



customers people planet

Green Finance Framework

March 2022



Table of Contents

Introduction	4
Sustainability at EdgeConneX	4
Green Finance Framework	8
Use of Proceeds	8
Process for Project Evaluation and Selection	9
Management of Proceeds	10
Reporting	10
Verification	11
Second Party Opinion	11
Assurance	11
Appendix	12



Introduction

About EdgeConneX

About EdgeConneX

Founded in 2009, EdgeConneX (“ECX”) is focused on driving innovation and helping our customers define and deliver their own unique vision for the Edge, at any scale, in any market worldwide, for any requirement. With headquarters in Herndon, Virginia, Amsterdam, and Singapore, we are building tomorrow’s data center infrastructure, today.

Delivering innovative and proximate data center solutions ranging from 100kW to 100MW, we work closely with our customers to provide the scalable capacity, power, and connectivity they need to meet the growing demands of their business and their end users. In turn, our customers’ data, content, applications, and cloud services can be securely delivered with enhanced performance and lower latency to any device, anywhere.

Since late 2013, ECX has built over 50 data centers, including Edge Data Centers and a growing number of regional and hyperscale solutions across North America, Europe, South America and Asia, creating a new Edge of the Internet. At ECX, our focus on continuous innovation is driven by the growing, changing needs of our customers. EdgeOS is our next generation data center operating system, providing customers with a single, secure view into their infrastructure deployed in any location across our global footprint. We listen and learn what our customers need, and we develop creative, tailored solutions for real estate, construction, power generation, remote hands support, pricing, and security to address those needs.

EdgeOS is our next generation data center operating system, providing customers with a single, secure view into their infrastructure deployed in any location across our global footprint

Sustainability at EdgeConneX

The sustainability mission at ECX is to:

- provide best in class sustainable data centre solutions globally
- be our Customers’ preferred and most sustainable partner
- invest in the technologies, the systems, the people and the partnerships necessary to achieve our vision

Our Strategy

In 2020 we launched our Customer, People, Planet strategy by implementing our first holistic Environmental, Social, Governance (ESG) sustainability policy. This holistic ESG sustainability strategy leads to **EdgeConneX goal of becoming a carbon-, waste-, and water-neutral data center provider, developing and operating a data center platform powered by 100% renewable energy by 2030.**

With having our inaugural sustainability report published in February 2022, we have taken the first of many steps whilst understanding that we still have a long way to go to achieve our goal.

We are committed to increasing our ESG footprint by aligning our business along the U.N. Sustainable Development Goals. UN SDP provides a common anchor point not only for ECX but also for our customers, shareholders, and relevant stakeholders. It challenges us to improve wherever and whenever we can.

The KPI’s related to the Customer, People and Planet pillars shown below are from a Materiality Matrix assessment as well as goal setting and leadership direction. The table below also shows our alignment with the United Nations Sustainable Development Goals (UN SDG) to ensure that our targets are directly related to specific SDG indicators which it will quantitatively affect.

Our 3 pillars



Customers

Being responsive to our customer needs, deliver a reliable service that empowers our customers to manage their data asset remotely with unparalleled control

SDGs



KPI

- Economic Performance
- Data Breaches
- Total Data Center Uptime



People

Invest in our people, create an inclusive place to work so everyone can perform at their highest level. While being a good neighbor in the communities where we are present. Sustainability is not achieved in isolation but through collaboration

SDGs



KPI

- Business Ethics & Integrity
- Diversity & Inclusion
- Non-Discrimination
- Health & Safety



Planet

Committed to perform carbon, water and waste neutral as of 2030. By employing new technologies and leveraging EdgeOS to reduce less travel to data center locations across the globe

SDGs



KPI

- Electricity Purchases
- Renewable Energy
- Power Usage Effectiveness
- Climate Impact & Resilience
- Scope 1, 2 and 3 Emissions
- Water Withdrawals
- Water-free Cooling Sites
- Waste to Landfill

Governance

The CEO, Randall Brouckman, is the owner of the ECX Sustainability Policy and is responsible for providing information to ECX Board of Directors. The sustainability team consists of Randall Brouckman (CEO), Steven Sprokholt (Global Sustainability Director), Alex Dymerski (Operations Manager Procurement and Logistics) and Raj Chudgar (Manager Energy Procurement), Phillip Marangella (Chief Marketing & Product Officer) and Laura Godschalx (Corporate Finance Analyst).

