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Sustainalytics Second Party Opinion
Flexential Green Finance Framework

17 October 2025

Framework owner and location:
Flexential Corp.
Denver, Colorado, US

Sector:
Digital Infrastructure

Overall Assessment

Sustainability Contribution

Neutral | Moderate | Significant | **Strong**

Principles Alignment

Aligned

Green Bond Principles 2025
Green Loan Principles 2025

Contribution to SDGs

7 Affordable and Clean Energy
9 Industry, Innovation and Infrastructure

Assessment Summary

Flexential has developed the Flexential Green Finance Framework dated October 2025 under which the Company and its affiliates intend to issue green bonds and asset-backed securities or obtain loans to fund projects across the United States in one environmental category.

We have assessed the overall Sustainability Contribution of the Framework as **Strong**, based on the Sustainability Contribution of the Framework's single use of proceeds category.

Flexential intends to finance environmental expenditures in the Energy Efficiency, Sustainable Water and Wastewater Management category with a focus on the acquisition, design, construction, maintenance or operation of data centres with a design power usage effectiveness (PUE) of not more than 1.4 for new data centres, or an operational PUE of not more than 1.5 (on a 12-month rolling average basis) for existing, retrofitted or upgraded data centres. Such investments are expected to strongly contribute to the decarbonization of the data centre industry.

We have assessed the Framework as **Aligned** with the Green Bond Principles 2025 and Green Loan Principles 2025.

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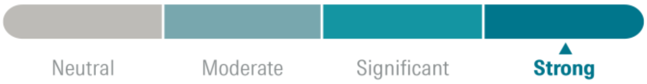
This Second Party Opinion provides our point-in-time independent opinion of the Framework as at the Evaluation Date above and serves as an update to our previous Second Party Opinion dated 2 November 2021. Our assessments of Sustainability Contribution and Principles Alignment are based on our Assessment Framework for Use of Proceeds Instruments (also see Annex 1: Assessment Framework Overview). Our opinion also considers additional information that the Framework owner provided up to the Evaluation Date, as well as public and non-public information.

Breakdown per Use of Proceeds Category

We have assessed the overall Sustainability Contribution of the Framework as **Strong**, based on the Sustainability Contribution of the Framework's single use of proceeds category.

Category	Sustainability Contribution Level	Weight
Energy Efficiency, Sustainable Water and Wastewater Management		100%

Issuer Overview and Sustainability Strategy

Flexential Corp is a provider of hybrid IT infrastructure and data centre services, offering colocation, connectivity, cloud and managed services for its clients. Founded in 1999 under the brand ViaWest and rebranded to Flexential in 2018, Flexential operates over 40 data centres and hybrid solutions across 18 markets, largely based in the US.[1] Flexential is headquartered in Denver, Colorado and has more than 930 employees as of December 2024.[2]

Flexential integrates environmental, social and governance factors into its sustainability strategy, focusing on i) improving the efficiency of new and existing data centres; ii) fostering diversity, equality, inclusion and belonging (DEIB) among its workforce; and iii) enhancing its compliance reporting and transparency.[3]

From an environmental perspective, Flexential aims to enhance the energy efficiency of its mature data centres by retrofitting its facilities as well as building new data centres with a design PUE of 1.4 or less and a design water usage effectiveness (WUE) of zero.[4] The Company reduces the energy consumption of its data centres through various initiatives that focus on IT equipment, cooling systems, electrical infrastructure (including transformers and power distribution units), air circulation, and lighting. To further enhance efficiency, the data centres are equipped with sensor-controlled LED lighting.[5]

From a social perspective, Flexential provides leadership training to employees, as well as one-on-one coaching and wellness incentives with the goal of creating a welcoming, supportive workplace.[6] Flexential has established an internal DEIB (Diversity, Equity, Inclusion and Belonging) Council, and its leadership has committed to the CEO Action for Diversity and Inclusion Pledge.[7] Regarding governance, Flexential has engaged third-party specialists to evaluate its legal and compliance management practices and is working to further embed ESG strategy and reporting across its workforce.

