

# ACCELERATING OUR IMPACT

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2020 ESG REPORT



**We aim to build a sustainable future by enhancing connectivity around the world, creating economic growth, preserving natural resources, and improving the communities in which DigitalBridge and our portfolio companies operate.**

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# From Our CEO

Transformed from diversified to digital, we have a new vision for the future.

I am pleased to share with you the exciting transformation we are driving at DigitalBridge. The past 18 months have been a dynamic period of positive change for our company. Since becoming Chief Executive Officer in July 2020, I have worked tirelessly with my partners and with our Board of Directors, taking decisive action to accelerate our ability to create shareholder and stakeholder value.

We have a new name, a new brand and a new organization purpose-built to provide infrastructure that powers the growing global digital ecosystem that can connect more people and organizations around the world.

## A Digital Transformation

Several years ago we set a goal to transition from a diversified traditional commercial real estate investment trust into a company solely focused on investing in digital infrastructure. We have largely accomplished that. As of June 2021, our digital assets represented 80% of our total investments. We have sold our Industrial and Hospitality units, acquired over a dozen digital portfolio companies, and internalized the operations of our mortgage

“The events and challenges of the past year have accelerated our commitment to deliver connectivity solutions around the world and amplified the positive social and environmental impacts we create.”

MARC GANZI



REIT BrightSpire Capital, Inc. (f/k/a Colony Credit Real Estate). Our investment approach now focuses exclusively on digital infrastructure: towers, small cells, fiber networks and data centers. We believe that this model offers our mobile network operator and hyperscale customers distinct advantages in the midst of a global communications revolution.

## Promises Made, Promises Kept

When I took over as CEO, I made several promises, including a commitment to further integrate and prioritize environmental, social and governance (ESG) considerations throughout our business activities.

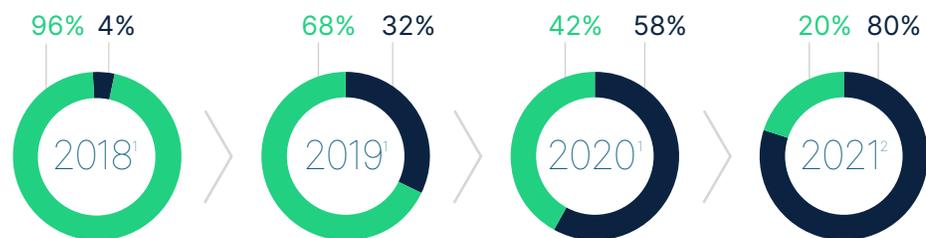
I knew I had to begin by resolving a variety of challenging governance issues. Now, less than a

## The Evolution of DigitalBridge

Our digital transformation, which began three years ago, has entered its final phase.

### Assets Under Management (AUM)

- Legacy Businesses AUM
- DigitalBridge AUM



<sup>1</sup> As of December 31, 2018, 2019 and 2020

<sup>2</sup> As of June 30, 2021 on a pro forma basis

year later, sound corporate governance and responsible leadership are the cornerstones of our organization. Our executive leadership team has been fully rotated, with new talent in virtually every senior position. Guided by shareholder input, we instituted stronger corporate governance practices and better aligned executive compensation with shareholders' interests. I led the transformation of our Board of Directors, substantially increasing the diversity, independence and digital expertise of the board. We believe this smaller, more diverse and digitally focused board will improve the strategic direction of the company.

### **Taking Action on Climate Change**

Climate change is one of the most pressing problems facing our world today. As a society, we must enact systemic change to avert catastrophic climate breakdown. As such, DigitalBridge has made a bold, science-based commitment that seeks to achieve net zero greenhouse gas emissions by 2030—and this commitment includes all of our portfolio companies. Our Net Zero 2030 commitment is both a business and ethical imperative. Beyond that, net zero strategies will be a competitive advantage for our portfolio companies. Many of them are strategic partners to some of the world's largest organizations that also have ambitious climate and clean energy commitments. This important work will build on and accelerate our portfolio companies' responsible energy management and use of renewable energy sources.

Our focus is firmly on the future as we pioneer the creation and implementation of net zero strategies as an asset manager. We are deepening our commitment to responsible environmental, social and governance management, embracing our role as a thought leader that breaks barriers and leads by action.

### **Empowering People**

Human capital is the lifeblood of any organization. I believe that ethics, enthusiasm and expertise are critical to achieving our goals. Thus, we have ingrained a new culture and have promoted new values across our entire business. By more fully embracing people from a variety of backgrounds, we are forming a diverse, next-generation team to help us build a more sustainable organization. Through enhanced hiring practices, we have more than tripled the percentage of women on our investment team over the past three years. While we are off to a good start, it is not nearly enough. Under our four-pillar Diversity, Equity and Inclusion initiatives, we will continue to ensure we have a workplace where people from all backgrounds can thrive.

I invite you to read this report to learn more about our accomplishments and aspirations. As technology advances and telecommunication networks expand, we will continue to scale our business and provide the infrastructure and expertise to support the future. We pledge to do so guided by our ethics. We will act with transparency. And we will be mindful of our impact on local communities and the planet.

### **Marc Ganzi**

Chief Executive Officer  
DigitalBridge

# OUR BUSINESS

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# 2020 Highlights

## ECONOMIC

Focusing on digital infrastructure

58%

digital assets as of Q4 2020

80%

rotated on a pro forma basis as of June 2021

## ENVIRONMENTAL

Tackling climate change

2030

the year we have pledged to achieve net zero greenhouse gas emissions

3

portfolio companies on track for carbon neutrality by 2021 year-end

## SOCIAL

Helping people thrive

Launched

a comprehensive Diversity, Equity and Inclusion initiative

100%

of portfolio companies have a professional dedicated to ESG management and reporting

## GOVERNANCE\*

Transforming our leadership

8

of 10 directors are independent

50%

of the Board of Directors are female and/or people of color

\* Board of Directors statistics are as of Annual Meeting, March 19, 2021



# About DigitalBridge



DigitalBridge Group, Inc. (NYSE: DBRG) is a leading global investment company with a focus on identifying and capitalizing on key secular trends in digital real estate. The company manages a \$46 billion portfolio of real assets on behalf of our shareholders and limited partners, including \$32 billion in digital real estate investments through DigitalBridge, our digital infrastructure investment platform.<sup>1</sup>

DigitalBridge rebranded from Colony Capital on June 22, 2021. This name captures our new mission as an organization that builds, operates and finances a new era in connectivity to

leverage a single platform focused on the full spectrum of digital infrastructure, including towers, data centers, fiber and small cells.

## INFRASTRUCTURE<sup>2</sup>

**22**  
digital portfolio  
companies

**370K**  
towers/sites

**100+**  
data centers

**130K**  
fiber route miles

**38K**  
small cell nodes

## OFFICES

### Americas

Boca Raton,  
*Corporate Headquarters*  
Los Angeles  
New York

### EMEA

London

### Asia-Pacific

Singapore

<sup>1</sup> As of May 6, 2021 (excludes impact of divestitures announced in June 2021)

<sup>2</sup> As of June 30, 2021

# Our Business Model

**Our converged network powers the digital economy while creating positive social and environmental impacts.**

DigitalBridge's distinctive operating model focuses on investing in a growing network of companies that form the backbone of wireless and internet infrastructure.

Our global portfolio delivers converged connectivity solutions to many of the world's leading mobile network operators and hyperscale computing companies. We believe we have uniquely positioned DigitalBridge at the cross-section of the high-growth technology sector and the traditional real estate and infrastructure investment landscape.

