

IJGlobal ESG Digital Infra Award – Blackstone

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Blackstone’s Project Circuit – data centre financing – wins the IJGlobal ESG Digital Infrastructure Award for being, according to one judge, “technologically advanced” with business practices “underpinned by strong ESG commitments”.

One of the judges said: “They have shown innovation in the data centre sector by creating a project that utilises a proprietary water FREEdom design, resulting in zero on-site water usage.

“Additionally, their commitment to promoting sustainable procurement, empowering purchasing managers to make sustainable decisions, and providing preference for certified minority- and women-owned businesses demonstrates a positive social impact.”

Another judge added: “The project's positive environmental impact – especially in terms of greenhouse gas emissions reduction, energy and water efficiency – justify it winning an award.”

QTS – a portfolio company of Blackstone Infrastructure Partners, Blackstone Real Estate Income Trust and other long-term perpetual capital vehicles managed by Blackstone – is a data centre company mostly active in the US, but also with a couple of assets in the Netherlands.

The mission of the QTS Community Impact Program is to enrich the lives of its employees and members of the communities in which it serves by providing financial support and technology.

To further support communities, the company encourages its data centre sites to sponsor volunteer projects. In 2022, 100% of QTS’ operational facilities chose to partner with a local community organisation to donate time and resources to volunteer initiatives.

According to the submission: “QTS is committed to promoting sustainable procurement to encourage environmental quality, social justice and economic prosperity.

“They recognize that the products and services it procures have both environmental and social impacts and it is committed to addressing these through procurement procedures.

“QTS’ sustainable procurement policy statement sets out its social and environmental expectations of its suppliers. QTS empowers its purchasing managers to make sustainable decisions by providing training on environmental and social priorities. As part of its procurement process, QTS provides preference for certified minority- and women-owned businesses.”

On the environmental front, Hillsboro, as the largest data centre project to date comprising of multiple facilities within



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the same campus, this project uses QTS' proprietary water FREEdom design which uses highly efficient dry cooling systems that include air-side economisation resulting in zero on-site water usage.

The project would also be paired with an energy source that uses zero water – solar, wind – QTS' Water FREEdom design contributes zero operational impact to water consumption, resulting in WUE (water usage effectiveness) of 0.0, compared to an industry average of 1.8.

According to the submission: "QTS' project aims at improving the energy and water efficiency as contributing positively to reduce the industry's energy and water footprint, thereby generating a positive environmental impact.

"In specific, QTS' Hillsboro project energy efficiency measures are expected to account for 207,275,800 MT CO₂e of greenhouse gas emissions avoided."

The Hillsboro project was designed to exceed industry expectations and demonstrate best-in-class sustainability attributes, including:

- as-designed annualised power-usage effectiveness ratio (PUE) of no greater than 1.25x
- expected renewable power utilisation rate by 2025 of 100%
- 100% usage of LED lights
- design attributes contributing to facilitation of free cooling across the entire physical layout, including 100% hot aisle containment
- design attributes contributing to minimising direct solar heating – no external windows in the data hall, use of a light-coloured roof to maximise albedo and utilisation of effective insulation
- ratio of net water use to IT equipment energy utilization (WUR) of 0

To highlight the sustainability attributes of this development, QTS structured the financing – Project Circuit – as a green loan in compliance with the Green Loan Principles, including committing to reporting on key sustainability metrics expected to be achieved by the project such as avoided GHG emissions.

To validate the financing's impact and alignment with industry standards, QTS obtained a favourable opinion from Sustainalytics – a recognised provider of third-party validation of sustainability attributes.

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