Second-Party Opinion

STACK Infrastructure Sustainable Finance Framework

Evaluation Summary

Sustainalytics is of the opinion that the STACK Infrastructure Sustainable Finance Framework is credible, impactful and aligned with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2023, Green Loan Principles 2025 and Social Loan Principles 2025. This assessment is based on the following:

USE OF PROCEEDS The eligible categories for the use of proceeds – Energy Efficiency; Renewable Power; Sustainable Water and Wastewater Management; Clean Transportation; Pollution Prevention and Control; Circular Economy Adapted Products and Technologies; Socioeconomic Advancement and Empowerment and Access to Digital Education and Job Creation; Affordable Basic Infrastructure – are aligned with those recognized by the Green Bond Principles, Social Bond Principles, Green Loan Principles and Social Loan Principles. Sustainalytics considers that investments in the eligible categories will lead to positive environmental or social impacts and advance the UN Sustainable Development Goals, specifically SDGs 4, 6, 7, 9, 11 and 12.

PROJECT EVALUATION AND SELECTION Appropriate members of STACK's Finance and Sustainability functions will evaluate and select eligible projects in line with the Framework's eligibility criteria. Such committee will also assess the environmental and social risks associated with the projects financed, and where relevant, determine the risk mitigating measures. Sustainalytics considers the project selection process to be in line with market practice.

MANAGEMENT OF PROCEEDS STACK will be responsible for tracking and managing the net proceeds. STACK will allocate all proceeds to eligible projects within 36 months of disbursement and will indicate the specific allocation date in the transaction documents. Pending allocation, STACK will temporarily hold net proceeds in cash or invest in short-term liquid instruments. This is in line with market practice.

REPORTING STACK commits to report on the allocation of proceeds not less frequently than annually until full allocation. In addition, STACK intends to report on the relevant environmental or social impact metrics. The allocation and impact reports may be shared directly with investors or publicly on the company's website on an annual basis, as appropriate. Sustainalytics views STACK's allocation and impact reporting as aligned with market practice.

Second-Party Opinion
Reviewed by:
MORNINGSTAR | SUSTAINALYTICS

Evaluation Date	May 2, 2025[1]
Issuer Location	Colorado, USA

Report Sections

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[1] This document updates the Second-Party Opinion provided by Sustainalytics in October 2023.

Introduction

STACK Infrastructure ("STACK", or the "Company") owns, develops and operates 44 data centres across 23 markets globally.[2] Headquartered in Denver, Colorado, STACK is a global developer of digital infrastructure solutions.

STACK has developed the STACK Infrastructure Sustainable Finance Framework dated May 2025 (the "Framework"), under which STACK or its affiliates[3] may issue or obtain unsecured or secured green, social or sustainability bonds or loans, including, among others, asset-backed securities and collateralized loan obligations[4] (collectively, the "Sustainable Finance Instruments")[5] and use the proceeds to finance or refinance, in whole or in part, existing or future projects that are expected to provide positive environmental and social impacts.

The Framework defines eligibility criteria in the following areas:

1. Energy Efficiency
2. Renewable Power
3. Sustainable Water and Wastewater Management
4. Clean Transportation
5. Pollution Prevention and Control
6. Circular Economy Adapted Products and Technologies
7. Socioeconomic Advancement and Empowerment and Access to Digital Education and Job Creation
8. Affordable Basic Infrastructure

STACK engaged Sustainalytics to review the Framework and provide a Second-Party Opinion on the Framework's environmental and social credentials and its alignment with the Sustainability Bond Guidelines 2021 (SBG), Green Bond Principles 2021 (GBP), Social Bond Principles 2023 (SBP),[6] Green Loan Principles 2025 (GLP) and Social Loan Principles 2025 (SLP)[7]. The Framework will be shared directly with lenders or investors.