In addition to powering the digital economy and creating value for our investors, our portfolio companies create important environmental and social impacts.

## Environmental Impact

To address the impacts of climate change, we are working to reduce our carbon emissions and are engaging with our portfolio companies, particularly our data center investments, to achieve net zero carbon emissions by 2030. Research shows that data center energy use worldwide has increased by only 6% since 2010, while data center computing

has grown by 550% during that time.<sup>1</sup> Through better energy management, more efficient hardware and increased use of renewable energy, our energy-efficient hyperscale data centers are providing increased capacity while also reducing their environmental impact.

## Social Impact

We provide capital to create critical connectivity at a time when people are more dependent on digital and mobile communications than ever before. Our expanding cell tower networks can help close the digital divide by bringing internet connectivity that promotes economic growth, inclusiveness and innovation.

Enhanced connectivity through our extensive fiber optic networks helps all communities flourish. Broadband fiber is an important generator of economic development as well as a critical component for government services. Research indicates that broadband access and adoption leads to economic growth, higher incomes and lower unemployment as well as positive social outcomes including improved health, access to education and social cohesion.<sup>2</sup>

## Our business model capitalizes on four powerful trends.<sup>3</sup>



### 5G Mobile Networks

\$1 trillion in new capital expenditures projected to deploy next-gen networks



### Internet of Things (IoT)

Device-to-device connections to increase to 80 billion by 2025 and 500 billion in 2030



### Cloud Infrastructure

Capital expenditures will reach \$88 billion in 2020



### Edge Computing

1.6 million servers; 10% of all cloud workloads will be placed at or near data sources by 2028

<sup>1</sup> Recalibrating global data center energy-use estimates, February 28, 2020, *Science*

<sup>2</sup> Digital Prosperity: How Broadband Can Deliver Health and Equity to All Communities, February 2020, Metropolitan Policy Program at Brookings

<sup>3</sup> GSMA, The Mobile Economy, March 2020; Cisco Annual Internet Report; Credit Suisse, September 2020; Cowen and Company

# Corporate Governance

We have quickly and decisively implemented profound corporate governance changes.

## Transformed for Transparency

Today, the corporate governance framework of DigitalBridge embodies our commitment to conduct our business transparently, with integrity, and in line with evolving investor expectations. Throughout 2020 and into early 2021, our CEO and company took decisive action to fundamentally restructure our Board of Directors. We also instituted several corporate governance changes, including those designed to support our digital transformation and better align executive compensation with shareholder interests.

## Smaller, More Diverse Board

In 2020, we set a goal to significantly change the composition of our Board of Directors on several levels. By May 2021, we had achieved our objective. Today, our board includes a mix of directors with complementary industry experience. For the first time, our chairperson and two other directors are women and two directors are people of color. Also, we fulfilled our commitment to reduce the board size from 12 to 10 directors, including eight independent directors. We believe that this smaller, more diverse and digitally focused board will improve the quality and relevance of decision-making across the company's business activities. The experience and attributes of our new board members are essential to improving outcomes for our private investors and public shareholders and meeting the board's oversight responsibility.

## Expanded ESG Oversight

Our Board of Directors provides ultimate oversight of our sustainability program and performance as well as our overall ESG performance, including actions to address climate risk. As we expand, this oversight is critical to ensuring that our implementation progresses as planned and our strategy evolves appropriately. Implementation of our ESG strategy and initiatives is led by our ESG Committee, which is described on [page 9](#).

Learn more in our [2021 Proxy Statement](#).

## DigitalBridge Board of Directors



of directors have digital expertise

30%

of directors are women

20%

of directors are people of color



80%

independent directors

3.9 years

average tenure



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# ESG AT DIGITALBRIDGE

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# Our Approach

We integrate ESG considerations throughout our entire investment process.

## Our Responsible Investment Policy

Our Responsible Investment Policy serves as the cornerstone of our approach. This policy guides the integration of both macro-level and company-specific environmental, social and governance (ESG) considerations throughout the investment life cycle. Development of this policy was informed by relevant third-party standards, best practices and global initiatives, including the Principles for Responsible Investment (PRI), Sustainability Accounting Standards Board (SASB) and the United Nations Sustainable Development Goals.

## ESG Management

Responsibility for managing ESG issues became more embedded across our organization in 2020. DigitalBridge's cross-functional ESG Committee includes operating and investment professionals who oversee the company's ESG program and help

to develop initiatives designed to improve related performance, metrics and disclosure.

This committee presents ESG data and updates on a quarterly basis to DigitalBridge's Board of Directors, which reviews and monitors the ESG performance of the company and our portfolio companies.

“Our team has fully bought in as we work together to implement ESG initiatives across the company and is pulling together to accelerate our impact across the portfolio.”

### Jeff Ginsberg

Chief Administrative Officer  
Chair, ESG Committee

## DIGITALBRIDGE ESG COMMITTEE



**Jeff Ginsberg**  
Chief Administrative  
Officer (Chair)



**Leslie Golden**  
Managing Director



**Rommel Marseille**  
Managing Director



**Latifa Tefridj-Gaillard**  
Managing Director



**Kay Papantonlou**  
Managing Director,  
Global Head of Human  
Resources



**Matty Yohannan**  
Chief of Staff



**Genevieve  
Maltais-Bolsvert**  
Principal



**Manjari Govada**  
Principal



**Kristen Whealon**  
Chief Compliance  
Officer



**Deana Placenti**  
Executive Assistant

### Priority ESG Issues

The thoughtful consideration of ESG issues provides an important perspective to identify potential risks and opportunities to create value. DigitalBridge is strategically directing our attention and resources on those issues where we can achieve the greatest outcomes throughout the investment process. During both due diligence and asset management, we focus on the most relevant ESG issues, which we have prioritized according to two criteria: those that have the greatest impact on our business and/or our digital infrastructure portfolio companies and those that are the most important to our stakeholders. The result is

a targeted universe of priority issues that we consider during due diligence as well as actively monitor and address during asset management:

- Climate Change: Energy Efficiency, Greenhouse Gas Emissions and Physical Climate Risks
- Data Privacy, Data Security and Associated Human Rights
- Diversity, Equity and Inclusion (DEI)
- Foreign Corrupt Practices Act, Anti-Bribery and Anti-Corruption
- Workplace Health and Safety

### ESG Integration Process for Fund Management



**What We Do** Our ESG Consultant and Investment Teams review material ESG factors of all potential investments in accordance with DigitalBridge's Responsible Investment Policy.

**Results** We provide a summary of ESG analysis to the Investment Committee to inform the investment decision.

**What We Do** We educate and empower portfolio company professionals with knowledge, tools, resources and connections to accelerate ESG integration. We do this through trainings, introductions to vetted vendors, a dedicated resource site that includes templates and guidance for initiatives related to DEI, energy management, stakeholder management and human rights.

**Results** DigitalBridge portfolio companies are leading the way on many important ESG issues across their respective sector.

**What We Do** We provide portfolio companies with a common set of ESG metrics to be reported at each portfolio company board meeting and partner with individual portfolio companies to develop additional relevant metrics.

**Results** Each DigitalBridge portfolio company has an employee who manages ESG issues and will be expected to report on DigitalBridge ESG metrics in each quarterly portfolio company board report.

