



Press Release

HOCHTIEF and Palladio Partners to build and operate sustainable data center in Heiligenhaus

Consortium to develop further YEXIO high-tech properties in Germany and invest triple-digit million sum

HOCHTIEF and infrastructure investor Palladio Partners are jointly building and operating a sustainable data center in Heiligenhaus. On March 22, the partners signed a contract for the new type of high-tech YEXIO facility in the Innovation Park of the university town. It is particularly suitable for regionally oriented companies that prefer computing power and data storage close to their headquarters and customers.

Over the next few years, the consortium will invest a three-digit million sum in decentralized and sustainable "EDGE" data centers in economic metropolitan areas. Dr. Heribert Bodarwé, HOCHTIEF Managing Director of the project company: "With YEXIO, we are filling a major gap in the market. The demand for sustainably operating EDGE data centers is very high, especially in Germany. They are the basic infrastructure for many new technologies and applications. The importance of cloud computing also continues to grow, as more and more companies want to convert their IT to it while processing and storing data in the region."

Construction work on the 9,000-square-meter site in the Heiligenhaus Innovation Park is scheduled to begin this year and be completed by the end of 2024. HOCHTIEF is responsible for planning, construction, operation and asset management. Palladio has industry experience in data infrastructure and is providing capital from German investors including insurers, pension funds and provident societies.

Bernd Kreuter, Managing Partner at Palladio: "Long-term capital from German pension funds is being invested here sensibly in sustainable digital infrastructure - and thus in the transformation of our economy and the future viability of Germany as a business location. Together, we are realizing data centers at a completely new economic and ecological level."

Sustainability plays a central role in the YEXIO data center: The building is constructed according to the highest energy efficiency standards and equipped with a particularly economical, innovative water cooling system. The integration of locally generated renewable energies and the further use of waste heat are central components of the sustainability strategy. With its green facade, the building blends into the cityscape and landscape. The outdoor facilities are planted with high-quality plants. Rainwater can seep away.

YEXIO will meet the highest security standards and be equipped with redundant network and power systems to ensure maximum security and performance.

"The innovative and sustainable business model and the realization of the first YEXIO data center in the Innovation Park are an ideal fit with our location strategy and climate protection agenda. This lighthouse project provides an outstanding opportunity to implement sustainable energy concepts and synergies in urban development directly and with strong partners. In view of the challenges of the digital transformation for medium-sized businesses, the data center is of central importance as a location factor," says Andreas Sauerwein, Technical Councillor of the City of Heiligenhaus and Managing Director of Stadt- und Bodenentwicklungsgesellschaft Heiligenhaus mbH.

Market researchers assume that the volume of data worldwide will triple by 2025.

Germany is lagging behind in an international comparison when it comes to expanding the necessary infrastructure. In 2021, investments in the data center market alone amounted to

50 billion US Dollars worldwide. The market research institute IMARC predicts an increase to 111 billion US Dollars per year by 2027. EDGE data centers are even expected to grow by 47 percent by 2025.

HOCHTIEF has extensive experience with data centers and already has an order backlog of more than EUR 4 billion in this business segment. In the USA, HOCHTIEF subsidiary Turner has built numerous data centers for many of the biggest tech giants, with around 40 more currently in the pipeline. Last year alone, Turner won new contracts for data centers worth more than EUR 3 billion.

Palladio Partners has been investing long-term capital of German institutional investors in infrastructure, globally and in Germany, for more than ten years. With around EUR 8.7 billion in assets under management, the investment boutique is one of the market leaders in this field. Since 2019, Palladio Partners has been investing in municipal digitization projects, primarily in the expansion of local fiber-optic networks. The experience in financing such projects and working in partnership with municipalities and municipal utilities is of great value for the planned realization of decentralized data centers.

HOCHTIEF is an engineering-led global infrastructure group with leading positions across its core activities of construction, services and concessions/public-private partnerships (PPP) focused on Australia, North America and Europe. With around 37,000 employees and a sales volume of more than EUR 26 billion in 2022, HOCHTIEF's global presence is focused on developed markets. Via CIMIC, the Group is market leader in Australia. In the USA, HOCHTIEF is the No. 1 general builder via Turner. Flatiron ranks among the most important players in the field of civil works, mainly in transportation infrastructure. HOCHTIEF owns a 20% stake in Abertis, the leading international toll road operator. Thanks to its commitment to sustainability, HOCHTIEF has been listed in the Dow Jones Sustainability Indexes since 2006. Further information is available at www.hochtief.com/press.

Palladio Partners is the specialist for global real assets, especially infrastructure investments, for German institutional investors. The owner-managed investment boutique with offices in Frankfurt and Luxembourg was founded in 2012, today employs more than 70 people and manages around EUR 8.7 billion. Palladio Partners advises German pension funds (insurers, pension funds, provident funds) as well as banks, church institutions, associations and foundations on the implementation of their individual investment strategy, even with high complexity, and offers them access to attractive global investment opportunities. In the area of infrastructure investments, Palladio is the leading provider among the 50 largest German investors. The company is sustainably committed to German infrastructure - through investments and active participation in associations such as "IDI - Initiative deutsche Infrastruktur e.V." Palladio Partners is a signatory to the Principles for Responsible Investment (UN PRI). Further information at www.palladio-partners.com

The **city of Heiligenhaus**, with a population of just under 28 thousand, is located between the Ruhr region (city limits of Essen) and the state capital Düsseldorf in the charming Niederrhein region. The city is pursuing an ambitious agenda in the areas of climate protection and digitalization/smart city. The Innovation Park Heiligenhaus (a project of the 100% subsidiary, Stadt- und Bodenentwicklungsgesellschaft Heiligenhaus mbH) is a large-scale business park in a prime location, which is being developed according to sustainability standards. The construction of the YEXIO data center represents an important milestone in the development of the innovative business park, as it will result in a wide range of

synergies - also with regard to the construction areas for further company settlements and uses at the location. Further information: www.heiligenhaus.de; www.innovationspark-heiligenhaus.de

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