



Green Finance Framework

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1 About Compass

1.1 Overview

Compass Datacenters¹ (“Compass”, “we”, the “Company”) provides custom, move-in ready data centers serving hyperscale, cloud and enterprise customers worldwide. Led by an executive team that has built in excess of \$8B in data centers totaling 15MM square feet, our focus on continual improvement has enabled us to marry technology with modern manufacturing methods to deliver data centers faster and with more features and customization options at competitive price points in every market regardless of size. With our unique modular design and construction and tightly integrated supply chain, we are able to offer our customers ultimate flexibility and rapid delivery without sacrificing on quality. Since our founding in 2011, we have expanded our platform into more than 20 operating and in-development facilities throughout North America, Europe, and Middle East, and we are recognized as one of Inc. Magazine’s 5000 fastest growing companies.

1.2 Compass’ Sustainability Approach

Sustainability has always been at the heart of how we design, build, and operate our data centers. At Compass, we recognize that our responsibilities extend beyond timely delivery of cost-effective facilities to support our customers’ businesses and require development of a holistic approach covering environmental, social, and governance issues. Environmental aspects include reducing the environmental footprint of data centers and preservation of natural resources. Social aspects include creating positive impact on local communities and society as a whole and promoting diversity, fair labor practices, and community engagement. Government aspects include ensuring ethical decision-making, transparency, and accountability in data center operations and addressing data security, privacy and compliance with regulations and industry standards. Our environmental, social and governance (ESG) strategy reflects our customers’ values and our core mission to make lives better by providing technology leaders a secure place to plug in wherever they grow.

We have implemented the Environmental pillar our ESG strategy through four key components, and selected examples of initiatives within each are listed below:

Means & Methods: Adopting more sustainable construction practices

- ✓ **Off-site manufacturing:** To reduce traffic congestion and the volume of construction--related waste, 70% of all components, including each facility's walls and power centers, are manufactured off-site. Upon arrival, they are assembled and installed, thereby limiting the number of on-site personnel at any one time and minimizing the duration of construction activity.
- ✓ **On-site batch concrete production:** Dedicated on-site batch plant for concrete production significantly reduces transportation-related emissions in the upstream supply chain.

¹ Compass Datacenters, LLC and all of its subsidiaries and affiliates

Use of Technology: Leveraging technology to reduce emissions and waste

- ✓ **Artificial intelligence:** Compass was one of the first adopters of Concrete.ai, which leverages big data and algorithms to optimize concrete mixtures for strength, cost, and carbon footprint. In doing so, we have been able to nominally reduce cement content by close to 20% in our mixes and achieve significant reductions in related emissions.
- ✓ **Carbon sequestration:** Compass' data centers are built with concrete produced through CarbonCure® technology, which injects captured industrial CO₂ into fresh concrete, dramatically reducing the volume of cement required in the concrete mix while also permanently removing CO₂ from the atmosphere. For a 36MW facility, use of CarbonCure® concrete is estimated to reduce greenhouse gas (GHG) emissions by up to 266 tons.

Product Selection: Replacing traditional materials with lower carbon or more resilient options

- ✓ **Renewable fuel:** Compass was the first data center developer to replace conventional diesel with hydrogenated vegetable oil (HVO) to power our back-up generators, which can result in emissions reduction by at least 40%.
- ✓ **Low-carbon roofing:** We selected the material used for our data centers' roofing for its long service-life and low cradle-to-grave embodied carbon. It also has unique reflective features that mitigate heat absorption, eliminate heat islands and help reduce GHG emissions by 150-160 tons per MW compared to alternative roofing products.

Design Decisions: Incorporating “build-to-last” features into our modular design

- ✓ **High-efficiency cooling:** Rather than using evaporative water-based cooling systems, which can require more than 6 million gallons of water per MW, Compass has always used waterless airside cooling at its data centers since inception and has continually made improvements to the systems partnering with equipment manufacturers such as implementation of rotary heat exchangers to improve efficiency and reduce cooling-related energy consumption.
- ✓ **On-site sub-stations:** Compass' data centers are equipped with dedicated campus sub-stations to reduce transmission loss versus connectivity to an off-site location.

Focus on Positive Social Impact

Compass is committed to creating a positive impact on society and the well-being of our employees and customers. We do this by prioritizing social and well-being issues.

Diversity, Equity and Inclusion

At Compass, we value diversity of personality, thought, socio economic background, race, gender, religion and all of the other wonderful differences of humanity. By aligning our team around a strong vision and vibrant culture, we are able to drive towards the best solutions for our customers, partners and employees.