### INTEGRATION OF ESG PRACTICES & SOLUTIONS



#### Building Internal Capabilities

Every member of our company needs to understand and integrate relevant ESG considerations in their respective role. Thus, all DigitalBridge professionals are trained annually on ESG issues. In 2020, all employees participated in a customized session that detailed the company's approach to ESG integration, how ESG considerations are embedded in our investment process and the potential impacts of climate change on digital infrastructure. This training was designed to equip our investment professionals to fully participate in the ESG integration process.

## ESG Partners

We have cultivated long-term relationships with leading responsible investing frameworks, sustainability experts and nongovernmental organizations to expand our perspective and increase the effectiveness of our broader ESG program.



As a member of **BSR** since 2018, we rely on its global network of more than 100 sustainable business experts to enhance our ESG due diligence process and deliver training to our Investment Teams. BSR also engages with our portfolio companies to provide research and best practices related to climate, diversity and human rights issues.



A Founding Patron of the **Pension Real Estate Association (PREA)** Foundation since 2017, we support the foundation's Sponsors for Educational Opportunity (SEO) program, which provides select educational and internship opportunities to college students from under-represented backgrounds. In 2020, three of our four 2021 summer interns were sourced through our relationship with SEO.



DigitalBridge is a proud signatory of the **Principles for Responsible Investment (PRI)** because we recognize the value of supporting a nonprofit organization that advances responsible investment globally, shares best practices across the industry and evaluates our performance each year.



In 2019, DigitalBridge established a long-term partnership with **Télécoms Sans Frontières (TSF)**, an emergency-response technology nongovernmental organization. TSF provides new technologies for rapid response, capacity building, education, protection and assistance to bridge the digital divide across isolated communities.



# Net Zero 2030

Given the urgency of climate change, we are taking strong action to address this dire threat.

One of our highest priorities is to achieve net zero greenhouse gas emissions (GHG) at DigitalBridge and all our portfolio companies by 2030. In light of our global strategic relationships with hyper-scalers, large mobile network operators and other customers with aggressive decarbonization commitments, we seek to remain a leading investor tackling this issue. Thus, we have set an aggressive goal to reach net zero emissions on an accelerated time frame and by adhering to the Science Based Targets Initiative (SBTi), which defines and promotes emissions reductions in line with climate

science. By following best practices and consulting with industry experts, we have developed a goal that we believe is:

- 1. Comprehensive** Includes Scope 1, 2 and all significant Scope 3 GHG emissions from our own operations and that of our portfolio companies\*
- 2. Credible** Aligns with the SBTi definition of net zero
- 3. Clear** Utilizes the Task Force on Climate-related Financial Disclosures (TCFD) framework to measure and report on progress

## DigitalBridge and Portfolio Company Timeline

2021	2022	2023	2025	2026	2028	2030
<p>Detail strategy for DigitalBridge's Net Zero 2030 commitment</p> <p>Appoint ESG director and/or establish committee</p>	<p>Complete assessment of GHG footprint</p> <p>Report ESG at board level</p>	<p>Complete Net Zero Road Map with board approval and interim targets for 2025 and 2028</p>	<p>Meet interim 2025 targets</p>	<p>Meet Net Zero target for DigitalBridge's internal operations</p>	<p>Meet 2028 interim targets and update plan for Net Zero 2030</p>	<p>Achieve Net Zero 2030</p>
						<p>■ DigitalBridge Operations</p> <p>■ Portfolio Companies</p>

## New Investments Timeline

INVESTMENT	CALCULATE CARBON FOOTPRINT	CREATE NET ZERO ROAD MAP	ACHIEVE NET ZERO
<p>Investments and Add-On Acquisitions Present-2026</p>	<p>Within six months of investment</p>	<p>Within 12 months of investment</p>	<p>By Dec. 31, 2030</p>
<p>Post-2027 Investments</p>	<p>Must be completed at time of closing</p>	<p>Within six months of closing</p>	<p>Within two years of closing</p>

\* Emission reduction targets will be set for two-thirds of DigitalBridge's Scope 3 emissions, in line with the SBTi's recommendation. Achieving this 2030 timeline is not assured. For the purposes of our Net Zero 2030 commitment, Portfolio Companies are defined as companies in which DigitalBridge has a control position and has held for a minimum of two years.

## Net Zero Policy and Advocacy Partners

DigitalBridge is partnering with the following groups to achieve our goal and ensure that our approach aligns with industry best practices.



Our definition of net zero and approach to setting science-based targets are aligned with the **SBTi**, and we will seek to have both DigitalBridge and our portfolio companies targets validated by the SBTi.



DigitalBridge will seek to source credits for any unavoidable emissions from **NCP**, a leading provider of greenhouse gas footprinting and broker for credible, verified carbon offsets.



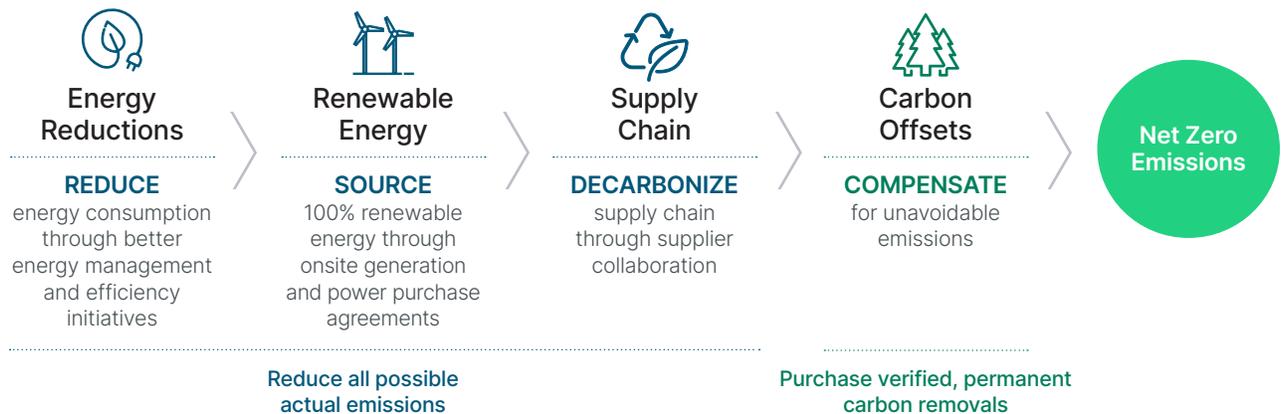
**EDF's** well-established Climate Corps program will place experienced MBAs at portfolio companies to accelerate and implement sustainability projects. EDF generally draws from a diverse cohort of fellows.



As a signatory, DigitalBridge will benefit from knowledge sharing with the **Net Zero Asset Managers Initiative's** 87 signatories with over \$37 trillion of assets who have committed to achieve net zero goals by 2050 or sooner.

## Four Steps to Net Zero Emissions

Determined to go beyond carbon neutrality, DigitalBridge and our portfolio companies seek to take substantial actions to reduce emissions on our collective journey to net zero, as detailed below. Many of our portfolio companies have already made ambitious climate commitments and significant progress in reducing their carbon emissions. Learn more on [pages 25 and 26](#).



### Activating Our Entire Team

Reaching this aggressive objective will require the support and involvement of people across our entire organization and at all our portfolio companies. Thus, concurrent with the launch of our Net Zero 2030 commitment, we hosted a webinar for portfolio company management featuring leading experts from BSR and Natural Capital Partners. Presenters shared the expectations of the largest technology players regarding climate change and energy management. They also described the process of measuring and offsetting a GHG footprint, and how to complete the measurement process by the end of 2021.

# Diversity, Equity and Inclusion

We have formalized and accelerated our efforts to create a welcoming, inclusive workplace.