The Sustainability team, as well as directors and manager of each ECX business and operational line, support the CEO in the evaluation and monitoring of sustainability-related aspects. It is the ECX Sustainability teams' responsibility to make sure that sustainability is considered and assessed through data center solutions. HR will be responsible for any conflict and ensuring governance to the Sustainability Policy. Managers and Directors of the respective business and operational ECX teams are responsible for annually reporting on compliance to the Sustainability Policy.

Reporting

At a minimum, the CEO will provide an annual update to the ECX Board of Directors on its Sustainability policy, metrics, and goals.

ECX aims to publish its sustainability report annually and also provide sustainability information through its public website as often as practical. ECX further aims to publish its sustainability metrics on SBTi platform starting in 2022 on an annual basis. Additionally starting in 2022, ECX will integrate some of its sustainability information and ESG data in its financial communication. In addition, ECX openly publishes its Sustainability Policy to its suppliers, customers, and partners and it can be found on the ECX public website.

The reporting includes the following metrics:

- Power usage effectiveness (PUE)
- Uptime
- Scope 1, 2, 3 GHG emissions (metric tons CO2e)
- Total energy (MWh)
- Renewable electricity procurement (MWh, %)
- Water withdrawals (gallons) and effectiveness
- Waste by disposal method (metric tons)
- Diversity and inclusion metrics
- Occupational health and safety

Please refer to the appendix for an overview of the sustainability related achievements until 2021 and our focus for 2022-2023.

"I want the sustainability report to be an important step toward documenting the commitment – from me and from everyone at EdgeConneX – to ensuring that our continued business success continues to be responsible and sustainable."