Scope of work and limitations of Sustainalytics' Second-Party Opinion

Sustainalytics' Second-Party Opinion reflects Sustainalytics' independent[8] opinion on the alignment of the reviewed Framework with current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework's alignment with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2023, as administered by ICMA, and the Green Loan Principles 2025 and Social Loan Principles 2025, as administered by LMA, APLMA, and LSTA;
- The credibility and anticipated positive impacts of the use of proceeds; and

[2] Stack infrastructure, "About Stack", at: https://www.stackinfra.com/wp-content/uploads/2025/04/STACK-Infrastructure-2024-Impact-Report.pdf
[3] STACK has communicated to Sustainalytics that it will have operational control over the issuance process of its affiliates as it pertains to any financings under the STACK Infrastructure Sustainable Finance Framework. STACK has further confirmed that it will be responsible for ensuring alignment of any issuances with the criteria defined in the Framework.
[4] For securitizations, STACK: i) commits in the Framework to distinguish between a secured sustainable standard bond and a secured sustainable collateral bond in the respective offering documents, per the voluntary process guidelines published in the June 2022 Appendix 1 of the GBP 2021; and in the case of a secured sustainable collateral bond, ensure that 100% of the underlying assets will align with the eligibility criteria set forth in the Framework; and ii) has communicated to Sustainalytics that there will be no double counting of eligible projects under the secured sustainable standard bond, secured sustainable collateral bond and any other outstanding sustainable financing instruments. STACK has further communicated to Sustainalytics that to the extent synthetic CLOs are executed in the Framework, it will ensure that: i) in the case of synthetic secured green collateral instrument, all the reference portfolio will comprise green credible projects on STACK's balance sheet; ii) in the case of synthetic secured green standard instrument, the nominal amount raised from the issuance will be allocated to projects that meet the eligibility criteria in the Framework; and iii) for both type of securitizations, there will be no double counting between the synthetic CLOs and any other outstanding green financing instruments.
[5] Sustainalytics has reviewed only those financial instruments that are specified in the Framework.
[6] The Sustainability Bond Guidelines, Green Bond Principles and Social Bond Principles are administered by the International Capital Market Association and are available at https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/
[7] The Green Loan Principles and Social Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications and Trading Association and are available at: https://www.lsta.org/content/fGLPgreen-loan-principles/# and https://www.lsta.org/content/social-loan-principles-slp/
[8] When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics' hallmarks is integrity, another is transparency.

- The alignment of the issuer's sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.18, which is informed by market practice and Sustainalytics' expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of STACK's management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. STACK representatives have confirmed (1) they understand it is the sole responsibility of STACK to ensure that the information provided is complete, accurate and up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics' opinion of the Framework and should be read in conjunction with that Framework. Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and STACK.

Sustainalytics' Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond and loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond and loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that STACK has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the STACK Infrastructure Sustainable Finance Framework

Sustainalytics considers the STACK Infrastructure Sustainable Finance Framework to be credible, impactful and aligned with the SBG and the four core components of the GBP, SBP, GLP and SLP. Sustainalytics highlights the following elements of the Framework:

- Use of Proceeds:
  - The eligible categories – Energy Efficiency; Renewable Power; Sustainable Water and Wastewater Management; Clean Transportation; Pollution Prevention and Control; Circular Economy Adapted Products and Technologies; Socioeconomic Advancement and Empowerment and Access to Digital Education and Job Creation; Affordable Basic Infrastructure – are aligned with those recognized by the GBP, SBP, GLP, and SLP.
  - STACK has established a look-back period of two years for the refinancing of operating expenses associated with the eligible projects defined in the Framework.
  - The Framework clarifies that the collateral for the issuance of any secured sustainable collateral instruments will be in alignment with one or more of the first four eligibility criteria under the Energy Efficiency category in the Framework.
  - Under the Energy Efficiency category, STACK may finance or refinance investments or expenditures related to the following types of projects:
    - Design, construction, certification, operation and maintenance of:
      - New data centres with an annual design power usage effectiveness (PUE) of 1.3 or below.
      - Renovated data centres with a design PUE of 1.4 or below, on an annual basis.

- Existing and operational data centres with an operating PUE of 1.5 or below, calculated on an annualized basis during the preceding 12 months.
- Buildings that have achieved or are expected to achieve the following green buildings certifications: a) LEED Gold or Platinum;[9] b) BREEAM Excellent or Outstanding;[10] c) Green Globes 3 or 4 Globes;[11] d) Energy Star score of 85 or greater.[12] Sustainalytics considers the schemes cited to be credible, and the levels to be robust.

  - Investments and expenditures aimed at improving data centre energy efficiency through: i) energy efficiency upgrades, software, retrofits or improvements that result in a 2% improvement in a site's annual power usage; ii) improvements in architectural or mechanical, electrical or plumbing design elements in cooling systems, equipment and other infrastructure that improves the data centre facility's energy use and efficiency.
  - Investments and expenditures for ISO 50001 energy management certification.
  - Sustainalytics considers investments under this category to be in line with market practice.