Maintaining a workplace environment that values human differences and includes people of all backgrounds makes us a better company. It allows us to attract and retain the most qualified professionals. We believe that drawing upon more diverse viewpoints helps us achieve better results and has become increasingly more important to the global customers of our portfolio companies.

## CEO Leadership

At DigitalBridge, the mandate for faster progress across all facets of the business begins at the highest levels of our organization: with our CEO Marc Ganzi, who has challenged the company to do more.

To embed ownership throughout the organization, in 2020 Marc established a cross-functional,

15-member Diversity, Equity and Inclusion (DEI) Steering Committee, reporting to him as Executive Sponsor. Many of these steering committee members also serve on our ESG Committee.

Marc outlined a four-pillar approach and charged the committee with developing a comprehensive set of DEI initiatives. Subcommittees aligned with the four DEI pillars set performance targets, developed implementation plans and mapped out goals and time frames. Within just a few months, the committee's recommendations received executive approval and funding.

Learn how we are attracting, retaining and promoting talent across our company and at the leadership level on [page 16](#).

Our four-part DEI initiative is designed to attract, retain and reward talented people from all backgrounds who can help advance our business.



PILLAR ONE  
**Mentorships**



PILLAR TWO  
**Internships**



PILLAR THREE  
**Recruitment**



PILLAR FOUR  
**Careers and Compensation**



## Our DEI Partners

In 2020, we collaborated with the following organizations to broaden our network and accelerate the implementation of our DEI goals. Early results of these partnerships can be found on the [next page](#).

### KIPP®

The **Knowledge is Power Program**, known as KIPP, is a network of free, open enrollment, college-preparatory schools in low-income communities throughout the U.S. More than 95% of KIPP students are African American or Latino/Hispanic, and more than 88% are eligible for the federally subsidized meal program. KIPP's culture focuses on achievement and placing students on the path to graduate college.

### ONE SEARCH

Based in London, the **One Search Young Women Into Finance** scholarship program is designed to demonstrate to young women that they can pursue a career in finance. For those who show serious interest and potential, it provides a pathway to achieving this upon graduation.

### SEO Seizing Every Opportunity

**SEO's** mission is to create a more equitable society by closing the academic and opportunity gap for motivated young people. SEO's Alternative Investments Fellowship Program educates and mentors high-achieving young professionals who are traditionally underrepresented for success in the alternative investments industry.

### TOIGOO Bringing Diversity to Life

**Toigo's** mission is to transform the performance of forward-thinking organizations through education and strategies that drive greater inclusion. Toigo also seeks to advance the ongoing development and promotion of exceptional leaders from diverse backgrounds.

## Advancing Women

Through sustained, intentional hiring practices and promotions across the company, we have significantly increased the number of women on our corporate team and throughout our organization. While we certainly have a long way to go, our DEI initiative maps out a clear strategy for how we will continue to improve.



\* Investment professionals in DigitalBridge's asset management business.

## Diversity, Equity and Inclusion Initiative

Through collaborative teamwork and focused execution, our DEI subcommittees have already achieved significant progress and even surpassed some of the goals set less than one year ago.

	Goals	Achievements	Next Steps
<b>Mentorships</b>	Launch and implement a successful mentorship program that reaches out to individuals from underrepresented groups* early in their career	Developed partnership with KIPP  Paired employees with more than 20 KIPP students to support their college application process	Continue to conduct mentorships and increase the number of DigitalBridge professionals involved
<b>Internships</b>	Launch DigitalBridge's first formal Summer Analyst Program for undergraduate and graduate students, composed of at least 50% people from groups traditionally underrepresented in finance	80% of summer analysts were from underrepresented groups in finance  Sponsored the SEO Alternative Investments Fellowship Program	Leverage our Summer Analyst Program to increase diversity within the company  Partner with SEO, KIPP and Young Women Into Finance  Continue work with SEO to develop SEO Portfolio, a similar talent placement program for portfolio companies
<b>Recruitment</b>	Double the percentage of employees from underrepresented groups at all levels of DigitalBridge	Included 60% candidates from underrepresented groups in the 2020/2021 associate class	Require diverse slates of candidates for all hiring and promotions  Continue to expand and diversify the DigitalBridge network  Provide unconscious bias training for all managers and maintain the clear evaluation criteria for performance appraisals
<b>Careers and Compensation</b>	Increase the percentage of promotions of individuals from underrepresented groups	Expanded the performance appraisal process to include peer reviews and reviews from other departments, with the goal of implementing 360-degree reviews	Create a Careers and Compensation panel  Establish an internal mentorship program  Establish employee resource groups to foster a diverse, inclusive workplace

\* DigitalBridge defines underrepresented groups as those racial and gender groups represented at disproportionately low levels in the finance sector.

# Empowering Employees

Our people are central to our success.

We strive to create an environment in which people are valued, supported and provided with resources that can enable them to thrive.

## Career Development

We are committed to helping our employees plan for their future. We provide opportunities for leaders to connect with seasoned professionals to develop their skills through our professional development programs. Employees learn key tools and goals to improve management capabilities and enhance personal and professional capabilities. Aside from our regular training resources such as online automated classes, we are engaging in professional training for employees across the organization. It is expected that each employee will receive at least six hours of diversity awareness training in 2021.

## Health and Safety

During 2020, we introduced interactive monthly wellness seminars featuring guest speakers who presented techniques for staying physically and mentally healthy while working remotely during the COVID-19 pandemic. Seminars addressed topics such as healthy eating, healthy aging and preventing burnout.

## Employee Benefits

We seek to reward our employees for their hard work and dedication. As such, full-time U.S. employees are eligible for an array of benefits, including:

- Paid holidays, vacation, personal and sick days
- Competitive medical, dental and vision plans
- Flexible spending accounts and life assistance
- Life and disability insurance
- Company match on employee 401(k) contributions
- Student loan paydown assistance
- Charitable gift matching

## Engagement

Even as most employees worked remotely, we encouraged camaraderie through numerous informal events. In 2020, senior executives hosted virtual conversations regarding social justice and racial inequity for both U.S. and international employees. Due to the large turnout, employees were able to engage in discussions in smaller breakout sessions.

## Building Stronger Communities

Our employees support the communities in which they live and work by participating in local and national causes. Due to the restrictions imposed by the COVID-19 pandemic, most of our usual community service events and employee volunteering did not take place during 2020. However, employees participated in virtual volunteer events, including a 5K Walk to Fight Homelessness.

## Employee Charitable Gift Matching

In 2020, many employees supported causes meaningful to them, including COVID-19 response and relief, by contributing to our Matching Gifts program. We match employee donations to eligible charitable organizations on a dollar-for-dollar basis up to an annual maximum of \$450,000.

# ESG IN OUR PORTFOLIO

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# Building Future-Focused Businesses

ESG integration is an essential part of building businesses prepared to succeed.

