October 18, 2022

Ecosystem-Connected Businesses Expanded More in the Last 5 Quarters Than in the Past 5 Years

Forecast to exceed pre-pandemic interconnection growth despite uncertain macro environment

REDWOOD CITY, Calif., Oct. 18, 2022 /PRNewswire/ -- Current supply chain constraints and geopolitical and economic instabilities are not slowing the pace of digital infrastructure investment for the most connected companies, according to a new report.

The latest Global Interconnection Index (GXI) 2023, an annual market study published by Equinix, found that the most ecosystem-connected businesses—those directly interconnecting with partners to provide their own digital services—have expanded their digital operations more in the past five quarters than in the previous five years. On average, organizations are connecting to three times as many business ecosystem partners and metros, consuming more than twice the amount of interconnection bandwidth.[1]

As businesses reinvent themselves in the aftermath of the global pandemic, ecosystem density has become a catalyst for digital innovation, which continues to fuel the growth of interconnection bandwidth. According to GXI 2023, global interconnection bandwidth is forecast to reach 27,762+ terabits per second (Tbps) by 2025, representing a five-year compound annual growth rate (CAGR) of 40%, equivalent to 110 zettabytes of data exchanged annually, or enough bandwidth to support over 50 million autonomous cars each exchanging over 2,000 terabytes (TB) of data per year. This forecasted growth shows how organizations are rethinking their business to implement future-proof infrastructure on technology platforms.

"In today's dynamic setting, every business is becoming a digital provider, which requires a new type of digital infrastructure built sustainably around leveraging ecosystems to deliver seamless digital experiences. Those with a digital-first strategy in place, investing in a robust, future-looking business model and interconnecting to rich ecosystems, are prepared to scale, adapt and thrive," said Steve Madden, Vice President of Digital Transformation & Segmentation at Equinix.

Additional Insights from GXI 2023

- **Digital growth continues:** Interconnection bandwidth is forecast to continue growing at over 35% CAGR across all regions and major metros through 2025.
- **The move to the edge is accelerating:** both enterprises and service providers are forecast to interconnect to edge infrastructure 20% faster than the core globally.
- **Businesses are becoming digital providers:** GXI 2023 predicts that 90% of Fortune 500 companies will become digital providers, both selling and consuming digital services by 2025.

- **The sustainable road to digitally thrive:** All industries are harnessing digital to accelerate ESG objectives, where 65% of global IT decision-makers say they will only work with IT partners who can meet key carbon reduction targets.[2] GXI 2023 forecasts the Energy & Utility sector to lead in digital growth rate through 2025 as all organizations explore a sustainable approach to build and expand their digital presence.

Industry Perspective on the Global Interconnection Index

- **Steve White, Program Vice President, Channels & Alliances, IDC**
  "As companies increasingly adopt digital-first strategies and look for new ways to drive differentiation, the ecosystem plays an even more critical role. Organizations are relying on ecosystems and digital infrastructure as the foundation to sustainably scale and deliver business value. In order to achieve these business outcomes, companies are interconnecting to customers, partners and vendors to accelerate collaboration and co-creation, as well as meet sustainability commitments."

Additional Resources

- Global Interconnection Index 2023 [report]
- Making the Connection: Your Ecosystem Is Your Infrastructure [blog]
- How to Speak Like a Data Center Geek: Digital Ecosystems [blog]
- IDC – A Blueprint for DX Success—Start with Hybrid Infrastructure and Connected Ecosystems [report]
- The Future of Digital Leadership [report]

About Equinix

Equinix (Nasdaq: EQIX) is the world's digital infrastructure company™. Digital leaders harness Equinix's trusted platform to bring together and interconnect foundational infrastructure at software speed. Equinix enables organizations to access all the right places, partners and possibilities to scale with agility, speed the launch of digital services, deliver world-class experiences and multiply their value, while supporting their sustainability goals.

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 to our business and operating results related to the COVID-19 pandemic; the current inflationary environment; foreign currency exchange rate fluctuations; increased costs to procure power and the general volatility in the global energy market; the challenges of acquiring, operating and constructing IBX® and xScale® data centers and developing, deploying and delivering Equinix products and solutions; unanticipated costs or difficulties relating to the integration of companies we have acquired or will acquire into Equinix; a failure to receive significant revenues from customers in recently built out or acquired data centers; failure to complete any financing arrangements contemplated from time to time; competition from existing and new competitors; the ability to generate sufficient cash flow or otherwise obtain funds to repay new or outstanding indebtedness; the loss or decline in business from our key customers; risks related to our taxation as a REIT and other risks described from time to time in Equinix filings with the Securities and Exchange Commission. In particular, see recent and upcoming 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] Interconnection bandwidth is the measure of private connectivity for the transfer of data between organizations.

[2] Equinix 2022 Global Tech Trends Survey: The accelerated evolution of digital—a critical time for transformation



View original content to download multimedia:https://www.prnewswire.com/news-releases/ecosystem-connected-businesses-expanded-more-in-the-last-5-quarters-than-in-the-past-5-years-301651502.html

SOURCE Equinix, Inc.