- Under the Renewable Power category, STACK may finance or refinance the following types of projects:
  - Installation, maintenance and operation of on-site solar photovoltaic and wind energy generation systems, including supporting infrastructure, such as battery storage and microgrids, powered entirely by the above-mentioned renewable energy sources.
  - Procurement of hydrotreated vegetable oil (HVO) and renewable diesel for use in backup power systems, and investment in upgrading equipment to accommodate such fuels. The procured HVO will have life-cycle emissions at least 50% lower than conventional diesel counterpart. Sustainalytics notes that there is uncertainty regarding the traceability of HVOs[13] and encourages STACK to procure certified biofuels.
  - Procurement of renewable energy from off-site solar or wind farms through: i) direct investment, ii) long-term offtake, iii) lease, iv) service agreements such as physical or virtual power purchase agreements with a minimum tenor of five years; v) long-term unbundled Renewable Energy Certificates (RECs) that can be tracked to identifiable renewable energy projects and held until they are retired and not resold or transferred; or vi) green-e certified or compliant RECs. Sustainalytics considers the long-term nature of the power purchase agreements and unbundled RECs as providing greater assurance of positive impacts.
  - Sustainalytics considers the expenditures under this category to be aligned with market practice.
- Under the Sustainable Water and Wastewater Management category, STACK may finance or refinance activities that support water efficiency and recycling measures in its data centres. Examples of financed projects include:
  - Water recycling and water capture and storage infrastructure, such as rainwater harvesting systems.
  - Upgrades to improve water efficiency, such as through sub-metering.
  - Developing reclaimed water systems and related infrastructure and building infrastructure to connect to new or existing municipal reclaimed water systems.
  - Water efficient cooling systems such as air-based chillers or closed-loop systems, free or evaporative cooling technologies, and hot and cold aisle containment. STACK has communicated to Sustainalytics that i) will comply with all applicable regulations related to global warming potential (GWP) of refrigerants and seek to

[9] LEED: https://www.usgbc.org/leed
[10] BREEAM: https://bregroup.com/products/breeam/
[11] Green Globes: http://www.greenglobes.com/about.asp#introduction
[12] Energy Star: https://www.energystar.gov/buildings/building_recognition/building_certification
[13] Transport & Environment, "Palm oil in disguise? How recent import trends of palm residues raise concerns over a key feedstock for biofuels", (2025), at: https://www.transportenvironment.org/uploads/files/202504_POME_fraud_Report.pdf

minimize GWP of refrigerants where possible and ii) it has systems in place to monitor all material environmental risks including refrigerant leakage.
    - Stormwater management infrastructure and activities involving holding water on land, such as through improved water retention, permeable paving, vegetated roofs and facades and addition of swales along topographical contours.
    - Sustainalytics views the abovementioned investments to be aligned with market practice.
- Under the Clean Transportation category, STACK may finance or refinance expenditures related to the installation and maintenance of electric vehicle charging stations. STACK has communicated to Sustainalytics that standalone parking facilities will not be financed under the category. This is aligned with market practice.
- Under the Pollution Prevention and Control category, STACK may finance or refinance the following expenditures:
    - Initiatives that are expected to lead to a significant reduction in waste energy or emissions of greenhouse or harmful gases, such as through the reuse of waste heat from electricity in the data centres or use of low-GWP refrigerants. STACK has communicated to Sustainalytics that such refrigerants may include natural refrigerants, such as CO_2 or ammonia, or synthetic ones, such as R1234ze. Sustainalytics positively notes the emissions reduction benefits and zero ozone depletion potential of the identified refrigerants and the presence of robust refrigerant leak control, detection and monitoring systems to ensure the recovery, reclamation, recycling or destruction of refrigerants at the end of life of the assets.
    - Waste management programmes for the reduction, prevention, recycling and reuse of waste. STACK has confirmed to Sustainalytics that: i) waste recycling activities will include source segregation of waste to separate recyclables; ii) recycling of e-waste will be accompanied by robust waste management processes to mitigate associated risks; and iii) chemical recycling of plastics will be excluded.
    - Expenditures related to achieving ISO 14001 environmental management certification and UL 2799 zero waste certification.
    - Sustainalytics considers investments under the category to be aligned with market practice.
- Under the Circular Economy Adapted Products and Technologies category, STACK may finance the procurement of low carbon building materials such as low-carbon electric arc furnace (EAF) steel where a high proportion of input is recycled and low carbon concrete.
    - Sustainalytics notes that STACK has not specified an emissions intensity threshold for procured steel but nonetheless, recognises that EAF production with a high proportion of scrap input has substantially lower GHG emissions than conventional production process.
    - For the procured concrete, the Company has confirmed to Sustainalytics that the concrete will include cement[14] that is produced in line with a credible decarbonization pathway for cement production, such as the Transition Pathway Initiative.[15]
    - Sustainalytics considers investments under the category to be aligned with market practice.
- Under the Socioeconomic Advancement and Employment and Access to Digital Education and Job Creation category, STACK may finance or refinance expenditures related to projects aimed at advancing economic opportunities and equity, and promoting greater diversity and inclusion for a defined target population.[16] Examples of projects include: i) launching, scaling and investing in upskilling training programmes; ii) partnering with local universities and youth programmes to provide educational opportunities; and iii) partnering with veteran organizations to support workforce reintegration into the data centre industry.