## DigitalBridge's ESG Expectations

Working with our portfolio companies, DigitalBridge sets high ESG expectations, shares best practices and equips each company with tools, resources and templates that help them accelerate their ESG initiatives. We have identified the following foundational practices, which we believe provide the groundwork for a portfolio company to improve, and report on, its ESG performance over time:

**ESG Policy:** Each company should develop an ESG policy tailored to its business

**ESG Board Reporting:** Each quarterly board report should include an ESG section

**ESG Responsibility:** ESG management should be assigned to someone at the company (usually as part of another role). Larger companies should have an ESG Committee or working group

**Whistleblower Hotline:** Companies should have a hotline for all stakeholders to report concerns and call logs should be made available to their board

**Training:** Every company should have regular trainings that reach all employees. Ideally, some training courses will utilize expert facilitators rather than only

software. Topics should include employee safety, diversity and inclusion, unconscious bias, climate change, discrimination, harassment and anti-bribery/Foreign Corrupt Practices Act (FCPA)

**Human Resources Audit:** Companies should conduct human resources compliance reviews and/or audits with outside resources to ensure compliance with all relevant regulations

**Diversity and Inclusion:** Companies should have a diversity and inclusion program with policies and procedures to ensure a diverse and inclusive work environment

**ESG Event Reporting:** A process should be in place to ensure that all material ESG issues are reported at the board level within 48 hours (examples include sexual harassment, an accident that causes the death or serious injury of an employee or contractor, FCPA violations or similar, large network outages, cyberattacks, employment violations, product recalls, furloughs, regulatory investigations, or lawsuits)

**Corporate Citizenship:** Each company should have a formal corporate citizenship/philanthropic program that has executive-level sponsorship and oversight



### Sharing Best Practices in Giving Back

To accelerate implementation of these expectations, we identify and share best practices already in use by companies within our portfolio. For example, we are working with the Vertical Bridge corporate citizenship team to highlight its program as a template for our other portfolio companies. Through the [Vertical Bridge Charitable Network](#), U.S. employees generously contribute hands-on service and financial resources to the communities where they live and work. Since its inception in 2014, the Vertical Bridge Charitable Network has donated more than \$6.4 million to nonprofits chosen by employees and provided more than 3,500 volunteer hours to help these organizations achieve their missions. The Vertical Bridge management team sees this as not only a way to support the communities in which the company operates but also as a valuable tool for employee engagement and retention.

## Measuring Performance

We seek to institute comprehensive portfolio company ESG reporting at the board level so that the management of ESG initiatives and issues is measured and improved upon during our ownership period. This ESG focus will position our companies well for future owners of these businesses.

### Establishing Common Metrics

We seek to actively monitor and manage a set of core key performance indicators within all of our investments. Beginning in 2021, we expect our portfolio companies to set targets, measure KPIs, disclose results to their relevant board of directors and improve performance on each KPI. Reporting is structured to support disclosure to SASB Standards and TCFD recommendations and provide a common data set that will facilitate our ability to manage our growing portfolio.

### Core ESG Key Performance Indicators

- Cybersecurity
- Diversity
- Employee Engagement
- Energy Consumption
- Greenhouse Gas (GHG) Emissions
- Workplace Health and Safety
- Service Disruptions
- Whistleblower Program

### Company-Specific Performance Indicators

Our portfolio companies operate in different niches within the digital infrastructure ecosystem. As such, they are expected to also identify, manage, measure and report on ESG metrics most relevant for their particular business. We provide a materiality assessment template, shown above right, for companies to use in identifying and prioritizing the ESG issues that have the greatest impact on their business and stakeholders. We ask them to provide the results of this mapping exercise to their board of directors for final selection of company-specific ESG metrics.

In addition, we recommend that all portfolio companies consider analyzing the exposure and sensitivities of their physical assets to climate risks,



*Portfolio companies are provided a materiality mapping template to accelerate the identification of their high priority ESG issues.*

depending on the company location and asset type. We advise our companies that after conducting an initial assessment, they further investigate locations that are deemed high risk. Finally, we also advise companies to consider potential climate impacts to their high-priority suppliers, particularly those that provide power and water to high-risk sites.

Companies are also expected to report these company-specific performance metrics in a uniform way to the company's board of directors each quarter. Our intent is to obtain consistent, comparable, decision-useful data that can be used to monitor and improve ESG performance.

#### 2021 GOALS

Continue to support portfolio companies in meeting ESG expectations

Provide tools, research and guidance on ESG integration and reporting strategies

Develop and support portfolio company quarterly board reporting on ESG performance

# Environmental

Best-in-class environmental management provides a competitive advantage across our portfolio.

Our portfolio companies are expected to manage their environmental performance in a way that seeks to conserve natural resources, reduce operating costs and adhere to all local regulations. We ask them to manage their operating performance by reducing energy, water use, waste and carbon emissions.

Given the energy-intensive nature of some of our investments, most notably data centers, energy use and climate-related issues are priority ESG issues for DigitalBridge and our portfolio companies. To decrease our impact on the climate, we are prioritizing the use of clean, renewable energy and reducing the carbon footprint of both DigitalBridge as well as our global portfolio. Under our Net Zero 2030 commitment, we are expecting and equipping our portfolio companies to work toward this goal, described in more detail on [pages 12 and 13](#).

## Environmental Issues

- Biodiversity and Land Use
- Electricity and Energy Consumption
- Energy Management
- Greenhouse Gas Emissions
- Physical Climate Risks
- Renewable Energy Use
- Water Consumption

### 2021 GOALS

Ensure that all portfolio companies conduct an analysis of and measure their GHG emissions footprint

Assist portfolio companies in developing a Net Zero 2030 Road Map that aligns with DigitalBridge's commitment

Establish regular portfolio company board reporting on energy consumption and GHG emissions



## Carbon Neutral Now...Net Zero 2030

To reach our Net Zero 2030 commitment, we will build on the significant carbon reductions already achieved by many of our portfolio companies.

### DataBank Energy Sourcing

*A leading provider of enterprise-class data center, cloud and interconnection services*

- Sourced more than 66% of total power consumption from zero- or low-carbon providers as of the end of 2020
- 100% renewable wind energy powers MSP2 East Twin Cities data center in Minneapolis, Minnesota, DataBank's third location fully powered with renewable energy
- Will host an Environmental Defense Fund Climate Corps fellow in the summer of 2021 to further improve upon the company's commitment to reducing environmental impacts and improving energy management

### Scala Data Centers 100% Renewable Energy

*A hyperscale data center operator delivering world-class services to hyperscale customers, cloud providers and large enterprises across Latin America*

- Achieved and has maintained carbon neutral status since its formation
- First Latin American data center company to attain CarbonNeutral® certified
- Uses 100% certified renewable energy through long-term renewable power purchase agreements (PPAs) backed by Renewable Energy Certificates (RECs)
- Implemented energy efficiency technologies reaching a power usage effectiveness (PUE) of 1.5, below the 1.77 average for Latin American data centers. New data centers are designed to operate with 1.4 PUE.

### Beanfield Metroconnect Carbon Neutrality

*Installs, owns and operates the largest independent fiber optic network in Toronto and Montreal, connecting more than 2,800 commercial and residential buildings*

- Transitioned 20% of its corporate vehicle fleet from gas to electric vehicles by the end of 2020
- On track to complete its first corporate GHG inventory, focusing on its building portfolio, data centers, vehicle fleet, and staff business travel by the end of 2021
- Committed to becoming carbon neutral across its operations in Ontario and Quebec by December 2021

### Vantage Data Centers Low-Carbon Footprint

*Powers, cools, protects and connects the technology of some of the world's well-known hyperscalers, cloud providers, and large enterprises across North America and Europe*

- Currently utilizes zero carbon sources for at least 53% of its electricity in North America and 100% in Europe
- Achieves an average PUE of at least 1.3 at its data centers in North America and 1.28 at those in Europe

CASE STUDY

# Vertical Bridge

## The World's First Carbon Neutral Tower Company

Vertical Bridge, the largest privately held owner and operator of communications infrastructure in North America, is the first telecommunications tower company in the world to be certified as carbon neutral. In 2020, the company achieved certification as CarbonNeutral® in accordance with The CarbonNeutral Protocol, the leading global framework for carbon neutrality.

