters about partnerships with major TV content companies in North America and Europe, the same dynamic is happening now in Asia, where viewers are also rapidly shifting to CTV, or OTT. For example, we recently launched with GYAO!, one of the fastest growing streaming platforms in Japan.

Regardless of location, major brand advertisers increasingly realize the vital role that CTV plays in reaching audiences that have left, or were never present, on linear TV.

We recently ran a campaign for one of Europe's top carmakers, Renault, in Spain, working with their agency, Omnicom. The campaign focused on the launch of a new SUV in Spain, and Renault wanted to reach as many potentially interested car buyers as possible. With CTV, Renault achieved a significant double digit incremental reach over linear.

We're seeing the same phenomenon with brand advertisers around the world. They are embracing CTV as an essential element of their massive TV ad campaigns. And because of the outsized effect that TV has on most marketing departments, this growing adoption spins the flywheel faster for us across all advertising channels.

Now switching gears a bit, I'd like to talk about the future and why 2022 is set up to be our biggest year ever, not just in our financial performance, but also in strategic leadership and increasing our market share.

Yesterday, we announced another very big initiative, OpenPath. This is the biggest direct step we've made yet to improve the supply chain for our clients, us, and the open internet.

Let me take a moment to explain what this is. OpenPath is a product that enables content owners from TV and across the web to plug into The Trade Desk directly. OpenPath is a direct pipeline to publisher inventory, for any publisher that chooses to integrate directly with us.

An inefficient supply chain is bad for advertisers and for publishers. We are very pleased to launch OpenPath with some of the largest journalistic publishers in the world, including The Washington Post, Conde Nast, Reuters, Tribune, and USA Today.

OpenPath is especially helpful for larger publishers and content owners that want to do their own yield management. We are not competing with SSPs or becoming an ad network. We represent the advertisers in the auction. Our goal is to provide a high bid directly to publishers and content owners.

One of our core operating principles since our inception is the pursuit of a level playing field for digital advertising, with transparency on all sides. We believe that's the best way to build trust in digital advertising, which will drive overall market growth. And we also believe that on a level playing field, everyone gets to compete fairly on the value they provide. As a demand side platform, we're confident that on a level playing field, we will continue to outperform and gain more market share of the growing TAM.

With this product launch, we also announced that we are no longer buying from Google's so-called Open Bidding (or OB) product. You may recall that Open Bidding is one of the main focus areas of recent antitrust lawsuits against Google, including the one from the Texas State Attorney General's office. With this and as part of our ongoing supply chain optimization initiatives, we will continue to prune supply paths that are opaque, unfair, or inefficient. That said, we plan to continue to buy on Google's ad exchange.

For all the SSPs that provide yield optimization for publishers, we expect that this product and policy change will result in more spend for them.

You might be interested as to why we started with journalism in terms of our initial partners. Journalism has more at stake than perhaps any other market segment here. Journalism relies on advertising, and the ad model for newspapers of 30 years ago has evolved into something very different today. It's vital that we preserve the value exchange of advertising for journalism content, because journalism is such an important factor in the free flow of trusted information in any functioning society.

But OpenPath will scale to any publisher that wants a direct path to our demand.

Let me just reiterate that this does not mean that The Trade Desk is getting into the SSP or supply side business. This is not about that at all. We won't be getting into yield management or any of the various value propositions that a number of the great SSPs provide. OpenPath is simply a direct path into inventory. This is something that our advertising clients have been asking us to work on, as they've become more aware of supply side inefficiencies over the past few months. The impact will be positive for SSPs that have invested in their publisher relationships and are offering value in terms of yield management, from companies such as Magnite, Pubmatic and Index Exchange. As with any maturing market, as it becomes more efficient, the companies that succeed will be the ones that provide clear value and differentiate themselves to customers.

As I said, we are launching OpenPath in partnership with some of the world's leading journalistic outlets. They have been incredibly enthusiastic about this initiative. Hopefully you saw some of the press coverage yesterday, but just to quote a couple of them:

- Conde Nast said, “We are pleased to be working with The Trade Desk on OpenPath to enable deeper conversations with our clients about inventory transparency and performance.”