[14] Sustainalytics notes that cement typically accounts for nearly 80% of its CO_2 emissions associated with concrete. More details at: https://www.wri.org/update/laying-foundation-cement-and-concrete-decarbonization
[15] Transition Pathway Initiative: https://www.transitionpathwayinitiative.org/
[16] The target population includes individuals with high-school diplomas or GEDs, children and young adults from underserved and underrepresented communities, excluded and marginalized populations and communities, women and sexual and gender minorities, and veterans and military spouses.

Sustainalytics notes that expenditures under this category will address unemployment issues and enable socioeconomic development for the target population.
  - Under the Affordable Basic Infrastructure category, STACK may finance infrastructure for community benefit, such as: i) community gardens, parks, associated carparks and open spaces; iii) habitat restoration; iv) community centres; and v) access to broadband network connectivity for defined target populations. Sustainalytics considers the above expenditures as indicative of positive social impacts.
- Project Evaluation and Selection:
  - STACK's committee which includes representatives from the Finance and Sustainability functions will be responsible for the evaluation and selection of eligible projects in accordance with the criteria defined in the Framework.
  - The committee will also be responsible for assessing environmental and social risks associated with the projects being financed and mitigating measures, where appropriate, including, wherever applicable, obtaining independent technical advisor reports such as for new construction projects. Sustainalytics considers these environmental and social risk management systems to be adequate. For more information on STACK's internal processes and procedures to manage risks, please refer to Section 2.
  - Based on the established process for project selection and the presence of risk management processes, Sustainalytics considers this process to be in line with market practice.
- Management of Proceeds:
  - STACK may hold the proceeds in either segregated accounts or STACKS's general account depending on whether the issuance is secured or unsecured and it intends to provide this information in the documentation for each transaction. For all transactions, STACK will track the use of proceeds through its internal system and will maintain a level of allocation to the portfolio that matches the proceeds from the financial instruments.
  - STACK will allocate all proceeds within 36 months following disbursement, where applicable.[17] The allocation period specific to each transaction will be shared in the associated documentation. Pending full allocation, net proceeds will be held in cash or invested in short-term liquid instruments on a temporary basis.
  - The Company has communicated to Sustainalytics that instruments issued under the Framework may include multi-tranche loan facilities. STACK intends to label only those tranches of such facilities whose proceeds will be allocated according to the eligibility criteria in the Framework.
  - Based on the use of an internal tracking system and the disclosure of the temporary use of proceeds, Sustainalytics considers this process to be in line with market practice.
- Reporting:
  - STACK commits to share information related to the allocation of net proceeds directly with investors on an annual basis until full allocation for all standard sustainable finance instruments under the Framework. The Framework confirms that in the case of revolving credit facilities, reporting will continue until maturity.
  - Allocation reporting may include: i) the amount of net proceeds allocated per category; and ii) the share of refinancing of existing projects.
  - STACK also commits to report on the environmental or social impact of financed projects through case studies or in qualitative terms, where applicable and feasible. The impact reports may be shared directly with investors or made publicly available on the Company's website annually, as appropriate.
  - STACK has communicated to Sustainalytics that in the case of secured sustainable collateral instruments, the transaction documentation will have information pertaining to the sustainability characteristics of the underlying assets and their alignment with the eligibility criteria under the Framework.
  - Based on the commitment to both allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

[17] STACK has clarified that this excludes secured sustainable collateral instruments where the proceeds are immediately allocated upon issuance.