As the communications infrastructure sector prepares to deploy a record number of assets to support 5G networks, Vertical Bridge recognized the need to mitigate its environmental impact. Vertical Bridge conducted rigorous assessment of its carbon footprint, including energy consumption in its offices, tower operation and construction, and business travel, in partnership with Natural Capital Partners, leading experts on carbon neutrality and climate finance.

### Nature-Based Solutions

Building on a number of carbon reduction tactics across its operations, Vertical Bridge is supporting four projects in North America to offset its unavoidable

“Becoming carbon neutral was just a first step toward net zero. We want to continue to lead the way on this issue, both because it’s good for our business but also because it’s just the right thing to do.”

### ALEX GELLMAN

Co-founder and CEO  
Vertical Bridge

carbon emissions. The projects, which reduce and remove greenhouse gases, are focused on nature-based climate solutions and resource recovery.

**Grasslands Portfolio:** Preserves grasslands across Colorado and Montana, locking carbon into the soil and avoiding the emissions from conversion to agriculture

**Seneca Meadows Landfill Gas:** Reduces the environmental impact of landfills through methane capture, electricity generation and wetland enhancement

**Waste-to-Energy:** Converts municipal solid waste in Lee County, Florida, into clean energy, averting the production of landfill-generated methane

gas and displaces use of fossil fuels by generating electricity

**Darkwoods Forest Conservation:** Protects 156,000 acres of boreal forests in British Columbia, Canada, from subdivision, high-impact logging and other environmental threats

*A full-service, communication infrastructure provider, Vertical Bridge REIT, LLC (“Vertical Bridge”) creates tailored solutions for wireless operators, broadcasters and real estate companies.*

# Social

**In the workplace and our community, we strive to provide opportunities for people to connect and thrive.**

We are committed to creating a positive impact for our stakeholders by ensuring that the companies in which we invest have a strong process for integrating social considerations into their business operations.

## Social Issues

- Diversity, Equity and Inclusion
- Employee Engagement
- Workplace Health and Safety, including COVID-19

## Diversity, Equity and Inclusion

We know that diversity is a source of innovation and creativity not only at DigitalBridge but also at our portfolio companies. Employees in diverse workplaces are more likely to feel accepted and valued, which reduces turnover, promotes employee well-being and increases profits. We encourage our portfolio companies to identify and include those groups of people who are underrepresented in their company's industry and relevant geographies and to build an inclusive environment for everyone.

## Employee Engagement

We encourage our companies to measure employee engagement through best practices, such as net promoter scores, and by monitoring voluntary and involuntary leave rates. These practices empower companies to make changes that increase productivity, bring meaning to work and reduce employee turnover.

## Health and Well-being

Our companies prioritized employee health and wellness during the COVID-19 pandemic, taking measures to protect and support employees working remotely and those in the field. Through ongoing reporting, portfolio companies shared with us their employee health, safety and wellness initiatives as well as employee adaptation to remote working.

## Safety

Best-in-class workplace safety practices are non-negotiable. All employees deserve to work in a safe and protected atmosphere. Our companies are expected to maintain strong safety culture and monitor performance against relevant industry standards.

### 2021 GOALS

Increase the diversity of portfolio company boards of directors as well as board candidates

Provide templates to help portfolio companies accelerate implementation of DEI policies and initiatives

Establish regular portfolio company reporting on core safety, employee engagement and DEI metrics

Engage with the SEO Portfolio program to increase the diversity of new hires at portfolio companies in 2022

## Building an Impactful DEI Program

We regularly deliver live, bespoke webinars designed to advance critical company ESG initiatives. More than 90 professionals from 14 of our portfolio companies, including senior leadership teams, participated in our "How to Build a Diversity, Equity and Inclusion Program at a Mid-Sized Enterprise" webinar. Women's empowerment expert Aditi Mohapatra from our partner BSR detailed research on the most effective DEI programs

and described how to build an impactful program at a mid-sized enterprise.



Beyond this training, we are implementing quarterly board reporting on key DEI performance metrics and developing a template our portfolio companies can use to create a DEI policy suited to their business.

## Welcoming Workplaces

Through purposeful actions, our portfolio companies are creating workplaces that embrace and empower people from all backgrounds.

### Beanfield Metroconnect Inclusive Culture

*Installs, owns and operates the largest independent fiber optic network in Toronto and Montreal, connecting more than 2,800 commercial and residential buildings*

- Engaged 175 new employees in core values and skills training through its Story Leaders 2020 small group sessions
- Launched a new anti-oppressive communication training with an outside expert
- Supports staff-run employee resource groups that report to the company's executive-level Diversity Committee

### Scala Data Centers STEM Education

*A hyperscale data center operator delivering world-class services to hyperscale customers, cloud providers and large enterprises across Latin America*

- Funded 28 five-year STEM scholarships in electrical, civil and mechanical engineering for underprivileged students in São Paulo, Brazil
- Investing in growing a data center–specialized workforce
- Launched an innovative internship program for scholarship students to gain hands-on experience and learn from Scala data center experts. The program is based on a job rotation that allows students to work on different areas within Scala.

### Mexico Telecom Partners Advancing Gender Equity

*One of the largest private tower companies in Mexico with a geographically dispersed portfolio; partner to all major carriers in that country*

- Employs 45% female employees and 32% women in leadership/executive roles
- To support further growth in females taking on leadership positions, 82% of the female employees have participated in professional development courses paid for by the company, including Data Centers 101, Ethics and Compliance, Leadership, Quality and Productivity, English and High-Performance
- Offers measures and policies that enable all employees to balance work and personal life

### Zayo Employee Engagement

*Provides mission-critical bandwidth to the world's most impactful companies through a 126,000-mile network in North America and Europe, connecting thousands of buildings and data centers*

- Launched six employee resource groups sponsored by executive leaders to drive collaboration, provide educational opportunities and support community initiatives
- Addresses important cultural topics and events through Community Voices series, including panel discussions and fireside chats
- Supports under-resourced families and veterans with virtual and in-person volunteer activities
- Mentors diverse groups of high school and college students, focusing on business and technology

CASE STUDY

# Vantage Data Centers

## JEDI Principles Unleash a Force

At a time when the Black Lives Matter and #MeToo movements increased the worldwide focus on social inequities, Vantage was already accelerating its efforts to ensure that its employees are comfortable and supported coming to work every day as their authentic selves. To this end, Vantage seeks to uphold four principles—Justice, Equity, Diversity and Inclusivity (JEDI). For Vantage, these JEDI principles differentiate the company and make its team stronger.

In addition to making adjustments to its hiring practices, Vantage is also identifying metrics and measurements for tracking progress in hiring practices and other areas. A new mentorship program will help underrepresented employees succeed in their roles. The company also embraces feedback, soliciting insights on its employee engagement survey regarding employee attitudes on diversity and inclusion. Seeking to drive change across the digital industry, Vantage is looking

“Culture, engagement and innovation all improve when a diverse group is around the table.”

### SUREEL CHOKSI

President and Chief Executive Officer  
Vantage Data Centers

to partner with vendors who share its commitment to similar principles.

In early 2021, Vantage launched a Women’s Leadership Forum to empower, inform and support women, their allies and advocates to promote women’s careers and gender equity in the workplace. Through the forum, women and their allies and advocates exchange information that helps them advance their career and expand the number of women in a male-dominated industry.

Vantage believes that holding to these JEDI principles will help attract stronger talent, leading to better decision-making, heightened employee satisfaction, increased productivity and increased innovation.