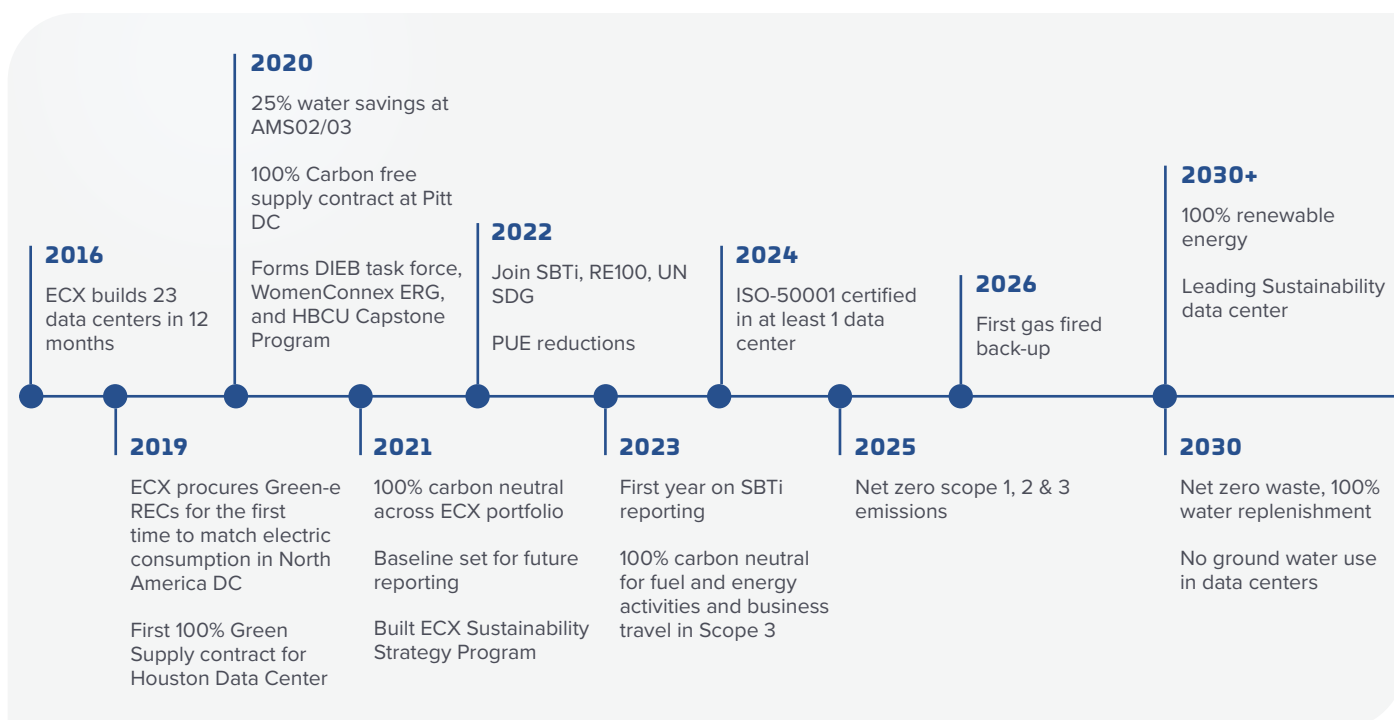
Randall Brouckman

ECX aims to publish its sustainability report annually and also provide sustainability information through its public website as often as practical

Sourcing and design procedures

ECX strives to industry-leading operational efficiency, from power design to pioneering remote Data Center monitoring and management capabilities to support both unmanned and manned facilities on a global basis. Regardless of its final size, ECX standards and processes yield a consistent data center experience that relies on (i) one design approach, (ii) one project plan focused on mitigating 3rd party risks, and (iii), one set of well-documented workflows. Our common design and equipment selection also allow us to train and operate the same across the company, making it easy for us to run data centers and easy for customers to work at our data centers. The typical ECX facility is designed to conform to TIA-942 Tier 3 standards for power and cooling. The design criteria allow concurrent maintenance (N+1). ECX deploys energy-saving and efficient equipment, which saves millions of gallons of water a year across our footprint. For cooling, ECX typically uses an Emerson Liebert EconoPhase DX system deployed in an N+1 configuration. ECX designs for 8 kW-10 kW average steady draw per rack without supplemental cooling techniques and can support higher. The DX cooling system is equipped with economizers that can provide partial free cooling. For requirements where the average density exceeds the site design, ECX will design supplemental cooling techniques for enhanced, efficient airflow management.

ECX designs its datacenters based on a target PUE of 1.4x. However, the actual PUE might differ from the design PUE as the utilization rate of the datacenter affects the PUE. If the utilization of the facility increases, it will have lower PUEs than facilities not completely occupied by IT equipment as the cooling systems are not being efficiently used (please refer to the appendix - Design PUE and the relation of operational PUE to utilization). As the utilization rate increases, the PUE will move further down towards or below the design PUE.



Rationale for Issuance

We aim to reinforce our commitment to sustainability and consider green loans, green bonds and green ABS as key financing instrument to support our efforts. We hope to accelerate the drive for meaningful change for our company and the world around us and broaden our investor base to reach further like-minded investors.

Green Finance Framework

Introduction

This Framework may be used to govern the issuance of Green Finance Instruments, including green loans, green bonds, and green asset-backed securities (ABS) that align to the four core components of the Green Loan Principles (February 2021) and International Capital Market Association (ICMA)'s Green Bond Principles (June 2021) as follows:

- Use of Proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting

The framework will be used for EdgeConneX, Inc. and any of its Affiliates whereby "Affiliate(s)" shall mean any legal entity that controls, is controlled by, or is commonly controlled with a party, and "control" means more than 50% ownership or the right to direct management of an entity.