Compass is a leader in increasing the diversity of the data center and construction industries and we also take great pride in actively seeking out and partnering with minority, veteran, LGBTQ, and women-owned firms, aligning with our commitment to promoting diversity, equity and inclusivity in all aspects of our business operations.

Health and Well-being

The health and well-being of our employees is highly valued and critical to Compass' success, and there is a strong sense of responsibility to ensure that employees are placed in the best position to succeed throughout their tenure with comprehensive benefits packages and strong support systems for mental and physical health. This is also embodied in Compass Cares, our global environmental, health, and safety program, providing a protocol to instill consistent and good construction practices, increase safety awareness across all levels, minimize incidents and offer continual learning and development on best safety practices.

Local Communities

Compass has a long history of social sustainability and community engagement in the regions it operates. At each site, project teams participate in a range of community outreach initiatives, including volunteer activities, community clean-up, local event sponsorship, fundraisers and donation drives for local charities. In particular, we support local communities in key areas, such as education, diversity and inclusion, health and well-being.

Governance policies and practices

Compass' dedication to best governance practices is evident in our risk management initiatives, decision-making structure, and robust policies and procedures.

Compass' Board and executive leadership team are responsible for the overall risk oversight of the company. Compass has a global risk mitigation program, overseen by the Vice President of Global Operations Compliance, covering environmental, social, governance, and operational risks which are assessed regularly across various key internal discussions including quarterly board meetings and weekly operations meetings. There is a high priority on climate-related considerations, which is overseen by the Chief Innovation Officer and complemented by the responsibilities delegated to C-Suite executives and senior management, who each bear accountability for climate oversight within their respective areas of authority. Separately, commitment to human rights is overseen by the President and Chief Financial Officer in collaboration with human resources.

Compass' Business Code of Conduct and Vendor Code of Conduct aim to uphold key principles in operating ethically and in compliance with applicable laws. These principles include:

- Obey the law
- Conduct business with integrity
- Keep accurate and honest records
- Honor business obligations
- Treat people with dignity and respect

- Protect Compass' information, assets and interests
- Be a responsible global citizen

In addition, there are number of specific policies and compliance programs covering areas such as environmental, health & safety, anti-corruption and third party relationship, cyber security, and a data privacy.

Compass is compliant with various industry standards such as Payment Card Industry Data Security Standard and Service Organization Control Type 2, a cybersecurity compliance framework developed by the American Institute of Certified Public Accountants. Compass has obtained ISO 27701 and ISO 27001 certifications.

Aside from internal initiatives outlined above, Compass is a member of and participate in a number of ESG focused organizations, including:

- *iMasons Climate Accord* - a coalition united on carbon reduction in digital infrastructure (Founding Member)
- *Long Duration Energy Storage (LDES) Council* – a coalition of leading LDES technology providers, equipment providers, renewable energy companies, utilities, grid operators, investors, and end-customers with a common mission of accelerating the deployment of LDES solutions in support of a net-zero carbon power system (Anchor Member)
- *Uptime Institute* - an unbiased advisory organization focused on improving the performance, efficiency, and reliability of business-critical infrastructure through innovation, collaboration, and independent performance certifications (Member)
- *Urban Land Institute Data Centers Council* – the council's aim is to explore best practices in data center development with a diverse group of stakeholders including developers, users, technical experts and government officials (Member)

2 Green Finance Framework

2.1 Overview

The Company has created this Green Finance Framework (the "Framework") to further align our sustainability strategy and commitments with our financing, which can include bonds, asset-backed securities, loans, and letters of credit. Any financing executed pursuant to this Framework is considered a Green Financing Instrument.

The Framework has been prepared in accordance with the four core components of the International Capital Market Association (ICMA)'s Green Bond Principles (June 2021) and the Loan Market Association (LMA)'s Green Loan Principles (February 2023) (together, the "Principles") as follows:

- I. Use of Proceeds
- II. Process for Project Evaluation and Selection
- III. Management of Proceeds

IV. Reporting

The Framework also follows the recommendations of the Principles regarding external review as outlined in Section 2.6 below.

The Framework may be revised or updated from time to time based on changes in the Principles, corporate strategy, technology, market or regulatory developments.

2.2 Use of Proceeds

Compass will allocate an amount equivalent to the net proceeds from any Green Financing Instrument executed pursuant this Framework to finance and/or refinance, in whole or in part, new or existing Eligible Green Projects, which are assets and capital expenditures that meet the Eligibility Criteria outlined in Table 1 below. Note that when the net proceed of a Green Financing Instrument is allocated to refinance past capital expenditures, such capital expenditure may qualify as an Eligible Green Project only if it was made within a maximum three-year look-back period from date of closing of the Green Financing Instrument.