Alignment with Sustainability Bond Guidelines 2021

Sustainalytics has determined that the STACK Infrastructure Sustainable Finance Framework aligns with the SBG and the four core components of the GBP, SBP, GLP and SLP.

Section 2: Sustainability Strategy of STACK Infrastructure

Contribution to STACK's sustainability strategy

STACK's sustainability commitments are focused on the following environmental and social areas: i) reducing the carbon footprint of its operations; ii) prioritizing energy efficiency and use of clean energy; iii) improving water conservation; iv) promoting circularity; and v) supporting STEM education.[18]

To address GHG emissions and energy intensity, STACK has committed to reach net zero across its operations and value chain by 2050, in alignment with the Science-based Targets Initiative (SBTi).[19] Additionally, STACK has committed to using 100% renewable energy across its global data centre portfolio, with its global data centre portfolio covered with 100% renewable energy since December 2021.[20] STACK's hyperscale data centre portfolio, powered shells,[21] and finished data halls are designed for power efficiency and optimal water-cooling systems.[22] Under its Basis of Design programme, STACK leverages ready-built energy efficiencies that reduce water usage and use air-cooling systems to achieve an overall design PUE target of 1.3 for its portfolio.[23] In 2023, STACK diverted approximately 315 metric tonnes or approximately 35% of its operational waste from landfills and incineration facilities, through the reuse of waste heat and initiatives that support circularity.[24]

In 2022, STACK joined the Infrastructure Masons (iMasons) Climate Accord[25] as a founding member, pledging to adopt transparent industry standards that account for and report on carbon emissions from the power, materials and products used in data centre infrastructure. The iMasons Climate Accord aims to standardize the methodology of measuring the carbon footprint of digital infrastructure and subsequently demonstrate the progress in the reduction of the industry's carbon footprint.[26]

To further its priorities on the social side, STACK undertakes initiatives to promote STEM education and technical apprenticeship programmes across multiple global locations through financing and partnerships such as with Girl Scouts of Colorado, to develop STEM-related skills.[27]

Sustainalytics is of the opinion that the STACK Infrastructure Sustainable Finance Framework is aligned with the Company's overall sustainability strategy and initiatives and will further its action on its key environmental and social priorities.

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the proceeds from the Sustainable Finance Instruments issued or obtained under the Framework will be directed towards eligible projects that are expected to generate positive environmental and social impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks possibly associated with the eligible projects may include issues related to i) land use and loss of biodiversity associated with large-scale infrastructure development; ii) waste, emissions and effluents generated during the construction and operation of data centres; iii) occupational health and safety; iv) cybersecurity, compliance and privacy; v) supply chain impacts; and vi) community relations and stakeholder engagement.

[18] STACK Infrastructure, "SCALING RESPONSIBLY – 2024 ESG Report", (2024), at: https://www.stackinfra.com/wp-content/uploads/2025/04/STACK-Infrastructure-2024-Impact-Report.pdf
[19] As of April 2025, STACK's near and long-term targets have not yet been validated by SBTi.
[20] Ibid.
[21] Powered shell data centres are facilities where exterior construction is complete and power connectivity to the building is established, but the interior is left as raw space. A powered shell data centre can be delivered as a section of an existing building or as an entirely new building.
[22] STACK Infrastructure, at: https://www.stackinfra.com/
[23] STACK Infrastructure, "SCALING RESPONSIBLY – 2024 ESG Report", (2024), at: https://www.stackinfra.com/wp-content/uploads/2025/04/STACK-Infrastructure-2024-Impact-Report.pdf
[24] Ibid.
[25] The iMasons Climate Accord, "Enabling global carbon accounting and reduction in digital infrastructure", at: https://climateaccord.org/
[26] STACK Infrastructure, "STACK Infrastructure Joins Infrastructure Masons Climate Accord to Reduce Global Carbon Emissions", (2022), at: https://www.stackinfra.com/about/news-events/press-releases/stack-infrastructure-joins-infrastructure-masons-climate-accord-to-reduce-global-carbon-emissions/
[27] STACK Infrastructure, "SCALING RESPONSIBLY – 2024 ESG Report", (2024), at: https://www.stackinfra.com/wp-content/uploads/2025/04/STACK-Infrastructure-2024-Impact-Report.pdf

Sustainalytics is of the opinion that STACK is able to manage and mitigate potential risks through the implementation of the following:

