



# GREEN FINANCE FRAMEWORK

## Part 1: Introduction

### 1.1 Company Overview

Equinix, Inc., together with its subsidiaries (hereby referred to as “Equinix” or the “Company”), connects more than 9,500 companies directly to their customers and partners across the world’s most interconnected data center and interconnection platform. Platform Equinix® combines a global footprint of state-of-the-art International Business Exchange™ (IBX®) data centers, a variety of interconnection solutions, unique business and digital ecosystems and expert support. Today, businesses leverage the Equinix interconnection platform in 56 strategic markets across the Americas, Asia-Pacific, and Europe, the Middle East and Africa (“EMEA”). Equinix operates as a real estate investment trust for federal income tax purposes (“REIT”).

The Company’s objective is to expand its global leadership position as the premier network and cloud-neutral data center and interconnection platform for enterprises, cloud and IT services providers, media and content companies, financial services firms, IoT and big data providers, and network and mobile services providers. Equinix’s global, state-of-the-art data centers meet strict standards of security, reliability, certification and sustainability.

### 1.2 Approach to Sustainability

Equinix is dedicated to protecting, connecting and powering a more sustainable digital world. The Company is advancing a bold sustainability agenda and has made meaningful progress across its environmental, social and governance commitments. In 2019, 92% of its global IBX energy consumption was covered by renewable energy sources. Major sustainability achievements in 2019 include:

- Recognition by the U.S. Environmental Protection Agency (EPA) for its leading green power use (the same Green Power Leadership Award was granted to Equinix in 2018 and 2017).

- Ranked number four on the EPA’s National Top 100 Green Power Partners list.
- Ranked 89th out of 992 public companies and 2nd in the Real Estate sector, including 1st for the environment in the sector, by Forbes/Just Capital’s America’s Most JUST Companies.

Advocacy and transparency are hallmarks of Equinix’s sustainability approach. The Company continues to expand its work with the Renewable Energy Buyers Alliance (REBA) as a founding and board member, educating peers, advocating for a swift transition toward low carbon energy and calling on other companies to join REBA and set renewable energy targets.

The Company is committed to transparency around the impact of its operations and has published an annual Global Reporting Initiative (GRI)-aligned sustainability report since 2015. Equinix also empowers its customers to quantify their environmental impacts within Equinix infrastructure—including their energy consumption, renewable energy usage and carbon footprints. The Company offers customers customized **Green Power Reports** based on the principles of The Greenhouse Gas (GHG) Protocol. These reports equip customers that are colocated in Equinix IBX data centers with the data they need to understand their renewable energy usage and meet their greenhouse gas reduction targets.

Equinix’s Corporate Sustainability Program is comprised of environment, social and governance (ESG) initiatives that focus on material issues to positively impact key stakeholders.

#### Environment:

- Protecting our planet and climate using low-carbon technologies.
- Protecting worldwide energy and natural resources by reducing our consumption.
- Protecting our infrastructure through design and innovation.



**Social:**

- Connecting our employees to the best opportunities the digital world has to offer.
- Connecting the communities we inhabit to the advantages of a digital world.

**Governance:**

- Powering global trust.
- Powering global responsibility.

Equinix routinely evaluates its ESG programs to increase the benefits it brings in a changing world. Our materiality assessment guides our priorities around sustainability to underscore the most important ESG issues to both the business and to stakeholders. Based on this materiality assessment, Equinix reports on the most material ESG issues, summarized below, and sets long-term targets to mitigate any potential ESG risks identified (See Section 1.4).

**Equinix Material ESG Issues**

Environment	Social	Governance
Energy and renewables	Health and safety – physical, emotional and wellbeing	Board management and diversity
Carbon emissions reduction	Diversity, inclusion and belonging	Ethics and integrity
Innovation and building green data centers	Meaningful work and career development	Public policy and government affairs
Healthy and sustainable offices	Community engagement – linking purpose and impact	Privacy and security

Through our sustainability efforts, we are creating shared value with our customers, partners, investors and employees. Our approach has won numerous accolades from a variety of organizations, including:



More information about our approach and progress can be found on our Corporate Sustainability Program website: [sustainability.equinix.com](http://sustainability.equinix.com).