### Executive Team Diversity

NORTH AMERICA

EUROPE

People from  
Underrepresented Groups

36% 36%

*Vantage Data Centers (“Vantage”) powers, cools, protects and connects the technology of the world’s well-known hyperscalers, cloud providers and large enterprises in North America and Europe.*

# Governance

Sound corporate governance practices stand at the core of resilient, well-run businesses.

## Governance Commitment

We seek to instill a spirit of integrity and strong governance practices throughout our portfolio companies to guide their interactions with employees and the communities in which they operate.

### Governance Issues

- Corporate Governance
- Foreign Corrupt Practices Act (FCPA), Anti-Bribery and Anti-Corruption
- Privacy, Data Security and Associated Human Rights
- Relationships with Governments and Law Enforcement
- Transparency and Board Reporting

We expect our portfolio companies to establish practices that respect human rights, maintain high ethical standards, provide transparency and engage in frequent stakeholder communication. We have instituted consistent standards of integrity in our portfolio companies, across varying markets, ensuring adherence to the highest levels of ethical conduct. This begins with the establishment of a strong compliance program

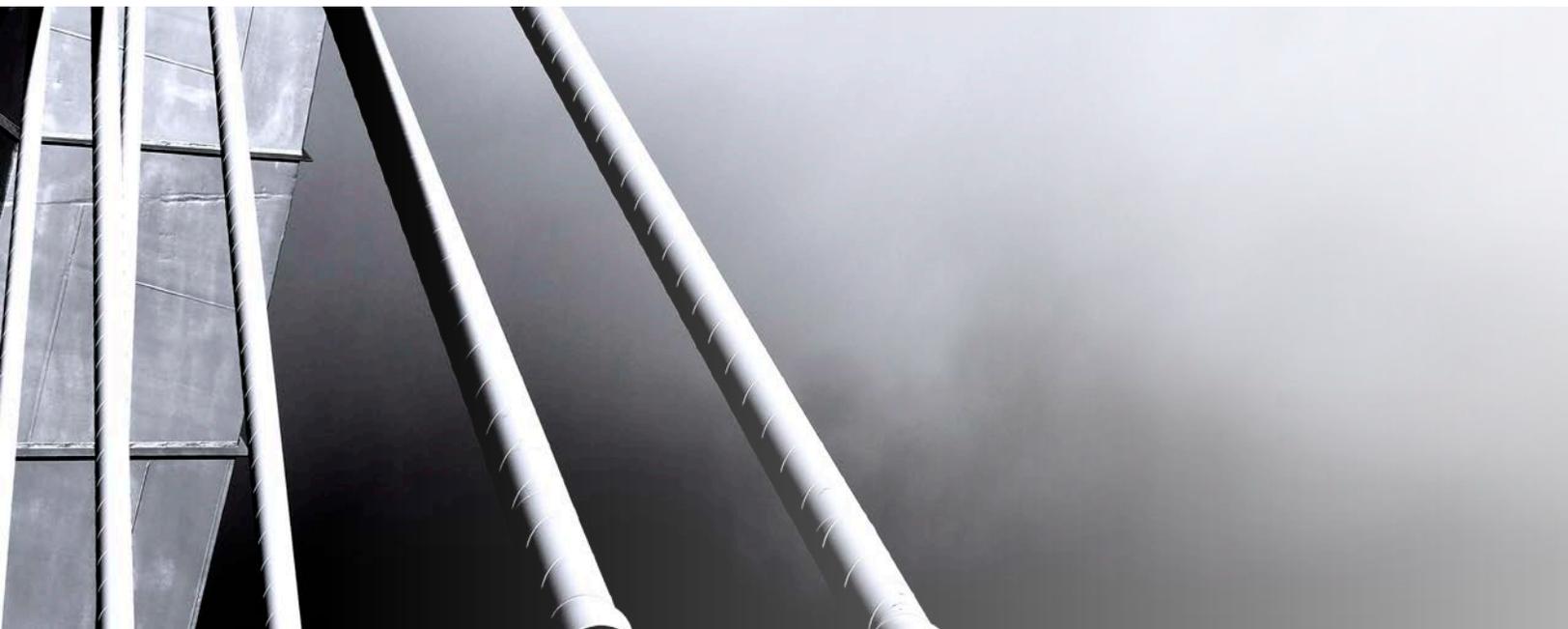
and extends to the expectation that all portfolio companies will establish a whistleblower hotline that provides a protected means for employees and all other company stakeholders to communicate concerns.

Building on these expectations, we recommend that, as applicable, all of our portfolio companies pursue disclosure, reporting and performance improvement in areas that address privacy, data security and associated human rights.

### 2021 GOALS

Support and encourage each portfolio company to maintain or establish a whistleblower hotline that is available for all of the company's stakeholders to submit feedback

Establish regular portfolio company reporting on cybersecurity and service disruption metrics



## The Road to Responsible Growth

Our companies are instituting structures, processes and policies that will support responsible growth.

### Andean Telecom Partners Ethical Culture

*The largest privately owned provider of digital infrastructure in the Andean region, with a portfolio of telecommunications towers, rooftops, small cells and optical fiber networks*

- Annually provides live training, conducted by its external law firm partners, on FCPA, anti-bribery and anti-corruption to all employees, who are required to sign an acknowledgment of the training and their understanding of, and commitment to, these policies
- Operates an anonymous whistleblower hotline, which employees can use at any time to report concerns about FCPA, anti-bribery, anti-corruption and all other matters related to corporate ethics

### Beanfield Metroconnect Data Privacy

*Installs, owns and operates the largest independent fiber optic network in Toronto and Montreal, connecting more than 2,800 commercial and residential buildings*

- Ensures compliance with Canada's Personal Information Protection and Electronic Documents Act through a dedicated privacy officer
- Adheres to policies governing behavioral advertising and protecting user privacy

### Scala Data Centers Value-linked Remuneration

*A hyperscale data center operator delivering services to hyperscaler customers, cloud providers and large enterprises across Latin America*

- In 2020, defined and implemented a comprehensive business KPI program covering all areas of the company, such as finance, operations, human resources, sales, D&I, and employee health and safety
- Deploying a new bonus program, based on qualitative targets and long-term value creation, as well as a long-term incentive program

### Vantage Data Centers Quality Assurance

*Powers, cools, protects and connects the technology of some of the world's well-known hyperscalers, cloud providers and large enterprises in North America and six markets in Europe*

- Holds ISO 27001 certification for its information security management system
- Obtained an SOC 2 Type 2 report from an independent third-party auditor on internal controls for safeguarding customer data
- Implementing ISO 9001, 14001, 45001 and 50001 certifications governing processes and systems for quality assurance, data security, financial controls, occupational health and safety, environmental management and energy management

## CASE STUDY

# Highline

## Combining Growth and Strong Governance

Following our 2019 investment in Highline, DigitalBridge sought to quickly scale the company into a leading independent tower owner and operator company. Since then, we have worked with the Highline management and board of directors to build a best-in-class corporate governance structure that has promoted ethical growth, digital inclusion and sustainability.

### Ensuring Ethical Expansion

Highline completed six mergers and acquisitions in 2020, each of which underwent rigorous due diligence of governance and compliance issues with the guidance of external, world-class advisors. While some tower operators in Brazil may not strictly abide by legal permitting requirements, Highline maintained rigorous discipline to ensure that it purchased only assets with proper permitting or implemented detailed remediation and mitigation plans for any with deficiencies. The Highline board of directors fully supports this approach, even though it sometimes means declining opportunities. The board and management team share a

“TIM’s commitment to expand connectivity in Brazil also means bringing coverage to places that are difficult for electricity and transmission infrastructure to access.”