Use of Proceeds

Any Green Finance Instruments issued under this Framework are expected to support the financing or refinancing of Eligible Green Assets that are intended to provide clear environmental benefits. EdgeConnex intends to allocate an amount equal to 100% of the green financing net proceeds to a portfolio of Eligible Green investments that meet the eligibility criteria set out in Table 1. EdgeConnex also maps the project categories to the United Nations SDGs.

Eligible Project Category	UN SDG Alignment	Eligibility Criteria
Energy Efficiency	  	Investments and refinancing of a data center infrastructure that targets a design PUE of 1.4 or below

Process for Project Evaluation and Selection

All projects financed or refinanced with the green financing net proceeds under the Eligibility Criteria set out in Table 1 would follow an internal process that includes final review and approval of the allocation by the EdgeConneX Green Finance Committee. The EdgeConneX Green Finance Committee consists of representatives from the board and the sustainability team: Randall Brouckman (CEO), Joe Harar (CFO), Steven Sprokholt (Global Sustainability Director), Eelco Holst (VP Corporate Finance) and Laura Godschalx (Corporate Finance Analyst).

In addition, ECX complies with all required regional and local regulations at its sites, including environmental impact assessments and ongoing environmental and health and safety requirements (before, during and after construction).

EdgeConneX's sustainability policy which every employee is subject to and has to acknowledge, describes the process how we deal with environmental performance of our investment projects. As part of a decision in an investment not only financial and technical requirements are reviewed, but the environmental performance as well. ECX avoids investing in suppliers whose products, services or practices cause environmental or social harm especially in cases where there is no path to mitigate these negative impacts to society.

From a social perspective, EdgeConneX has policies in place to ensure excellent working conditions for its employees and contractors, which are laid down in EdgeConneX's Health & Safety policy as well EdgeConneX's employee handbook. Furthermore:

- EdgeConneX seeks positive involvement with stakeholders, such as employees, customers, suppliers, and the communities in which they operate to contribute to solving societal challenges and build stakeholder trust.
- Comply with international conventions on human rights, including supporting the elimination of child or forced labor in our operations and in the supply chain.
- Respecting employees' and contractors' rights to decent working conditions, e.g. minimum wages, working hours, health and safety and right to collective bargaining.

These policies apply all across the development cycle of our assets and services. After construction, quarterly business reviews (QBR) with our vendors ensure that any environmental, health and safety issues are being discussed and where possible opportunities identified to improve the operational performance be it from financial, environmental, social or governance.

In 2021, ECX conducted a materiality assessment, drawing on principles from the GRI Standards to identify key topics relevant to our business and help us determine where we should be focusing our efforts and reporting. All policies and procedures in place are subject to our sustainability policy.

EdgeConneX has policies in place to ensure excellent working conditions for its employees and contractors, which are laid down in EdgeConneX's Health & Safety policy as well EdgeConneX's employee handbook.

Management of Proceeds

The EdgeConneX Green Finance Committee will track net outstanding proceeds from Green Finance Instruments and allocate proceeds to eligible green assets in accordance with the project selection criteria listed in Table 1 on a regular basis using an internal accounting process. ECX intends to allocate an amount which matches or exceeds net outstanding proceeds from Green Financing instruments. ECX intends to allocate an amount equal to net outstanding proceeds to Eligible Green Projects Assets within the specified availability period, up to 36 months, of any issuance.

ECX may hold or invest an amount equal to the unallocated balance of the net proceeds in cash, cash equivalents and/or U.S. government securities pending the allocation of the Green Financing net proceeds. If a project no longer meets the eligibility criteria listed in Table 1, ECX intends to reallocate the funds to one or more other Eligible Green Projects.

Reporting

ECX intends to make and keep readily available information on the green financing program through a commitment to reporting, in alignment with market best practice of the green loan and green bond principles. ECX intends to report on both the allocation of proceeds, and the potential impact of green investments, no later than 12 months after the issuance of any Green Finance Instrument under this Framework. Reporting will be updated annually until full allocation of net outstanding proceeds and in case of the green bond and green ABS made available on an aggregated portfolio basis.