**1.3 Sustainability Reporting**

**Alignment to the United Nations' Sustainable Development Goals**

Equinix, along with other companies, countries and Non-governmental Organizations (NGOs), has chosen to align its objectives with the United Nations Sustainable Development Goals (SDGs) to accelerate collective progress on the world's most important social and environmental challenges. The Company has prioritized alignment with the six (6) SDGs that are the most relevant and material to its business. Additionally, other SDGs such as #6 Clean Water and Sanitation, #11 Sustainable Cities and communities and #12 Responsible Consumption and Production, are areas the Company can have an impact on through its green initiatives.

**UN SDGs Equinix has prioritized**



**Alignment to reporting frameworks and initiatives**

As part of its annual sustainability report, Equinix continues to evolve its reporting to meet the requirements for a variety of industry frameworks. Any impact reporting as part of the Green Finance Framework commitments will align with ESG reporting frameworks wherever possible, including:



Equinix currently reports its sustainability impacts in its annual sustainability report in accordance with the GRI Standards-Core option. Equinix's energy consumption, renewable energy, and GHG emissions are assured by an



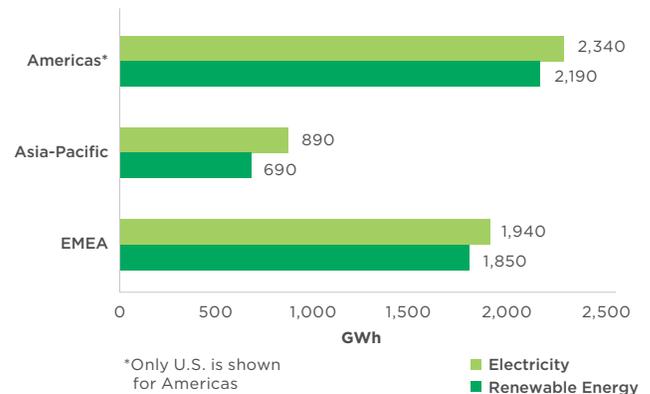
independent auditor to ISO 14064 standards. Equinix has reported its climate change data and risk management procedures to CDP (formerly Carbon Disclosure Project) on an annual basis since 2015. Equinix also responds to the CDP Supply Chain questionnaire on behalf of 17 global customers. Furthermore, Equinix is extending its leadership into its supply chain as it engages its procurement department on revisions to its Business Partner Code of Conduct to ensure its suppliers meet sustainability and diversity criteria.

### 1.4 Environmental Commitments

Pertinent to this Green Finance Framework (this framework), Equinix has made several long-term environmental commitments. The Company intends to be a good steward of the environment and all the resources it consumes, while also helping its customers operate more sustainably. Equinix recognizes that its operational footprint in its data centers directly impacts its customers' abilities to maintain green digital supply chains. The Company's goals include:

- **Sustainable Buildings**—Building and maintaining healthy sustainable office and data center settings to promote responsible living across its portfolio. LEED and other standards are visible reminders that we must minimize the use of all resources and operate more sustainably and with a lower operational and embedded carbon footprint.
- **Renewable Energy**—Reaching a long-term goal of 100% clean and renewable energy across its global portfolio. As of December 31, 2019, Equinix is currently at 92% of this goal and has 225 MW of wind power under long-term contracts as well as numerous supply contracts for renewable power around the world.
- **Energy Efficiency**—Deploying best-in-class data center energy efficiency technologies and innovations for the reduction of energy consumption around the world including retrofits, new builds and working with landlords where possible. Among other initiatives, Equinix's Center of Excellence for Energy Efficiency is driving a global approach to cooling our data centers more efficiently.
- **Greenhouse Gas Emissions Reduction**—Responding to the threat of global climate change and uncertain regulatory paradigms. Equinix is managing its global carbon footprint across direct (Scope 1), indirect energy (Scope 2), and indirect value chain (Scope 3) emissions—working to quantify and manage all aspects of its emissions. Since 2015, Equinix has reduced its Scope 2 emissions 60%, even as its global footprint has doubled.

- **Accountability**—Accepting responsibility for climate change and our proportional share of GHG emissions and the need for urgent reduction. Equinix is a member of leading organizations—such as Accounting for Sustainability (A4S)—working toward corporate accountability on the management and disclosure of nonfinancial impacts (e.g., climate change).



Equinix has made significant strides toward reaching its 100% clean and renewable energy goal as reported in its 2019 Corporate Sustainability Report which was released on May 5, 2020.