- To manage risks related to the development and construction of large-scale infrastructure, STACK follows a defined due diligence process that includes assessments of risks related to data centre site selection and construction to ensure compliance with applicable regional regulations.[28,29]
- Regarding waste, emissions and effluents generated during the construction of large-scale infrastructure projects, such as data centres, STACK complies with the US Environmental Agency's Resource Conservation and Recovery Act, which establishes laws and regulations for storage and disposal of all hazardous and non-hazardous waste in the US.[30] Additionally, STACK addresses environmental risks through responsible data centre operations that follow industry best practices for energy and environmental management by adhering to ISO 50001[31] and ISO 14001.[32,33] Furthermore, STACK has communicated to Sustainalytics that it has in place hazardous waste management policies and procedures, including management of e-waste.
- To address risks related to occupational health and safety, STACK has a dedicated Environmental, Health and Safety team that manages its safety management systems, including contractor management; incident prevention, response, investigation and reporting; job safety analysis; and workforce safety training. These systems include procedures to address safety risks in the design and construction phase and its operations.[34,35] STACK further requires safety measures in the construction phases to be compliant with both global and regional regulations. STACK has in place defined processes and procedures, which include best practices outlined under ISO 45001,[36] to ensure safety is a priority in its daily operations of data centres.[37]
- To manage cybersecurity, compliance and privacy related risks, STACK has established Information Security Management Systems that meet independent third-party standards.[38] Additionally, where applicable, STACK aligns all its global data centres facilities to the third-party standards such as ISO/IEC 27001:2013, SSAE18 Type 2 SOC 1, SSAE18 Type 2 SOC 2, HIPAA, and Payment Card Industry (PCI) Data Security Standard in the US and Canada, as well as ISAE 3000, ISAE 3402, PCI Data Security Standard, and ISO 27001:2013.[39]
- Regarding risks related to supply chain, STACK has developed policies to identify, manage and mitigate environmental and social risks associated with its supply chains. STACK has also adopted a compliance process based on its Code of Conduct (the "Code") aligned with the regional anti-corruption regulations, which is applied to its employees, suppliers, vendors and consultants.[40] Under its Code, STACK requires its stakeholders to ensure compliance with all applicable federal, state, provincial and international laws, rules and regulations.[41] The Code further enforces a zero-tolerance policy on conflicts of interest and ethical violations.[42] Moreover, STACK also has a Whistleblowing

[28] Gillin, P. (2020), "5 Things to Know About Data Center Site Selection", STACK Infrastructure, at: https://www.stackinfra.com/wp-content/uploads/2020/11/Stack_SiteSelection111620.pdf?hsCtaTracking=d5e0fce9-33c9-40fe-a4ff-edc7eb173ee5%7C127ced0a-266d-4827-8654-8c3a3f83b2ae https://www.stackinfra.com/about/health-safety/
[29] STACK Infrastructure, "SCALING RESPONSIBLY – 2024 ESG Report", (2024), at: https://www.stackinfra.com/wp-content/uploads/2025/04/STACK-Infrastructure-2024-Impact-Report.pdf
[30] US Environmental Protection Agency, "Resource Conservation and Recovery Act (RCRA) Laws and Regulations", at: https://www.epa.gov/rcra
[31] ISO, "ISO 50001 – Energy Management", at: https://www.iso.org/iso-50001-energy-management.html
[32] ISO, "ISO 14001 – Environmental Management", at: https://www.iso.org/iso-14001-environmental-management.html
[33] STACK Infrastructure, "SCALING RESPONSIBLY – 2024 ESG Report", (2024), at: https://www.stackinfra.com/wp-content/uploads/2025/04/STACK-Infrastructure-2024-Impact-Report.pdf
[34] Ibid.
[35] STACK Infrastructure, "Our Objectives: Health & Safety", at: https://www.stackinfra.com/responsibility/#health-safety
[36] ISO, "ISO 45001:2018 – Occupational health and safety management systems", at: https://www.iso.org/standard/63787.html https://www.stackinfra.com/about/health-safety/
[37] STACK Infrastructure, "SCALING RESPONSIBLY – 2024 ESG Report", (2024), at: https://www.stackinfra.com/wp-content/uploads/2025/04/STACK-Infrastructure-2024-Impact-Report.pdf
[38] STACK Infrastructure, "STACK Infrastructure Announces Broad-based Third-party Compliance Certifications", (2020), at: https://www.stackinfra.com/about/news-events/press-releases/stack-infrastructure-announces-broad-based-third-party-compliance-certifications/
[39] STACK Infrastructure, "SCALING RESPONSIBLY – 2024 ESG Report", (2024), at: https://www.stackinfra.com/wp-content/uploads/2025/04/STACK-Infrastructure-2024-Impact-Report.pdf
[40] Ibid.
[41] Ibid.
[42] Ibid.

