

Environmental, Social, and Governance (ESG)

2021 ANNUAL REPORT



Introduction



Environmental, Social and Governance or “ESG” has become a critical factor for both investors and customers in evaluating the companies they choose to do business with. Regularly reporting on ESG metrics such as environmental impact or workforce diversity demonstrates that an organization is being a good “corporate citizen” and is committed to the well-being of all its stakeholders – employees, customers, partners, the public, and our environment – as well as investors.

DataBank’s primary investor, DigitalBridge, is [leading our industry on ESG initiatives](#) and has asked each company in their portfolio to develop a set of ESG metrics and report on them annually.

In 2021, DataBank established its first cross-disciplinary ESG Team with leaders across the company and that team engaged with [ClimateCore.org](#) to develop a comprehensive, best-practices framework for ESG measurement and reporting across our operations. The resulting measurements and analysis are presented in this, our first ever annual ESG report for 2021 and it will serve as a baseline from which we will measure our progress in the years ahead.



Raul Martynek
Chief Executive Officer
DataBank Holdings, Ltd.

Environmental Stewardship



Environmental Stewardship Scorecard

Metric	KPI	2020	2021	Notes
GHG Emissions	CO2 MMT	N/A	N/A	Under review. Initiated the process for GHG emission accounting through Natural Capital Partners
Energy Consumption	Monthly MW Consumption	88	101	Internal growth due to customer demand
Energy Management	PUE*	1.7	1.72	Slight increase due to zColo acquisition, large jump in power from 88MW to 101MW, and extreme heat in U.S. *Includes non-data hall space in facilities (offices, etc.)
Energy Intensity	kW/sq ft	N/A	0.126	KPI based upon committed space
Low/Zero Carbon Sources (All sources except Coal)	% of Power Consumed	69%	80%	2020 was DataBank only, 2021 reflects DataBank + zColo and other improvements
Renewable/Zero Carbon Sources (All Sources Except Coal & Natural Gas)	% of Power Consumed	51%	55%	2020 was DataBank only, 2021 reflects DataBank + zColo and other improvements
Renewable-Only Sources (All Sources Except Nuclear, Natural Gas and Coal)	% of Power Consumed	48%	47%	2020 was DataBank only, 2021 reflects DataBank + zColo and other improvements. Goal is to be "net zero" carbon by 2030

Data centers are significant consumers of power. By some recent estimates, data centers are thought to account for 1-2% of the world's electricity consumption and are responsible for emitting as much CO2 as the airline industry. Thus, we have a particularly large impact on our environment and a responsibility to carefully manage that impact.

For DataBank, that means increasing the amount of power we from zero carbon sources. In 2021, our overall use of "zero or low carbon sources" (includes natural gas which is considered low carbon but not Coal which is considered high carbon) rose from 69% to 80%. Our use of "renewable and zero carbon sources" (includes nuclear which is considered zero carbon, but not renewable) rose from 51% to 55%. Our use of purely renewable sources (wind, solar, hydro, etc.) remained largely steady at 47%. These changes were due to both new sourcing contracts as well as the acquisition of zColo's facilities and their existing power contracts.

Our goal, and that of DigitalBridge, is to be carbon-free by 2030. DataBank already sources 100% renewable power in several markets and data centers such as Indiana and Minneapolis, but options and pricing varies greatly across our regions. Nevertheless, in 2022 we will continue to seek out additional renewable and zero carbon sources and integrate them into our portfolio where we can do so.

DataBank's overall PUE or "Power Usage Effectiveness" rose very slightly in 2021 from 1.70 to 1.72. However, this increase occurred during a period when DataBank acquired 40+ new facilities from zColo, increased overall power consumption from 88MW to 101MW due to organic growth, and during a year of unseasonably high temperatures in many of DataBank's core markets. We believe the actions we've taken to cool our data centers more efficiently kept that increase from being even larger.

It's also important to note that unlike some providers who calculate PUE only based on the energy usage of their data halls, DataBank's PUE is calculated across the entire facility and thus includes power used to cool office space, conferences rooms and other common areas.



About Power Usage Effectiveness (PUE)

PUE is a metric developed specifically for the data center industry to measure how much of the energy consumption of a facility goes to actual computing resources vs cooling, lighting, or other overhead functions. The theoretical ideal PUE rating is 1.0. Industry leaders such as Google and Microsoft have achieved PUE ratings as low as 1.22, but as single tenant facilities are able to run them at higher temperatures which yields a lower PUE. Multi-tenant data centers like DataBank need to account for a more diverse range of customer workloads and requirements, typically resulting in greater power consumption for cooling and thus higher PUEs.

55%

of the power that DataBank consumed in 2021 was sourced from renewable or zero-carbon sources.