- The Washington Post said, “We have long believed that a more streamlined supply chain benefits both advertisers and publishers.”

- And McClatchy said “OpenPath aligns with our objective to build a transparent, well-lit digital ad environment, driven by journalism that strengthens the communities we serve.”

Those are just a few, but I could not be more excited about the early momentum for OpenPath.

Of course, another area I’m especially excited about for 2022 is the progress the industry is making with UID2. More major publishers around the world are committing to UID2, and more advertisers are transacting on UID2 on our platform. KG Media, Indonesia’s biggest media network, is the latest publisher in Asia to announce its support of UID2. KG boasts an extensive portfolio of publishing properties including newspapers, TV networks, and retail. They believe that UID2 is not just a replacement but a significant upgrade to cookies as a common currency of the open internet, creating a better experience for both consumers and advertisers.

That was certainly the experience for CoCoVillage, a manufacturer and retailer of high-end children’s toys and furniture, servicing the North American market. They wanted a secure and easy way to leverage their valuable first party CRM data to find new audiences for their products. Working with UID2 they were able to model new potential customer groups, drive incremental reach of almost 40 percent, and a return-on-ad-spend of more than 1000%.

Additionally, we believe many of the same publishers that are signing up for OpenPath will also sign up for UID2. We expect that these two products, which both improve the Open Internet, and will help to increase the adoption of the other.

In addition to publishers and advertisers who are adopting UID2, important industry trade groups are also weighing in with their support. Perhaps one of the most important groups is the MMA, because they represent the voice of the brand marketer, and their board comprises many of the world's leading CMOs. I was invited to join their board last year, precisely because brand marketers want to be fully engaged in new approaches to identity and measurement. The MMA views UID2 as a solution that can solve for the identity needs of the open internet. To quote their CEO, Greg Stuart, directly:

"Identity is the key to the future of marketing, and especially important to marketers in taking full advantage of the larger reach and need for transparency to consumer consent that the open web affords. UID2 has a great potential to be a solution that the whole industry can work on collectively to craft a compliant and effective identity solution for everyone."

To finish, let me just summarize why I'm so bullish about 2022 and our future.

More than ever, the biggest brands in the world appreciate the value of data driven advertising, and increasingly they are embracing our platform. I've spent time today talking about some of the more compelling recent drivers of that growing interest. And over the years, we have built trust with those advertisers and their agencies that we can deliver premium value to their campaigns.

This business model is key in generating alpha in revenue and market share growth. We continue to have a customer retention rate over 95%. Our engineering teams continue to lead the industry in innovation, charting new value opportunities for our advertisers. As a result, we are one of a few high-growth technology companies that consistently generates strong adjusted EBITDA and free cash flow.

Our profitability and positive cash generation allow us to make the long-term investments that will ensure we can continue to provide that premium value.

- That includes Solimar, which is creating new value for advertisers by unleashing data and driving a greater return-on-ad-spend, spinning the flywheel for advertisers' campaigns.

- It's driving our leadership in CTV, the fastest-growing channel in digital advertising, and a driver of new thinking across the marketing spectrum.

- It positions us to make the supply chain more efficient for our advertisers and agencies in 2022, with initiatives like OpenPath.

- It enables us to do pioneer work in shopper marketing, a $100 billion market. You'll see us forge partnerships with major retailers worldwide, including Walgreens. Just yesterday, they announced that advertisers will be able to leverage new audience data services on our platform, based on anonymized Walgreens' shopper data.

- It has allowed us to become a leader in political advertising. 2022 will be an important midterm election year in the United States. We have spent years building an objective and independent platform, open to registered candidates on all sides, that can help drive discussions of substance in the political arena.

- In 2022 we will make meaningful progress with partners and industry bodies to make measurement better, especially for CTV and all digital spend outside of the US.