## Part 2: Green Finance Framework

The ICMA Green Bond Principles and the LMA, APLMA & LSTA Green Loan Principles are a set of voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of green debt like Green Bonds, Green Loans, Green Schuldscheine, Green Commercial Paper, and Green Private Placements. This Framework follows the Green Bond Principles (GBP) 2018 and the Green Loan Principles (GLP) 2020, both of which provide guidelines in four key areas:

1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting

This Framework may be used to govern the financing of proceeds of which are intended to be used for a portfolio of eligible green projects (the "Eligible Green Projects" or the "Eligible Green Project Portfolio") defined, selected, tracked and reported on in accordance with this Framework.



## 2.1 Use of Proceeds

An amount equal to the net proceeds from the contemplated green bond issuance by Equinix, Inc. (the “Green Financing”) is intended to be applied to fund or refinance Eligible Green Projects that are intended to provide clear environmental benefits.

The GBP recognizes eligible green categories for utilization of Green Financing net proceeds, contributing to five high-level environmental objectives: climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation and pollution prevention and control.

In line with the GBP and GLP, Equinix intends to allocate an amount equal to 100% of the Green Financing net proceeds to a portfolio of Eligible Green

Projects, outlined in Table 1 below. These Eligible Green Projects showcase how Equinix is building and operating sustainably. These include:

- Green Buildings
- Renewable Energy
- Energy Efficiency
- Sustainable Water and Wastewater Management
- Waste Management
- Clean Transportation

Table 1 also provides examples of potential use of proceeds within each of the stated six Eligible Green Project categories. Equinix also maps the project categories to the United Nations SDGs.

**Table 1:** Eligible Green Projects and potential use of proceeds by Equinix.

ICMA GBP/GLP Category	UN SDG	Eligibility Criteria
<b>Green Buildings</b>	 	<ol style="list-style-type: none"> <li>1. Expenditures related to the design, construction and maintenance of buildings – data centers and offices – that have recently or are expected to achieve a LEED V4.0 or V4.1 Gold or greater certification or other equivalent local and regional certifications as applicable and outlined by Equinix’s Global Design &amp; Construction procedures -or- are data centers with a design average annual Power Usage Effectiveness (PUE) at or below 1.45<sup>1</sup>. Certifications include but not limited to: <ul style="list-style-type: none"> <li>■ LEED V4.0 or V4.1 (Gold, Platinum)</li> <li>■ Green Globes (3 or 4 Globes)</li> <li>■ BREEAM (Very Good, Excellent, or Outstanding)</li> <li>■ SS 564 Singapore Green Data Center Standard</li> <li>■ BCA Green Mark GoldPlus or better</li> <li>■ NABERS 4.5 stars or better</li> </ul> </li> <li>2. Expenditures related to quantifying the embodied carbon emissions in construction, for example: <ul style="list-style-type: none"> <li>■ Whole building lifecycle analysis (WBLCA) to quantify the carbon emissions associated with the built environment of a data center<sup>2</sup></li> </ul> </li> </ol>

<sup>1</sup> Power Usage Effectiveness (PUE) is a widely accepted metric for measuring data center efficiency. As recently as July 2020, the Uptime Institute has surveyed data center operators and reported global average PUE for data centers as 1.59, a slight improvement since 2019 but no better than 2018. Equinix’s commitment to the environment extends to its design standards which ensure that the IT equipment inside our sites is cooled as efficiently as possible; as such the company has selected a target PUE of less than or equal to 1.45, and well below industry benchmark. Reference: UI Intelligence Report 38. Uptime Institute Global Data Center Survey 2020. R. Ascierio and A. Lawrence. July 2020. <https://uptimeinstitute.com/2020-data-center-industry-survey-results>.

<sup>2</sup> The amount of CO2 created by concrete is not yet well defined or accessible across the industry. Over time, Equinix plans to develop a benchmark around the CO2 intensity (kg CO2e / gross square feet) of the concrete and pre-cast concrete used in its buildings and develop a low-carbon concrete standard.