While Flexential publicly reports on ESG metrics, such as its scope 1 and 2 emissions, renewable and carbon-free energy consumption, and social diversity metrics relating to the composition of its workforce and leadership, Flexential has not yet set timebound targets.[8]

Flexential's ESG Committee, which is composed of senior and C-suite leaders, is responsible for overseeing sustainability governance and establishing, implementing and measuring progress towards the Company's ESG strategy. The Committee reports directly to the board of directors.[9] Since 2023, Flexential has published an ESG report on its website annually.[10] Additionally, Flexential publishes its Momentum Report annually which outlines its strategic direction and highlights its financial and sustainability performance.[11]

[1] Flexential, "About Us", at: https://www.flexential.com/company
[2] Flexential, "2024 Momentum Report", (2024), at: https://www.flexential.com/system/files/file/2025-09/flexential-momentum-report-yearinreview-2024_hvc.pdf
[3] Flexential, "ESG Report FY 2024", (2024), at: https://www.flexential.com/system/files/file/2025-07/flexential-esg-report-fy-2024-hvc.pdf?t=1758216436
4 Ibid.
[5] Flexential, "PUE Power usage effectiveness: The measure of accountability in data center power use", at: https://www.flexential.com/system/files/file/2020-01/PUE-power-usage-effectiveness.PDF
[6] Ibid.
[7] CEO Action for Diversity and Inclusion Pledge: https://www.ceoaction.com/pledge/
[8] Flexential, "ESG Report FY 2024", (2024), at: https://www.flexential.com/system/files/file/2025-07/flexential-esg-report-fy-2024-hvc.pdf?t=1758216436
[9] Ibid.
[10] Flexential, "Flexential Releases Inaugural ESG Report", (2023), at: https://www.flexential.com/resources/press-release/flexential-releases-inaugural-esg-report
[11] Flexential, "2024 Momentum Report", (2024), at: https://www.flexential.com/resources/report/flexential-momentum-report

Principles Alignment

We have assessed the Flexential Green Finance Framework as follows:

Green Bond Principles 2025 – **Aligned**

Green Loan Principles 2025 – **Aligned**

Flexential and its affiliates intend to issue bonds and asset-backed securities (ABS) and obtain loans under the Framework.[12]

The Company will indicate secured green standard bonds versus secured green collateral bonds in the respective offering documents, as defined by ICMA in the Green Bond Principles 2025. The Company will apply the net proceeds from secured green standard bonds exclusively toward eligible projects. In the case of any secured green collateral bonds, the underlying collateral for such issuances will align with the eligibility criteria outlined in the Framework. In addition, there will be no double counting of eligible projects under the secured green standard and collateral bonds with any other outstanding sustainable financing instruments.

The Company will ensure alignment of each issuance by its affiliates with the four core components of the Principles, as defined in the Framework.

Principles Alignment Detailed Evaluation

Use of Proceeds **Aligned**

Alignment with core requirements

- The Framework describes eligibility criteria appropriately.
- All expenditures are expected to provide clear environmental benefits.

Project Evaluation and Selection **Aligned**

Alignment with core requirements

- The Framework describes a governance process for the evaluation and selection of eligible projects.
- The Framework communicates the environmental sustainability objectives of eligible projects.
- The Framework describes a process to identify and manage perceived environmental and social risks associated with eligible projects.

Additional considerations

- Flexential has committed to the following practices, which go beyond the core requirements:
  - Flexential describes how eligible projects support its overarching sustainability objectives and strategy.
  - The Framework identifies the SDGs to which eligible projects are expected to contribute.

[12] Flexential's affiliates include all affiliates directly or indirectly owned by Flexential.

Management of Proceeds	**Aligned**

Alignment with core requirements

- The Framework describes a governance structure for the management of proceeds.
- The Framework describes the processes and systems that will be used to track the proceeds.
- The Framework describes the intended temporary placement for the balance of unallocated proceeds.
- In the event of multi-tranching, Flexential will only label tranches that are exclusively allocated to green projects.

Additional considerations

- Flexential will manage the proceeds from the financing using a portfolio approach.
- Flexential has committed to the following practices which go beyond the core requirements:
  - Pending full allocation, temporary proceeds will be held in cash, invested in short-term liquid instruments, or used to repay outstanding revolving facilities of the Company or its affiliates. The Company will not use the temporary proceeds to refinance debt that is linked to carbon intensive assets or activities.
  - Flexential intends to allocate all proceeds to eligible projects within 24 months of issuance. If a project no longer meets the eligibility criteria listed in the Framework, Flexential will reallocate the funds to one or more eligible projects.
  - The Company will obtain limited assurance from a third party on an annual basis for its allocation of proceeds, starting one year from issuance and continuing until full allocation.

Reporting	**Aligned**

Alignment with core requirements

- Flexential will provide an annual allocation report until the full allocation of proceeds and renew it in case of material changes until maturity.
- The Company will report allocation to revolving credit facilities until loan maturity, if any.