ECX intends to align the reporting with the portfolio approach described in “The Green Bond Principles - Harmonized Framework for Impact Reporting” (ICMA, April 2020).

Allocation Reporting

ECX intends to report on the allocation of net outstanding proceeds to a portfolio of Eligible Green Projects, including:

- Total allocation of proceeds
- Balance of unallocated proceeds
- Breakdown of financed versus refinanced Eligible Green Assets

Impact Reporting

ECX intends to report on the impact of the green financing program, including:

- A description of each Eligible Green Asset in the portfolio
- Metric regarding the positive environmental impact of the portfolio of Eligible Green Assets is Design Power usage effectiveness (PUE) and operational PUE

ECX intends to make and keep readily available information on the green financing program through a commitment to reporting, in alignment with market best practice of the green loan and green bond principles

Verification

Second Party Opinion

This Green Finance Framework has been reviewed by Sustainalytics, who has issued a Second Party Opinion. The Second-Party Opinion and this Framework are available to investors on EdgeConneX's corporate website edgeconnex.com/company/sustainability/

Assurance

EdgeConneX intends to request assurance by its external auditor or other third party of a management statement on the allocation of net proceeds to the Eligible Project Portfolio one year after issuance and annually until full allocation of the net proceeds from the sale of the Green Finance Instruments. EdgeConnex may also seek a review of the impact metrics reported from a qualified third party, where possible.



Appendix

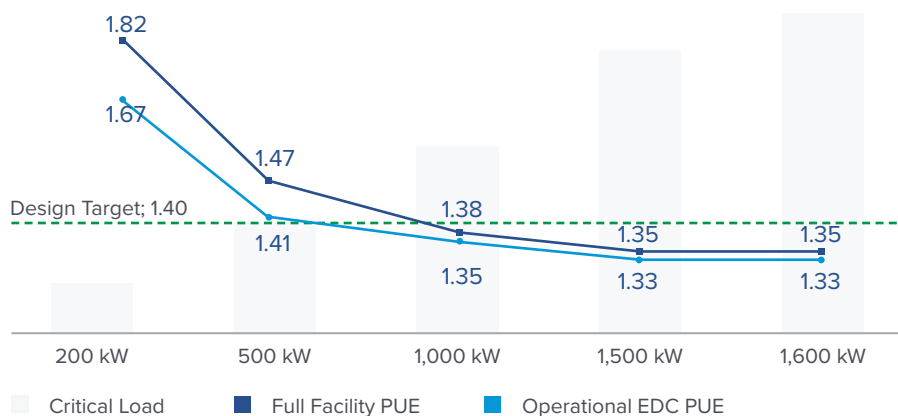
Sustainability related achievements until 2021

- Superior 'Green E Rec' Energy Credits offset all North American energy usage
- Carbon-Neutral across all North American locations
- Carbon-Neutral for single-tenant data centers worldwide
- Developed N+2 natural gas generator solution for 14MW facility in key power-deficient market
- Installed water filtration and conservation solution in Amsterdam, saving 40% of water usage per year
- Preparing annual sustainability report with goals, commitments, and results beginning in 4Q2021
- Established Joint Venture in India in 2021 with commitments to sustainability and renewable energy

Outlook for 2022-2023

- Join RE100
- Start the procedure to join the SBTi
- Eliminate the wage gap. Adopt and strengthen existing policies to promote diversity, inclusion and employee well-being
- Have a global EdgeConneX LTIR below 0,4 including contractors
- Adopt a policy to establish sustainable procurement
- Execute our strategy to 24x7 CFE, including all standby sources of power

Design PUE and the relation of operational PUE to utilization



Full Facility PUE: Includes all power associated with data center and building/office utility
Operational PUE: Industry standard measurement

Any further deviations from this line between design and actual performance can largely be attributed to the following causes:

1. air gaps in the Hot Aisle Containment
2. inefficient deployment of the customer in the contracted space, requiring more cooling units to run for airflow
3. climate, the number of days that free air cooling can be used, in comparison to the compressor of the cooling units.