Table 1: Eligible Green Projects and potential use of proceeds by Equinix. (continued)

ICMA GBP/GLP Category	UN SDG	Eligibility Criteria
<b>Renewable Energy</b>	 	<p>1. Expenditures and associated costs of renewable energy generation and procurement at Equinix sites and offices:</p> <ul style="list-style-type: none"> <li>▪ Direct &amp; virtual power purchase agreements (PPAs)</li> <li>▪ On-site renewable energy generation (e.g., installed solar capacity, biogas or hydrogen fuel cells)</li> <li>▪ Eligible PPAs will be selected to meet Equinix’s core “Renewable Energy Principles,” as published on Equinix’s Corporate Sustainability website.<sup>3</sup></li> </ul> <p>2. Associated costs of conversion of onsite backup generation to clean fuels:</p> <ul style="list-style-type: none"> <li>▪ Cost to convert to biodiesel, HVO or other carbon-neutral (non-fossil) fuel</li> </ul>
<b>Energy Efficiency</b>	 	<p>Expenditures and investments to increase the energy performance of new or existing Equinix sites. Examples of projects may include, but are not limited to:</p> <ul style="list-style-type: none"> <li>▪ Upgrades, retrofits or improvements that result in either (1) a 2% per annum energy efficiency improvement in a site’s power usage by a reduction in losses or improvement in electrical or mechanical plant efficiencies, or (2) a top 15% score according to the U.S. EPA ENERGY STAR Industry (Data Centers) benchmark</li> <li>▪ Installing innovative cooling systems (e.g., aquifer thermal energy system cooling)</li> <li>▪ Deploying optimization technologies, including sensors and controls for energy management, and employment of artificial intelligence or expert systems to optimize plant efficiency and improve plant maintenance</li> <li>▪ Community heating and cooling schemes to increase the amount of co-benefits data centers can provide to local communities such as driving wider energy and carbon savings</li> </ul>
<b>Sustainable Water &amp; Wastewater Management</b>		<p>Expenditures and investments to implement sustainable water management projects at data centers:</p> <ul style="list-style-type: none"> <li>▪ Water-efficient cooling solutions</li> <li>▪ Water infrastructure upgrades (including metering and reporting)</li> <li>▪ Shared cooling systems (e.g., river water cooling loops)</li> <li>▪ Measures to promote water efficiency and reductions in the use of chemical treatment of water used</li> <li>▪ Green or living roofs resulting in stormwater runoff reductions</li> <li>▪ Rainwater capture systems</li> </ul>
<b>Waste Management</b>		<p>Expenditures and investments on pollution prevention and control including waste reduction and recycling:</p> <ul style="list-style-type: none"> <li>▪ Equipment takeback programs and initiatives</li> </ul>
<b>Clean Transportation</b>		<p>Expenditures and investments to implement clean transportation solutions that positively impact employees and communities who use or are located near our data centers:</p> <ul style="list-style-type: none"> <li>▪ EV charging stations to promote electric vehicles</li> </ul>

3 <https://sustainability.equinix.com/environment/renewable-energy/>



## 2.2 Process for Project Evaluation and Selection

Projects financed and/or refinanced with the Green Financing net proceeds are evaluated and selected based on compliance with the Eligible Green Project eligibility criteria listed above by Equinix's Green Finance Committee. Equinix's Green Finance Committee consists of representatives from Equinix's Sustainability Program Office and representatives from the Legal, Treasury and Investor Relations functions, as well as other parties to be nominated as subject matter experts.

Equinix complies with all local and regional required regulations at its sites, including environmental impact assessments and ongoing environmental and health and safety requirements. This includes sites financed or refinanced with an amount equal to the net proceeds of the sale of any Green Financing instruments, including green bonds (the "Green Financing Instruments"). Equinix also applies risk management measures in its capital allocation decisions which are supported by a company-wide planning, reporting and controlling system.

## 2.3 Management of Proceeds

Equinix intends to allocate an amount equal to the net proceeds from the Green Financing Instruments to an Eligible Green Project Portfolio, selected in accordance with the use of proceeds criteria and evaluation and selection process presented above. These projects can be new construction, existing projects, and can also include refurbishments and refinancings of existing projects.

To ensure an amount equal to the net proceeds is allocated in accordance with this Green Finance Framework, the Equinix Green Finance Committee will track investments in Eligible Green Projects funded, acquired or developed within the period commencing two years before the issuance of the applicable Green Financing Instruments and ending on the maturity date of the applicable Green Financing Instruments.