Additional considerations

- Flexential has committed to the following practices, which go beyond the core requirements:
  - Flexential will report on the qualitative and quantitative impacts of projects using relevant metrics, where feasible.
  - The Framework indicates at least one impact metric for the use of proceeds category.
  - Flexential will publicly report on the allocation and impact of green bonds, asset-backed securities and loans in its annual ESG reporting until full allocation.
  - Flexential will align impact reporting metrics to those recommended by the ICMA's Harmonised Framework for Impact Reporting.
  - Flexential may obtain third-party verification for its reported impact metrics, where possible.

Sustainability Contribution

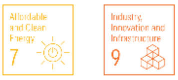
Flexential intends to use the proceeds from instruments issued or obtained under the Framework to finance and refinance the capital and operating expenditures of projects that are expected to lead to an improvement in the energy efficiency of data centres in the United States.

We have assessed the overall Sustainability Contribution of the Framework as **Strong** based on the Sustainability Contribution of the Framework's single use of proceeds category.

Sustainability Contribution

Sustainability Contribution per Use of Proceeds Category

Energy Efficiency, Sustainable Water and Wastewater Management



We have assessed the Sustainability Contribution of the Energy Efficiency, Sustainable Water and Wastewater Management category as **Strong**.

Investments under the category include the financing and refinancing of the design, construction, acquisition and maintenance of data centres with a design PUE of not more than 1.4 for new data centres or an operational PUE of not more than 1.5 for existing, retrofitted or upgraded data centres. Such investments are expected to strongly contribute to the decarbonization of the data centre industry.

Category Expenditures

Expenditure	Description
Design, construction, acquisition, maintenance and operation of new and existing data centres	▸ Existing, retrofitted and upgraded data centre infrastructure will achieve a PUE of 1.5 or lower. ▸ Newly built data centres will have a design PUE of 1.4 or lower and a WUE of zero. ▸ For existing and operational data centres, PUE is determined by the 12-month rolling average for existing infrastructure at the time of allocation. ▸ The design-average PUE may be used for new data centre assets and assets that undergo retrofits and efficiency upgrades.

Analytical Commentary

Data centres contain energy-intensive equipment, technologies and services that consume a significant amount of electricity.[13] The global electricity consumption from data centres was estimated at 240-340 terawatt hours in 2022, which represented approximately 1% to 1.3% of the global final electricity demand that year.[14] By 2030, global electricity demand from data centres is expected to more than double to 945 TWh.[15] To curb the increase in data centres' power consumption, continual energy efficiency improvements through advanced servers, storage devices, network switches and infrastructure are required.[16]

The investments under this category target existing energy-efficient data centres with an average operational PUE of not more than 1.5 as well as newly built data centres with a design PUE of not more than 1.4. PUE is a key measure of a data centre's energy efficiency, which is calculated as the total electricity demand of a data centre divided by the electricity demand of its IT equipment.[17] Studies have shown that the average regional PUE of data centres can vary based on cooling technologies, efficiencies and climate zones, with hot and arid climates leading to relatively higher PUE values due to the need for more intensive cooling.[18] Eligible data centres with a PUE of 1.5 or below are therefore expected to be highly energy efficient and to strongly contribute to decarbonizing the digital infrastructure sector.

[13] IEA, "Energy demand from AI", (2025), at: https://www.iea.org/reports/energy-and-ai/energy-demand-from-ai
[14] This excludes energy used for cryptocurrency mining, which was 110 terawatt hours in 2022. IEA, "Data Centres and Data Transmission Networks", (2023), at: https://www.iea.org/energy-system/buildings/data-centres-and-data-transmission-networks
[15] IEA, "AI is set to drive surging electricity demand from data centres while offering the potential to transform how the energy sector works", (2025), at: https://www.iea.org/news/ai-is-set-to-drive-surging-electricity-demand-from-data-centres-while-offering-the-potential-to-transform-how-the-energy-sector-works
[16] US Department of Energy, "United States Data Center Energy Usage Report", (2016), at: https://betterbuildingssolutioncenter.energy.gov/resources/united-states-data-center-energy-usage-report
[17] Shehabi, A. et al. (2024), "2024 United States Data Center Energy Usage Report", Lawrence Berkeley National Laboratory, at: https://escholarship.org/uc/item/32d6m0d1
[18] Lei, N. et al. (2022), "Climate- and technology-specific PUE and WUE estimations for U.S. data centers using a hybrid statistical and thermodynamics-based approach", Resources, Conservation and Recycling, at: https://www.sciencedirect.com/science/article/abs/pii/S0921344922001719

Environmental and Social Risk Management

We have identified the following areas of environmental and social risk associated with the expenditures eligible under the Framework: land use and biodiversity associated with infrastructure development; emissions, effluents and waste from construction; occupational health and safety; community relations; cybersecurity and data privacy; and supply chain impacts.