Policy and Channel in place that provides employees a safe and confidential platform to report misconducts and violations.[43]

- To address risks related to community impact, STACK has communicated to Sustainalytics that it has dedicated subject matter experts and employees to engage with the communities to identify and address potential risks through open dialogues.
- Sustainalytics further notes that the projects financed under the Framework will primarily be located in the US or other Designated Countries under the Equator Principles, indicating the presence of robust environmental and social governance systems, legislation and institutional capacity for protecting the environment and communities.[44]

Based on these policies, standards and assessments, Sustainalytics is of the opinion that STACK has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All eight use of proceeds categories are aligned with those recognized by the GBP, SBP, GLP or SLP. Sustainalytics has focused on the one where the impact is specifically relevant in the local context.

Importance of energy efficiency in data centres in the US

Data centres play a key role in digitalization, supporting the more than 20-fold expansion of internet traffic since 2010.[45] These facilities contain many energy-intensive technologies, with an average data centre's energy demand being 40% attributable to server computing, 40% to cooling systems and 20% to other systems such as power supply, storage devices and communication equipment.[46] Globally, data centres accounted for up to 1.3% of all electricity demand in 2022, consuming 240-340 TWh.[47]

Despite the scale of the growth in demand, emissions from data centres have grown only modestly since 2010 owing to efficiency improvements, renewable energy use and broader decarbonization of electricity grids.[48] These efficiency efforts are reflected in the decrease in global average PUE from 2.50 in 2007 to 1.55 in 2022,[49] with efficiency plateauing at this mid-to-high 1.5 range since 2020.[50] Nevertheless, in order to stay on track with a net zero scenario, data centre emissions must still drop by half by 2030.[51]

Of the more than 8,000 data centres globally contributing to the above trends, more than 30% are located in the US.[52] Data centres are expected to account for 6% of all electricity demand in the US by 2026, growing from 4% in 2022.[53] In this scenario, the rapid expansion of artificial intelligence (AI) has raised concerns about electricity demand and grid capacity,[54] with a projected additional 93 TWh by 2030 attributable to AI.[55]

Various entities in the US are making efforts to encourage data centre energy efficiency gains. The US Environmental Protection Agency has expanded its Energy Star programme to include a labelling scheme and

[43] Ibid.
[44] Equator Principles, "About the Equator Principles", at: https://equator-principles.com/about-the-equator-principles/
[45] International Energy Agency, "Data Centres and Data Transmission Networks", at: https://www.iea.org/energy-system/buildings/data-centres-and-data-transmission-networks
[46] International Energy Agency, "Electricity 2024 Analyst and Forecast to 2026", (2024), at: https://iea.blob.core.windows.net/assets/18f3ed24-4b26-4c83-a3d2-8a1be51c8cc8/Electricity2024-Analysisandforecastto2026.pdf
[47] International Energy Agency, "Data Centres and Data Transmission Networks", at: https://www.iea.org/energy-system/buildings/data-centres-and-data-transmission-networks
[48] Ibid.
[49] Uptime Institute, "Large data centers are mostly more efficient, analysis confirms", (2024), at: https://uptimeinstitute.com/resources/assets?filter%5Blanguage_id%5D=0&filter%5Bcategory_id%5D=3&filter%5Bpublished_on%5D=0&task=search&filter_order=a.title&filter_order_Dir=desc
[50] Uptime Institute, "Uptime Institute Global Data Center Survey 2023", (2024), at: https://journal.uptimeinstitute.com/large-data-centers-are-mostly-more-efficient-analysis-confirms/
[51] Ibid.
[52] International Energy Agency, "Electricity 2024 Analyst and Forecast to 2026", (2024), at: https://iea.blob.core.windows.net/assets/18f3ed24-4b26-4c83-a3d2-8a1be51c8cc8/Electricity2024-Analysisandforecastto2026.pdf
[53] Ibid.
[54] Forbes, "AI Is Pushing The World Toward An Energy Crisis", (2024), at: https://www.forbes.com/sites/arielcohen/2024/05/23/ai-is-pushing-the-world-towards-an-energy-crisis/
[55] Goldman Sachs, "AI is Poised to Drive 160% Increase in Data Center Power Demand", (2024), at: https://www.goldmansachs.com/insights/articles/AI-poised-to-drive-160-increase-in-power-demand

product list for data centre equipment as well as a certification for entire data centres.[56,57] In addition, the US Department of Energy's Advanced Research Projects Agency-Energy initiated a USD 40 million programme in 2023 in partnership with various research institutions to advance data centre cooling technologies, with the goal of reducing data centre operational carbon footprints.[58] The Centre of Expertise for Energy Efficiency in Data Centres also provides technical support, tools, analysis and best practices to further the implementation of energy efficiency projects in data centres.[59,60]