- Our profitability and free cash flow will also allow us to invest for global growth. Roughly two-thirds of global advertising spend is outside the U.S. This is a major focus for us. Once again, we saw strong growth in our international markets in the fourth quarter, driven by CTV. In fact, our CTV share of spend more than doubled in Europe in the quarter. And we continue to open promising new markets, such as Taiwan, India, Italy and the Nordics, with impressive leaders who are making very rapid inroads. We are a global company and we expect our international revenue to outpace North America over the long-term because of the investments we're making in these markets.

We are very well positioned for 2022 and beyond. Our business has many growth drivers, as we've discussed today. And what I'm most excited about is the shift we're seeing among more and more senior brand marketers. In a variety of dimensions, marketers are becoming more familiar and enthusiastic about programmatic advertising. Whether it's the performance value of Solimar, the holy grail of retail data, the CTV revolution, or new supply path models, they understand the power of data-driven advertising to help them differentiate and drive growth in their businesses. And that's the most rewarding thing of all. I could not be more excited about the opportunity in front of us and our growth prospects into 2022 and beyond.

And with that, I'll pass the baton to Blake, who will give you more color on the quarter.

**Blake Grayson, CFO**

Thank you Jeff, and good morning everyone.

We delivered strong results in the fourth quarter, capping off a great year for our business. Q4 revenue was $396 million, a 24% percent increase from a year ago. Excluding political spend related to the US elections which represented a high-single digit percentage share of our business in Q4 2020, revenue increased approximately 36% year-over-year. That represented a slight acceleration from the prior year which is impressive considering we experienced a strong recovery at the end of 2020.

For 2021, we ended the year with almost $6.2 billion in spend on our platform and nearly $1.2 billion in revenue, representing 43% year-over-year revenue growth. We also ended the year with adjusted EBITDA of just over $500 million and generated nearly $320 million in free cash flow in 2021. We are enthusiastic that the combination of our business strategy - of being the default DSP for the open internet where we only represent the buy-side and avoid conflicts too often prevalent in our industry by those who own inventory, along with a proven business model that generates strong adjusted EBITDA and free cash flow, is producing solid and consistent growth, as we continue our progression towards a total addressable market of around $1 trillion.

We have been encouraged to see advertisers accelerate their shift to data-driven advertising in 2021. Our results reflect the ongoing strength of programmatic advertising and the value that The Trade Desk provides thousands of agencies and brands as they work to connect with their customers across our platform every day.

For both the quarter and the full year, Connected TV continued to be our fastest growing channel at scale around the world. As Jeff mentioned, Solimar is now over 50% adoption and we are seeing promising results as customers, on average, are utilizing Solimar to leverage more data

elements than they did previously. In Q4, our partnership with Walmart officially kicked off, UID2 had significant momentum and as we have consistently stated, we have seen no material impact on our business from the iOS platform changes in 2021.

In addition to the strong top-line performance in Q4, we generated $192 million in adjusted EBITDA, or about 48% of revenue. When we outperform on the top-line, we often see that outperformance drop down to EBITDA, which it did again in Q4. EBITDA continued to benefit from temporarily lower than expected operating expense growth partly driven by the continued virtual environment that we are still predominantly operating in. Even recognizing that, we are extremely proud of our continued ability to substantially grow our top-line revenue while also producing meaningfully positive EBITDA.

From a scaled channel perspective, CTV, by a wide margin, led our growth again during the quarter. For Q4, Video, which includes CTV and Mobile each represented the largest percent share of spend. Display, which also grew very nicely in Q4, and Audio ended the year representing about 15% and 5% of our business, respectively.

Geographically, North America represented 86% and International represented 14% of our business for the quarter. Shanghai and Hong Kong drove spend growth in Northern APAC and Australia and Singapore led our growth in Southern APAC. In terms of EMEA, our London and Paris offices led the way. CTV growth across EMEA was again quite strong in Q4, and still represents a fraction of the share of spend we see in North America.

In terms of the verticals that represent at least 1% of our spend, nearly all of them exhibited healthy growth during the quarter. Shopping, which includes ecommerce, Hobbies & Interest, and Business were the strongest performers in Q4. We believe there is still the potential for share gain and improvement in most of our verticals. The Law & Politics vertical decelerated materially year-over-year in Q4, as expected, due to the comparison against the 2020 US election cycle.