Equinix will strive, over time, to achieve a level of allocation for the Eligible Green Project Portfolio which matches or exceeds the balance of net proceeds from its outstanding Green Financings. Additional Eligible Green Projects will be added to the Company's Eligible Green Project Portfolio to the extent required to ensure that the net proceeds from the Green Financing and any such future financings will be allocated to Eligible Green Projects.

Pending the allocation of the Green Financing net proceeds, the Company will hold or invest an amount equal to the unallocated balance of the net proceeds in cash, cash equivalents and/or U.S. government securities. In the case of divestment or if a project no longer meets the Eligible Green Project eligibility criteria listed above, Equinix intends to reallocate the funds to one or more other Eligible Green Projects.

## 2.4 Reporting

Equinix intends to make public and keep readily available a report of the net proceeds allocation from the Green Financing starting from the first anniversary of the closing of the Green Financing and to be updated annually until the full allocation of the net proceeds is reported or the applicable Green Financing Instruments are no longer outstanding. Equinix intends to show the allocation and impact of the net proceeds of the Green Financing to the Eligible Green Project Portfolio at least at the category level and on an aggregated basis for all of Equinix's green bonds and other potential Green Financing Instruments that are outstanding from time to time.

Equinix 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

The allocation report will provide, on a portfolio basis, on indicators such as:

- Total amount of proceeds allocated to eligible projects.
- Balance of unallocated proceeds.
- Amount or the percentage of new financing and refinancing.

### Impact Reporting

The impact report may provide:

- Description of the Eligible Green Projects.
- Breakdown of Eligible Green Projects by GBP category.
- Metrics regarding projects' environmental impacts (see examples in Table 2).



Table 2: Examples of potential impact reporting metrics for each Green Project Category.

GBP/GLP Category	Examples of Reporting
<b>Green Buildings</b>	<ul style="list-style-type: none"> <li>Data center or office space that is certified including the type of scheme, certification level and sq. m./sq. ft certified</li> <li>Design average annual PUE (#) (site-level)</li> <li>Greenhouse gas emissions avoided (mtCO2e) over a building’s lifetime or annually</li> <li>Embodied carbon quantified (kg CO2e/square foot by project)</li> </ul>
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>Electricity from clean and renewable energy (MWh)</li> <li>Percent renewable energy for global portfolio (MWh renewable / MWh electricity consumption)</li> <li>Annual greenhouse gas emissions reduced/avoided (mtCO2e)</li> </ul>
<b>Energy Efficiency</b>	<ul style="list-style-type: none"> <li>Energy savings (MWh/year or over project lifetime)</li> <li>GHG emissions avoided (mtCO2e)</li> <li>Operational average annual PUE (#) (site-level)</li> </ul>
<b>Sustainable Water and Wastewater Management</b>	<ul style="list-style-type: none"> <li>Water use savings (gallons)</li> <li>Avoided water treatment chemicals (amount and type)</li> <li>Reclaimed (greywater or rainwater) water used (gallons)</li> </ul>
<b>Waste Management</b>	<ul style="list-style-type: none"> <li>Waste recycled (tons by type)</li> <li>Waste diverted from landfills (tons)</li> </ul>
<b>Clean Transportation</b>	<ul style="list-style-type: none"> <li>Electric vehicle charging points installed (#)</li> </ul>

Both the allocation reporting and impact reporting will be made available via Equinix’s Corporate Sustainability website.

made available to investors via [Equinix’s Corporate Sustainability website](#).

## 2.5 External Review

### Second-Party Opinion (pre-issuance)

This Framework has been reviewed by Sustainalytics who has issued a Second-Party Opinion. The Second-Party Opinion and this Framework will be

### Verification (post-issuance)

Equinix intends to request, one year after issuance, after full allocation of the net proceeds from the sale of the Green Financing Instruments or following any material events related to the Eligible Green Project Portfolio, assurance by its external auditor or other third party of a management statement on the allocation of the Green Financing net proceeds to the Eligible Green Project Portfolio.



## The global interconnection platform for a cloud-first world

Globally deploy your infrastructure and services wherever opportunity leads. Directly and privately interconnect to your most important clouds, services and networks. Activate edge services on demand to scale for success. On Platform Equinix, you’ll reach everywhere, interconnect everyone and integrate everything you need to create your best future. Get digital ready with Equinix.