In view of the above, Sustainalytics is of the opinion that STACK's investments aimed at improving the energy efficiency and PUE of data centres in the US are aligned with broader industry and regional goals and are expected to generate positive environmental impacts.

Contribution to SDGs

The Sustainable Development Goals were adopted in September 2015 by the United Nations General Assembly and form part of an agenda for achieving sustainable development by 2030. The instruments issued under the STACK Infrastructure Sustainable Finance Framework are expected to help advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Energy Efficiency	7. Affordable and Clean Energy	7.3 By 2030, double the global rate of improvement in energy efficiency
Renewable Power	7. Affordable and Clean Energy	7.2 Increase substantially the share of renewable energy in the global energy mix
Sustainable Water and Wastewater Management	6. Clean Water and Sanitation	6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons
Pollution Prevention and Control	12. Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Circular Economy Adapted Products and Technologies	12. Responsible Consumption and Production	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
Socioeconomic Advancement and Empowerment and Access to Digital Education and Job Creation	4. Quality Education	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship
Affordable Basic Infrastructure	9. Industry, Innovation and Infrastructure	9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support

[56] US Environmental Protection Agency, "Data Center Equipment", at: https://www.energystar.gov/products/data_center_equipment
[57] US Environmental Protection Agency, "ENERGY STAR Score for Data Center Estimates (U.S. and Canada)" (2023), at: https://www.energystar.gov/buildings/tools-and-resources/energy-star-score-data-center-estimates-us-and-canada
[58] National Renewable Energy Laboratory, "NREL Joins $40 Million Effort To Advance Data Center Cooling Efficiency", (2023), at: https://www.nrel.gov/news/program/2023/nrel-joins-effort-to-advance-data-center-cooling-efficiency.html
[59] US Department of Energy, "Energy Efficiency in Data Centers", at: https://www.energy.gov/eere/femp/energy-efficiency-data-centers
[60] US Department of Energy, Center of Expertise for Energy Efficiency in Data Centers, "Who We Are", at: https://datacenters.lbl.gov/who-we-are

		economic development and human well-being, with a focus on affordable and equitable access for all

Conclusion

STACK has developed the STACK Infrastructure Sustainable Finance Framework under which it or its affiliates may issue or obtain unsecured or secured green, social or sustainability bonds or loans, including, among others, asset-backed securities and collateralized loan obligations (collectively, the "Sustainable Finance Instruments") and use the proceeds to finance or refinance, in whole or in part, existing or future projects that are expected to create positive environmental and social impacts.

The Framework outlines a process for tracking, allocation and management of proceeds, and makes commitments for reporting on allocation and impact. Sustainalytics considers that the Framework is aligned with the overall sustainability strategy of STACK and that the use of proceeds will contribute to advance the UN Sustainable Development Goals 4, 6, 7, 9, 11 and 12. Additionally, Sustainalytics is of the opinion that STACK has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects.

Based on the above, Sustainalytics is confident that STACK is well positioned to issue or obtain sustainability bonds and loans that that the STACK Infrastructure Sustainable Finance Framework is robust, transparent and in alignment with the Sustainability Bond Guidelines 2021 and the four core components of the Green Bond Principles 2021, Social Bond Principles 2023, Green Loan Principles 2025 and Social Loan Principles 2025.

Disclaimer

About Morningstar Sustainalytics

Morningstar Sustainalytics is a leading ESG research, ratings and data firm that supports investors around the world with the development and implementation of responsible investment strategies. For more than 30 years, the firm has been at the forefront of developing high-quality, innovative solutions to meet the evolving needs of global investors. Today, Sustainalytics works with hundreds of the world's leading asset managers and pension funds, which incorporate ESG and corporate governance information and assessments into their investment processes. Sustainalytics also works with hundreds of companies and their financial intermediaries to help them consider sustainability in policies, practices and capital projects. For more information, visit www.sustainalytics.com.