Flexential has the following policies and processes in place to identify and mitigate such risks.

E&S risk identified	Applicable policies, procedures and measures
Land use and biodiversity associated with infrastructure development	▸ Flexential conducts environmental and social risk assessments for each property to identify and mitigate material issues, including those related to potential ecological risks and environmental constraints enabling the Company to make informed decisions that reduce adverse impacts on ecosystems and natural landscapes.[19]
Emissions, effluents and waste from construction	▸ Flexential has processes in place that seek to ensure compliance with relevant laws and regulations for the storage and disposal of all hazardous and non-hazardous waste in the US. ▸ Flexential's operations are in the US, which is recognized as a Designated Country under the Equator Principles, indicating the presence of robust environmental and social governance, and legislation systems and institutional capacity to mitigate common environmental and social risks associated with the activities financed under the Framework.[20]
Occupational health and safety	▸ Flexential manages employee health and safety at data centre and office locations through its Employee Safety and Injury and Illness Prevention Guide,[21] which requires employees to follow safety rules and guidelines, and outlines mandatory training, site assessment and programme governance procedures for all Flexential personnel. ▸ In addition, Flexential has an Environmental Health and Safety (EHS) Policy[22] that outlines risk management governance, control measures and best practices for managing high-risk activities related to the construction, engineering and operation of data centres.
Community relations	▸ Flexential engages with its key stakeholder groups, including local communities, to identify and address potential risks through open dialogue.[23] ▸ Flexential participates in Demand Response programmes in Hillsboro, Oregon; Tampa, Florida; and Collegeville, Pennsylvania. Through this programme, the Company supplies power back to the local grid during peak demand periods, supporting grid stability and enhancing energy reliability for surrounding communities. ▸ In addition to the ESH Policy, Flexential conducts an Environmental Justice Impact study as part of its air permitting process to evaluate potential air emissions impacts on surrounding communities, ensuring that no group is not disproportionately affected.
Cybersecurity and data privacy	▸ Flexential commits to consumer data protection through compliance with the EU General Data Protection Regulation (GDPR). Under the regulation, Flexential provides support to its clients in retaining control over their data and maintaining robust security measures to ensure data protection and privacy.[24]

[19] Flexential Green Finance Framework
[20] Equator Principles, "About the Equator Principles", at: https://equator-principles.com/about-the-equator-principles/
[21] The Employee Safety & Injury and Illness Prevention Guide was shared confidentially with Sustainalytics.
[22] The Environmental Health and Safety Policy was shared confidentially with Sustainalytics.
[23] Flexential, "ESG Report FY 2024", (2024), at: https://www.flexential.com/system/files/file/2025-07/flexential-esg-report-fy-2024-hvc.pdf
[24] Flexential, "Flexential GDPR Policy Statement", (2021), at: https://www.flexential.com/flexential-gdpr-policy-statement

	▸ The Company maintains compliance with international and national data security certifications and standards to address high-impact security breaches affecting its operations or customers. The Company maintains data security and compliance through external certifications including ISO 27001,[25] HITRUST,[26] PCI DSS,[27] SOC 1, SOC 2, SOC 3[28] and ITAR.[29,30] Additionally, Flexential undergoes third-party audits annually for assurance of its compliance and regulatory obligations.[31]
Supply chain impacts	▸ Flexential's Vendor Code of Conduct requires that all vendors it conducts business with comply with applicable local, state and federal environmental laws, and encourages them to share its commitment to sustainability.[32]

25 ISO 27001, at: https://www.iso.org/standard/27001/
26 HITRUST, at: https://hitrustalliance.net/
27 PCI DSS, at: https://www.pcisecuritystandards.org/standards/pci-dss/
28 SecureFrame, "SOC 1 vs SOC 2 vs SOC 3", at: https://secureframe.com/hub/soc-2/soc-1-vs-soc-2-vs-soc-3
29 US Directorate of Defense Trade Controls, " The International Traffic in Arms Regulations (ITAR), at: https://www.pmddtc.state.gov/ddtc_public?id=ddtc_kb_article_page&sys_id=24d528fddbfc930044f9ff621f961987
30 Flexential, "Flexential GDPR Policy Statement", (2021), at: https://www.flexential.com/flexential-gdpr-policy-statement
31 Flexential, "ESG Report FY 2024", (2024), at: https://www.flexential.com/system/files/file/2025-07/flexential-esg-report-fy-2024-hvc.pdf
32 Flexential, "Flexential Vendor Code of Conduct", (2024), at: https://www.flexential.com/system/files/file/2024-06/Flexential%20Vendor%20Code%20of%20Conduct.pdf

Annex 1: Assessment Framework Overview

The following is a brief overview of the Assessment Framework that we use to assess debt instruments and the frameworks that support them. Using this Assessment Framework, we provide two key signals in our Second Party Opinions: **Principles Alignment** and **Sustainability Contribution**.