Table 1: Eligibility Criteria for Eligible Green Projects

Green Bond Principles & Green Loan Principles Categories	Eligibility Criteria	Relevant United Nations Sustainable Development Goals (SDG)
Energy Efficiency	Data center infrastructure that is highly energy efficient. Eligible projects include data centers with a design-average Power Usage Effectiveness (PUE) of 1.50 or below	<p>SDG 7 – Affordable and Clean Energy</p> <p>Target 7.3 - By 2030, double the global rate of improvement in energy efficiency</p>

2.3 Process for Project Evaluation & Selection

Compass has formed a Green Finance Committee responsible for evaluation, selection, and monitoring of the Eligible Green Projects based on the Eligibility Criteria. The Green Finance Committee will be headed by Compass' Chief Innovation Officer, who directly reports to the CEO and is focused on continuous improvement of ESG initiatives and implementation across the operating footprint. The Chief Innovation Officer and her group is responsible for the exploration of new opportunities in technology and construction to further reduce waste, emissions and contribute to environmental health. In addition to the Chief Innovation Officer and her team, the Green Finance Committee also has senior representatives from the following corporate functions: finance including procurement, data center design, data center construction, data center operations, legal including risk and compliance.

Compass strives to comply with all federal, state, and local laws and regulations, including those relating to environmental and social issues. Compass also has internal policies and procedures to identify and manage

perceived, actual, and potential environmental and social risks and will utilize those policies and procedures with respect to the Eligible Green Projects.

2.4 Management of Proceeds

Compass intends to fully allocate an amount equal to the net proceeds from any Green Financing Instrument to Eligible Green Projects within 24 months of closing and will track such proceeds and allocations on an aggregate basis using its internal accounting systems. Pending full allocation, Compass may hold and/or invest the balance of net proceeds not yet allocated at its own discretion as per its liquidity management policy, including make payments on outstanding credit facilities and hold in cash or cash equivalents, overnight or other short-term financial instruments.

The Green Finance Committee intends to monitor the portfolio of Eligible Green Projects on a regular basis to oversee allocation progress and ensure that the assets continue to meet the Eligibility Criteria defined in Table 1. The Green Finance Committee may, from time to time, add new Eligible Green Projects to the portfolio or replace existing projects that no longer meet the Eligibility Criteria.

2.5 Reporting

Compass will keep up-to-date information on the allocation of net proceeds from Green Financing Instruments to Eligible Green Projects and provide to relevant lenders and investors annual reports on such until full allocation. The allocation reporting shall include the following information:

- Total allocation of proceeds
- Amount allocated to each Eligibility Criteria category
- Description of Eligible Green Projects funded
- Balance of unallocated proceeds
- Breakdown of financed versus refinanced Eligible Green Projects

Where feasible, Compass also intends to report on the impact of the funded Eligible Green Projects, using potential metrics as listed in Table 2 below:

Table 2: Examples of Potential Impact Reporting Metrics

Eligibility Criteria Category	Examples of impact reporting metrics
Energy Efficiency	<ul style="list-style-type: none"> - Design PUE of Eligible Green Projects

2.6 External Review

This Green Finance Framework has been reviewed by Sustainalytics who has issued a Second Party Opinion confirming alignment with the Principles. This Framework and Sustainalytics' Second Party Opinion are published on our website at www.compassdatacenters.com/greenfinance.

Compass will obtain independent verification upon full allocation of the net proceeds of the Green Financing Instruments to Eligible Green Projects. Where possible, Compass may also seek independent review of impact metrics reported from a qualified third party.

Disclaimer

The information contained in this Green Finance Framework is current as of the date of this document and is subject to change without notice. The Company does not assume any responsibility or obligation to update or revise any statements herein, regardless of whether those statements are affected by the results of new information, future events or otherwise. The material provided herein is for informational purposes only. It does not constitute an offer to sell or a solicitation of an offer to buy any securities relating to any of the products referenced herein, notwithstanding that any such securities may be currently being offered to others. Any such offering will be made only in accordance with the terms and conditions set forth in the offering documents pertaining to such fund. Prior to investing, investors are strongly urged to review carefully all of the offering documents. No person has been authorized to give any information or to make any representation, warranty, statement or assurance not contained in the offering documents.

FORWARD-LOOKING STATEMENTS

This Green Finance Framework contains "forward-looking statements". When we use words such as "may," "will," "intend," "should," "believe," "expect," "anticipate," "project," "estimate" or similar expressions that do not relate solely to historical matters, we are making forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that may cause our actual results to differ materially from our expectations discussed in the forward-looking statements.