Operating expenses were $421 million in Q4, up 97% from a year ago. As expected, the growth in operating expenses during the quarter was driven primarily by stock-based compensation, specifically $158 million in stock-based compensation expense related to a long-term CEO performance award that was recorded in G&A expense. The $158 million expense included a tranche of the grant that accelerated based on stock price achievement and relative benchmark performance thresholds during Q4. In Q4, excluding stock-based compensation, operating expenses were $216 million, up 23% year-over-year. For the full year, we gained significant operating leverage in both our platform operations and G&A areas as we scaled the business and improved our efficiency.

Income tax was a benefit of $35 million in the quarter mainly due to the tax benefits associated with employee stock-based awards, the timing of which can be variable.

Adjusted Net income for the quarter was $208 million or $0.42 per fully diluted share.

Net cash provided by operating activities was $163 million and free cash flow was $151 million in Q4. The strong cash generation during the quarter was driven predominantly by our operating results. I would like to remind you that the timing of cash collections and payments can significantly impact cash from operating activities and free cash flow results on a quarterly basis. DSOs exiting Q4 were 107 days, down 14 days from a year ago. DPOs were 91 days, down 10 days from a year ago.

We exited Q4 with a strong cash and liquidity position. Our balance sheet had $959 million in cash, cash equivalents and short-term investments at the end of the quarter. We have no debt on the balance sheet.

Turning now to our outlook.

The year has started out strong and we estimate Q1 revenue to be at least $303 million which would represent growth of 38% on a year-over-year basis which is a slight acceleration over the prior year. We estimate adjusted EBITDA to be approximately $91 million in Q1.

Turning now to expenses. In 2022, we anticipate our stock-based compensation to rise from our normal run-rate. This is being driven by approximately $265 million of stock-based compensation expense we expect to include in 2022 related to the long-term CEO performance award. At the end of 2021, the performance award had $661 million in unrecognized stock-based compensation, which is expected to be included in our G&A expense over approximately four years but could be accelerated if the threshold criteria is met earlier than expected. The total amount expensed is unrelated to whether any of the performance award thresholds are ever met. Only shares that have met the threshold criteria outlined in the performance plan are factored into our total shares outstanding.

Excluding the performance grant, for 2022, we expect total operating expense growth to increase on a year-over-year basis. Considering our ability to generate strong EBITDA and cash flow, we see significant opportunities to invest in our business with a massive available market in front of us that can generate long term growth, such as the generational shift to connected TV, the expanding retail data opportunity and the expectation that our international operations will grow faster than North America over the long-term. To help take advantage of those opportunities, we expect to increase our rate of hiring over pandemic affected periods and will do so in a competitive hiring market. We also expect that return-to-work expenses will begin to revert to pre-pandemic levels, including live events, travel and other related activities.

Understanding all of that, we do expect the operating expense structure of the company to be better than it was prior to the pandemic, and over the long term expect Sales & Marketing and Technology & Development areas to represent a larger share of our investment. We are proud of

the fact that we are one of a few high-growth technology companies that can consistently generate strong adjusted EBITDA and free cash flow.

We expect 2022 capital expenditures and capitalized software investments to be at least $75 million. We expect data center and infrastructure spend to drive the majority of the growth year-over-year and represent a larger share of our expenditures relative to office facilities compared to the prior year.

And finally, with regards to tax - absent any changes to U.S. tax laws, we expect our full year 2022 tax rate to be about 25%. This is obviously impacted by any tax benefits associated with employee stock-based awards, the timing of which can be variable.

In closing, we are pleased with the momentum of our business and the strong start to the year. We are highly optimistic about the long-term prospects for our business in 2022 and beyond. With large growth drivers such as CTV, our international business, our retail data opportunity that just kicked off in Q4 with the Walmart DSP, the 2022 mid-term elections in the US, and our recent platform upgrade in Solimar, I believe we have significant opportunities to grow our business. In addition, we are in a position to drive not only long-term growth but also to scale our business efficiently and continue to improve in the years to come.

That concludes our prepared remarks. And with that, operator, let's open up the call for questions.