Principles Alignment indicates a framework's alignment with the requirements of applicable sustainable debt market Principles.[33] This assessment is structured according to the four components of the Principles: Use of Proceeds, Project Evaluation and Selection, Management of Proceeds and Reporting. Principles Alignment is expressed at one of following levels:

Aligned: Meets all requirements across the four components.

Partially Aligned: Meets requirements on two or three of the four components.

Not Aligned: Does not meet requirements on most or all of the four components.

In addition, we provide commentary on any shortcomings as well as best practices.

Sustainability Contribution provides a clear and comparable signal of the expected contribution of the use of proceeds to one or more environmental or social objectives. We assess each expenditure defined in a framework by looking at the activities, assets and projects that they finance. This assessment is carried out using a set of factors that we have identified as driving the expenditure's contribution to a primary objective as well as its avoidance of harm to other objectives. The assessment results in one of the four levels of Sustainability Contribution described in the table below.

We determine the average contribution of the expenditures within each use of proceeds category (as defined by the issuer) to produce an expected Sustainability Contribution for each category. We then aggregate across categories to determine the Sustainability Contribution of a framework overall. In most cases, weight is distributed equally across use of proceeds categories. However, we adjust the weighting if information regarding percentage allocation is provided by the issuer.

Level of Sustainability Contribution	Description
Strong	The expenditure finances an activity that makes a strong contribution to an environmental or social objective. The activity is well aligned with credible standards; there are no significant lock-in risks; and the risk of negative impact to other sustainability objectives is low.
Significant	The expenditure finances an activity that makes a significant positive contribution to an environmental or social objective while having minor shortcomings compared to a strong contribution. This is either because the activity falls somewhat short of credible standards; there is some risk of lock-in (in the case of some environmental activities); there is a risk of negative impact to other sustainability objectives; or there is some ambiguity in the criteria for the expenditure.
Moderate	The expenditure finances an activity that represents a step towards an environmental or social objective but has substantial shortcomings compared to expenditures that make a strong contribution. Although the activity will result in benefit over a relevant baseline, either it falls substantially short of credible standards; there is significant

[33] These primarily include the Green Bond Principles and the Social Bond Principles, published by the International Capital Market Association (ICMA); and the Green Loan Principles and the Social Loan Principles, published by the Loan Syndications and Trading Association, the Loan Market Association, the Asia Pacific Loan Market Association (LSTA-LMA-APLMA), and the Association of Southeast Asian Nations (ASEAN).

	risk of lock-in; there is significant ambiguity in the criteria; or there is a risk of significant negative impact to other sustainability objectives.
	The expenditure finances an activity that entails no net positive contribution to environmental or social objectives. Even in cases where there is some positive contribution to an objective, this is offset by shortcomings in other areas. Alternatively, the eligibility criteria may be unclear to the extent that contribution cannot be determined.

Scope of Work and Limitations

This Second Party Opinion provides a point-in-time independent opinion of the Framework as of the Evaluation Date. Our opinion may consider additional documentation and information that the Framework owner may have provided during the engagement, in addition to public and non-public information. The owner refers to the entity featuring as an issuer, borrower, special-purpose vehicle or any other entity as described in the Framework.

As part of this engagement, we communicated with representatives of the Framework owner, who acknowledge that: i) it is the sole responsibility of the Framework owner to ensure that the information provided is complete, accurate and up to date; ii) they have provided us with all of the relevant information; and iii) that all of the information has been provided in a timely manner.

This Second Party Opinion provides our opinion of the Framework and should be read in conjunction with that Framework. Any update of this Second Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and the Framework owner.

Our Second Party Opinion provides our opinion on the alignment of the Framework with current market standards and practice but provides no guarantee of alignment nor warrants alignment with future versions of any such standards. In addition, it does not guarantee the realized allocation of proceeds towards eligible activities.

No information provided in this Second Party Opinion shall be considered as being a statement, representation, warrant or argument in favour or against the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that the Framework owner may have made available to Sustainalytics for the purpose of this Second Party Opinion.

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