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Equinix and PGIM Real Estate Open First xScale™ Data Center in Sydney for Hyperscalers

The closing of $575 million JV brings Equinix's global xScale portfolio to more than $8 billion

REDWOOD CITY, Calif., June 13, 2022 /PRNewswire/ -- Equinix, Inc. (Nasdaq: EQIX), the world's digital infrastructure company™, and PGIM Real Estate, the real estate investment and financing arm of PGIM, Prudential Financial's* global asset management business, today announced the opening of the first xScale data center in Sydney, named SY9x. This milestone follows the closing of the US$575 million joint venture between the parties in March 2022.

With the closing of the joint venture in Australia, Equinix's global xScale data center portfolio will be greater than US$8 billion of investment across 36 facilities, and expects to deliver more than 720 megawatts (MW) of power capacity when fully built out. Including SY9x in Sydney, Equinix currently operates nine xScale data centers across all three regions including FR9x in Frankfurt, LD11x and LD13x in London, OS2x in Osaka, PA8x and PA9x in Paris, SP5x in São Paulo, and TY12x in Tokyo. An additional eight xScale builds are under development for approximately 70 MW of incremental capacity.

Australia's cloud computing market is expected to grow by 12.5% to reach US$14.1 billion in 2025, supported by large scale digital transformation initiatives across both the public and private sectors.[1] Furthermore, according to the Global Interconnection Index Volume 5 (GXI Vol. 5), a market study announced by Equinix, Sydney is forecast to have an estimated 43% compound annual growth rate (CAGR) for enterprise private interconnection to the cloud and IT providers between 2020-2024, which is one of the highest in the Asia-Pacific region.

As the first of the two data centers to be developed and operated under the joint venture with PGIM Real Estate, SY9x currently provides more than 14 MW of power capacity and will provide more than 28 MW when fully built out to meet the surging demand for cloud-based platforms and services among businesses in Australia.

By deploying at Equinix xScale data centers, hyperscale companies can add core deployments to their existing access point footprints at Equinix International Business Exchange™ (IBX®) data centers, enabling their growth on a single platform that can immediately span 70 global metros and offer direct interconnection to an ecosystem of more than 10,000 customers.

Highlights/Key Facts:

- SY9x is located in Rosehill, adjacent to the Western Sydney CBD of Parramatta. The second xScale facility, to be named SY10x, will provide more than 28 MW of power

capacity when built. At full build the two xScale facilities will offer a combined power capacity of more than 55 MW.
- In Asia-Pacific, Equinix has also established joint ventures to build xScale data centers in Seoul, Osaka and Tokyo. Including Sydney, Equinix plans to build ten xScale data centers in the region, delivering approximately 240 MW of power capacity when completed.
- Equinix is a leader in data center sustainability and is greening the supply chains of its customers. It is the first data center operator to commit to reaching climate-neutral by 2030 globally, backed by science-based targets and a sustainability innovation agenda.
- The company's long-term goal of using 100% clean and renewable energy for its global platform has resulted in significant increases in renewable energy coverage globally. In 2021, Equinix achieved over 95% renewable energy coverage for its global portfolio.
- In Australia, Equinix, together with HSBC Bank, Nike Australia, Goldman Sachs and Hennes & Mauritz (H&M), has received approval from the Australian Competition and Consumer Commission (ACCC) for joint renewable energy purchasing.
- PGIM Real Estate owns 80% equity interest in the Australian joint venture, with Equinix owning the remaining 20%. Equinix will be responsible for the operation of the hyperscale data centers.