Environmental Stewardship Initiatives



DataBank partnered with the Environmental Defense Fund, collaborating with a member of their *Climate Corps Fellowship* to develop a comprehensive, best-practices framework for measurement and reporting on environmental impact across our operations.

[Read more...](#)

100%

Renewable @ MSP2

DataBank entered into an agreement with utility provider Dakota Electric Association to purchase 100% renewable energy to meet all 6MW of critical IT load for the next five years in our MSP2 data center in Minneapolis making it our 11th data center to be 100% powered by carbon free sources.

[Read more...](#)



In addition to seeking renewable and carbon-free energy for our facilities, DataBank has turned to a range of other approaches in its adaptive approach to going green including more environmentally-friendly refrigerants, greener back-up systems, and even recycling heat from our data centers to warm adjacent office buildings.

[Read more...](#)

Social Responsibility



Social Responsibility Scorecard

Metric	KPI	2020	2021	Notes
Workforce Diversity	% of Workforce from Underrepresented Groups (non-white male)	33%	43%	30% improvement in 2021 due to greater awareness and focus on diversity recruiting. Updated employee handbook to reflect diversity policies and importance.
New-Hire Diversity	% of Annual Hires from Underrepresented Groups (non-white male)	35%	48%	Focused effort on diverse recruiting resulted in nearly 50% of new hires in 2021 coming from underrepresented groups
Gender Diversity	% of Workforce that is Female	16%	13%	3% decline was due to zColo acquisition which doubled company headcount and was heavily skewed male (predominantly field technical staff)
New-Hire Gender Diversity	% of Annual Hires that were Female	15%	21%	Focused effort to increase recruiting of women in tech. Increased maternity leave from 2 weeks to 8 weeks.
Management Diversity	% of Management (L1-3) from Underrepresented Groups (non-white male)	N/A	19%	
Employee Engagement/Satisfaction	eNPS	39.6	54**	17.4-point improvement. (**based on Q4 2021 survey)
	Voluntary Departure Rate	8.61%	10.94%	
Workplace Safety	Trouble Recordable Injury Rate (TRIR)	0.67%	1.58%	
	EHS Incidents	0	0	

Social responsibility is a measurement of an organization's impact on people including employees, customers, partners and the public communities in which we operate.

For many technology companies like DataBank, workforce diversity is key challenge, with minorities and women perennially underrepresented (see callout at right). DataBank recognizes that changing this requires a conscious and intentional effort and we implemented several changes in the past two years to begin making an impact.

We launched our first Diversity, Equity & Inclusion (DEI) team and updated our employee handbook to bring greater awareness and appreciation to the benefits of our diversity. We instituted new hiring and candidate screening processes and improved our maternity leave policy to make employment at DataBank more attractive to women raising families. We also initiated new recruiting partnerships to source and develop diverse talent from underemployed former military and veteran communities which tend to be dominated by minorities.

As a result, of these changes, our overall workforce diversity (the % of staff from underrepresented groups) increased from 33% to 43%. But even more telling, the diversity of our new hires increased from 35% to 48% in 2021. Change like this is what moves the needle over time.

Our gender diversity actually declined in 2021 from 13% to 16% due in large part to the addition of the zColo workforce which doubled the company size but consisted mostly of male field technical staff. However, the gender diversity of our new hires increased from 15% in 2020 to 21% in 2021 and this too will help over time.

In addition to workforce diversity, DataBank will be measuring a number of other social factors including employee satisfaction and safety. Of particular note is the employee NPS rating which improved from 39.6 in 2020 to 54 in the most recent Q3 2021 survey.



Breast Cancer Awareness Month @ DataBank

Gender and Ethnic Diversity in Technology

For companies in the IT sector like DataBank, one of the biggest challenges is workforce diversity. Our industry overall – and leadership teams in particular – tend to underrepresent women and minorities. DataBank is no different in this regard. For instance, women represent 51% of the U.S. population, 31% of the telecom industry workforce (Bureau of Labor Statistics, 2019), but only 13% of the DataBank workforce. Similarly, minorities represent 40% of the U.S. population, but only 27% of the telecom industry workforce and 34% of DataBank's workforce.