Quotes

- **Morgan Laughlin, Global Head of Data Center Investments, PGIM Real Estate:** *"Since 2013, PGIM Real Estate has been investing in the vibrant and growing data center sector and we are now delighted to be opening our first hyperscale data center in Australia in partnership with Equinix. PGIM Real Estate is projecting to continue expanding its investments in the global digital infrastructure sector, and we view our co-investment relationship with Equinix as an extremely important component of that strategic effort. In line with PGIM Real Estate's strong commitment to sustainable building practices and reducing global carbon emissions, we are seeking opportunities to both use renewable energy at our assets whilst also to grow our investments in the renewable energy sector in tandem with the expanding focus on data centers."*
- **Guy Danskine, Managing Director, Equinix Australia:** *"To address the increasing demand for cloud and digital infrastructure, the opening of our first xScale data center in Australia in tandem with the continued expansion of our International Business Exchange data center capacity across the country ensure more and more organizations can implement their digital-first strategies. This infrastructure enables our customers to scale their operations, deliver exceptional customer experiences and unlock the value of artificial intelligence, machine learning, 5G and other emerging technologies."*

Additional Resources

- Powering Hyperscale Growth in Asia-Pacific for New Digital Opportunities [blog]
- Hyperscale Data Center Expansion Goes into Hyperdrive [blog]
- Equinix Sustainability Report Highlights 2021 [website]
- Equinix and PGIM Real Estate Enter into a US$575 Million JV to Extend Hyperscale Data Center Program into Australia [press release]
- Equinix and GIC to Add $3.9B to Expand xScale Data Center Program [press release]

About Equinix
Equinix, Inc. (Nasdaq: EQIX) is the world's digital infrastructure company, enabling digital leaders to harness a trusted platform to bring together and interconnect the foundational infrastructure that powers their success. Equinix enables today's businesses to access all the right places, partners and possibilities they need to accelerate advantage. With Equinix, they can scale with agility, speed the launch of digital services, deliver world-class experiences and multiply their value.

About PGIM Real Estate
As one of the largest real estate managers in the world with US$209.3 billion in gross assets under management and administration[1], PGIM Real Estate strives to deliver exceptional outcomes for investors and borrowers through a range of real estate equity and debt solutions across the risk-return spectrum. PGIM Real Estate is a business of PGIM, the US$1.4 trillion global asset management business of Prudential Financial, Inc. (NYSE: PRU).

PGIM Real Estate's rigorous risk management, seamless execution, and extensive industry insights are backed by a 50-year legacy of investing in commercial real estate, a 140-year history of real estate financing[2], and the deep local expertise of professionals in 32 cities globally. Through its investment, financing, asset management, and talent management approach, PGIM Real Estate engages in practices that ignite positive environmental and social impact, while pursuing activities that strengthen communities around the world. For more information visit pgimrealestate.com.

[1] As of 31 Dec. 2021, AUM reflected as gross. Net AUM is US$137.9 billion and AUA is US$45.9 billion.
[2] Includes legacy lending through PGIM's parent company, Prudential Financial, Inc.

*Prudential Financial, Inc. (PFI) of the United States is not affiliated in any manner with Prudential plc, incorporated in the United Kingdom or with Prudential Assurance Company, a subsidiary of M&G plc, incorporated in the United Kingdom. For more information please visit news.prudential.com.

Forward Looking Statements
This press release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements. Factors that might cause such differences include, but are not limited to, risks related to our joint venture with PGIM Real Estate including the risk that the expected benefits of the joint venture will not occur; the challenges of operating and managing data centers, including xScale data centers, and developing, deploying and delivering Equinix services; the ability to generate sufficient cash flow or otherwise obtain funds to repay new or outstanding indebtedness; competition from existing and new competitors; the loss or decline in business from key hyperscale companies; disruption from the joint ventures making it more difficult to conduct business as usual or maintain relationships with customers, employees or suppliers; and other risks described from time to time in Equinix's filings with the Securities and Exchange Commission. In particular, see recent Equinix quarterly and annual reports filed with the Securities and Exchange Commission, copies of which are available upon request from Equinix. Equinix does not assume any obligation to update the forward-looking information contained in this press release.

[1] https://www.globaldata.com/media/technology/cloud-computing-spending-australia-reach-us14-1bn-2025-forecasts-globaldata/



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