48% of all new hires in 2021 came from under-represented groups

Social Responsibility Initiatives

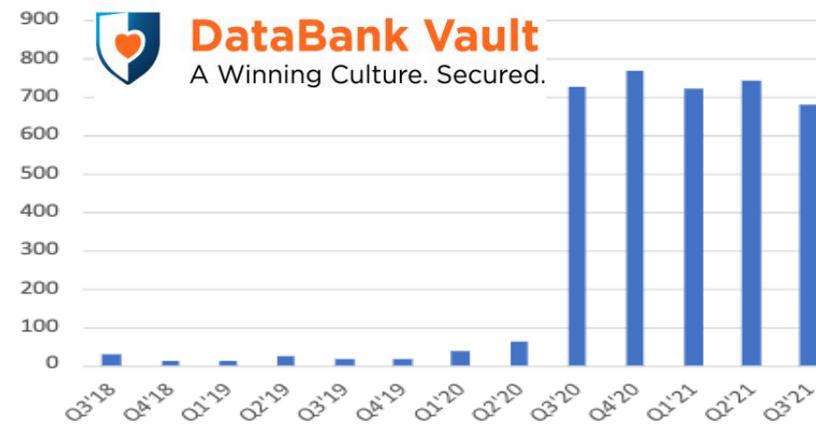
Building Culture on Purpose



Recognizing our people and culture are our greatest resource, DataBank used an innovative archetypal framework from [CultureTalk.com](https://www.culturetalk.com) to understand and nurture a culture that can deliver the ultimate data center experience for our customers – and the ultimate workplace for ourselves: **Heroes** with a relentless drive to overcome the toughest challenges; **Caregivers** with a compulsion to serve and protect others; **Sages** who are obsessed with precision and transparency.

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Recognizing Each Other



DataBank developed a groundbreaking virtual town square called “**The Vault**” where employees recognize each other for the values and behaviors behind our culture hundreds of times each month. The Vault is also home to **Keymaster** – our company-wide trivia game show, **DE&I Team** blog posts that increased diversity awareness, and other recognition awards that helped DataBank build and maintain cultural unity during the pandemic-induced virtual work settings.

[Read more...](#)

Community Volunteer Programs



DataBank Blood Drive

DataBank staff and Culture Ambassador teams have organized and participated in a number of volunteer events ranging from blood and food drives to donation campaigns, neighborhood clean up efforts, and mentoring/tutoring programs. In 2022, DataBank will be introducing a paid “Volunteer Time Off (VTO)” program to incentivize even greater volunteer participation across the company.

Governance Framework



Governance Scorecard & Initiatives

Metric	KPI	2020	2021	Notes
Whistleblower Complaints	# Complaints	0	0	Initiated the process for Whistleblower hotline
Cyber Security Incidents	# Data Breaches	0	0	
	# Security Incidents	0	1	DDoS attack against single customer
Service Disruptions	Average System Interruption	35min	4.5hrs	Reflects single incident
Board Composition	Diversity	N/A	55%	6 of 11 board members are women/minority

Zero Number of data breaches and complaints to the DataBank whistleblower hotline

Governance refers to the way in which an organization governs its activities including decision-making frameworks (management and board structure/independence) and processes for handling incidents that could negatively impact any of the organization’s stakeholders.

For our initial assessment of this ESG factor, DataBank is specifically measuring Whistleblower complaints, Cyber Security Incidents, Service Disruptions, and Board Composition.

In 2020 we introduced a formal Whistleblower complaint hotline and have had no complaints in the past 2 years. While there were no Data Breaches in 2020 or 2021, we did experience one DDoS attack targeting a single customer but which affected the infrastructure performance of several others. And the average length of service disruptions increased significantly from 35 minutes in 2020 to 4.5 hours in 2021 due primarily to a single outage.

DataBank’s Board of Directors has been developed specifically with an eye toward independence and diversity. Six of our eleven board members (55%) are from traditionally underrepresented groups – including women and minorities – and our “shared governance” model delivers best-in-class board participation by ensuring:

- Diverse representation of both investors and CEO/management;
- Equal vote for all board members with a majority required for all decisions;
- Key decisions require a supermajority approval that includes certain major investors.

DataBank’s Ethics Commitment



Our success as an organization is built on a foundation of ethical decision-making, a commitment by every employee to uphold the highest standards of professional conduct, and a wiliness to speak up when they see or suspect activity that could harm our organization (aka “whistleblowing”). Providing a way for employees to report incidents or concerns – confidentially and anonymously, if needed – helps create a culture of trust and respect.

In 2021, DataBank partnered with Navex Global to roll out their EthicsPoint Hotline which provides a way for our employees to report incidents 24x7 via phone, web or mobile device.

ABOUT DATABANK

DataBank enables the world's largest enterprises, technology, and content providers to consistently deploy and manage their infrastructure, applications and data on the right platform, at the right time, in the right place.

Our colocation and edge infrastructure footprint consists of 65+ data centers and 20 interconnection hubs in 27+ markets, on-ramps to an ecosystem of cloud providers, and a modular edge data center platform with virtually unlimited reach.

We combine these platforms with contract portability, managed security, compliance enablement, hands-on support, and a guarantee of 100% uptime availability, to give our customers absolute confidence in their IT infrastructure and the power to create a limitless digital future for their business.



To learn more or tour a facility, visit DataBank.com or call 1(800) 840-7533



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