### MARIO GIRASOLE

VP, Regulatory, Institutional and Press Relations  
TIM

common vision for an ethical approach and continue to build trust in the Highline brand.

### Digital Inclusion and Sustainability

Through a recent partnership with TIM, one of the largest mobile operators in Brazil, Highline is working to provide connectivity to parts of the country with limited access to the power grid. Through their SkyCoverage project, they are promoting digital inclusion to remote villages, many of which rely on subpar telecommunications services.

SkyCoverage is implementing innovative solutions, such as autonomous “unplugged” sites powered by photovoltaic solar panels and connected by satellites. SkyCoverage can advance both digital inclusion

and environmental sustainability, pillars of Brazil’s sustainable development agenda. In addition to providing greater connectivity, the partnership is helping reduce energy use. Highline has already installed hundreds of sites that are providing greater connectivity and which are solar powered.

### Digital Inequality

99%

of smartphone users in Brazil primarily rely on that device to access the Internet

85%

of the poorest population access the network exclusively through a mobile phone\*

*Highline do Brasil (“Highline”) is an independent provider of wireless communication infrastructure to regional operators and all multinational operators in Brazil.*

\* 2020 Survey by the Brazilian Internet Steering Committee (CGI.br)

# RESPONSIBLE CITIZENSHIP

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33 ETHICS AND COMPLIANCE

34 RISK AND RELIABILITY

35 PROTECTING PEOPLE AND DATA

# Ethics and Compliance

A culture of ethics and a commitment to integrity provide the foundation for all our business operations.

We seek to instill a spirit of integrity throughout DigitalBridge as well as our portfolio companies that will guide their interactions with all stakeholders and the communities in which we operate. At DigitalBridge, our employees are guided by a Code of Business Conduct and Ethics, which requires adherence to our own company values as well as established standards such as the Foreign Corrupt Practices Act.

## Training

To promote this ethical culture, we provide our employees various training programs and opportunities to enhance their understanding of responsible behavior and our strict ethical standards. In 2020, some of the topics covered in our mandatory and on-demand training courses included: anti-corruption, conflicts of interest, confidentiality, insider trading, lobbying compliance, and preventing discrimination and harassment. All of our directors, officers and other employees sign an acknowledgment and certification of their understanding of and adherence to our Code of Business Conduct and Ethics when they join the company and annually thereafter.

## Whistleblower Hotline

We provide a variety of ways for all of the company's stakeholders to report existing or potential violations, including a confidential and anonymous whistleblower hotline. Our Complaint Procedures for Accounting and Audit Matters also provides employees or other interested parties with specific guidance on how to report any good faith complaint or concern regarding accounting, internal accounting controls and auditing matters related to the company.

## Compliance

DigitalBridge recognizes the importance of building a culture of compliance. All employees are expected to act with integrity, competence and dignity, and in an ethical manner when dealing with the public, customers, investors, prospects and each other. We communicate our expectations for behavior in various circumstances and provide training and resources on a series of topics such as anti-money laundering, gifts and entertainment, insider trading and related party transactions. This content is available online to all employees.

Our Chief Compliance Officer is responsible for ensuring that DigitalBridge's practices are designed to help prevent and detect violations of the federal securities laws. Management recognizes its duty to supervise the actions of our employees to ensure compliance with DigitalBridge's policies and procedures.

# Risk and Reliability

We maintain a robust system for identifying and managing potential risks to our business.

## Risk Management

In recognition of the importance and relevance of risk oversight, management and controls, DigitalBridge's Board of Directors Audit Committee, composed solely of independent directors, oversees all risks, including ESG and climate-related risks. The committee engages regularly with our Chief Risk Officer, Head of Internal Audit, Audit Committee, Board of Directors and executive management to identify and mitigate risks that might affect our business and stakeholders. A full discussion of risk management is available in our [2020 Annual Report](#).

DigitalBridge's Investment Committee and Executive Team are dedicated to minimizing and managing environmental, social, reputational, governance and climate-related risks throughout the investment life cycle. Risk identification begins during our ESG due diligence process, which broadens our understanding and guides us to consider the ESG risks that are the most material for each business. During asset management, we engage with portfolio company management to monitor and manage these risks.

## Reliability and Resilience

The COVID-19 pandemic triggered unprecedented levels of digital infrastructure usage. In an industry that is essential to keeping society connected and functioning, our companies rose to the challenge as they provided uninterrupted service and met increased internet demand. Our Chief Information Officer oversees a robust ongoing business continuity planning process for DigitalBridge and our portfolio companies. Additionally, the portfolio companies operate diverse and redundant networks to ensure they provide reliable service and minimize any service interruptions.

Throughout the crisis, we closely monitored portfolio company performance by expanding their ESG reporting to encompass relevant COVID-19 response and business continuity actions. We were gratified with our portfolio companies' ability to protect employee well-being, deliver on their commitment to customers and maintain financial performance.

### Portfolio Company Performance Monitored During COVID-19

Employee Engagement	Employee Health, Safety and Wellness Initiatives	General Business Continuity Plans	Cybersecurity Program
Human Resource Management	Employee Adaptation to Remote Working	COVID-19 Impact	Cybersecurity Incidents
Customer Physical Contact	Customer Payments	Vendor Assessment	Business Disruptions

# Protecting People and Data

We are vigilant in safeguarding people's rights and customers' assets.

## Human Rights

DigitalBridge seeks to protect and uphold human rights throughout our business activities. This commitment, which encompasses equal rights for all people, is embedded throughout our culture.

We recognize that human rights extend to digital rights and legal rights that allow individuals to access, use, create and publish digital media or to access and use technology. Thus, we monitor global investor expectations for digital platforms and telecommunications, such as those of the Ranking Digital Rights Corporate Accountability Index. We share this information with our portfolio companies so that they can address key human rights issues of governance, freedom of expression and information, and privacy.

We recommend that, as applicable, all of our portfolio companies pursue disclosure, reporting and performance improvement in areas that address salient human rights. See [page 27](#).

## Data Privacy and Data Security

The customers of our portfolio companies include some of the world's largest companies that provide the social connectivity, online commerce and telecommunications central to modern life. These businesses depend on the facilities of our portfolio companies to safeguard their equipment and protect the privacy of their data.

Our Chief Compliance Officer and Chief Information Officer work in partnership to monitor, assess, analyze and adapt our policies, processes and procedures to comply with all applicable data privacy and data security regulations. They are guided by our internal cybersecurity and data governance policies, which cover all company information and are particularly focused on protecting the personal identifiable information of our employees and stakeholders.

We provide regular employee training that illustrates how to spot suspicious activity and educate our employees on potential data privacy and security risks.

We have taken the following actions to meet the requirements of European Union (EU) General Data Protection Regulation and have obtained EU approval of our Binding Corporate Rules. We have:

- Amended our regulatory compliance policies and procedures
- Conducted data mapping exercises to locate and identify personally identifiable information with the result that we are in compliance with EU Data Protection laws
- Updated and posted new Privacy Policy notices both internally, externally and within our investor portal
- Reviewed and amended third-party contracts for appropriate terms
- Delivered training through an annual in-person or virtual meeting with attendance required for all employees

# APPENDIX

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37 ABOUT THIS REPORT

38 SASB DISCLOSURES



# About This Report

Ongoing disclosures are an essential element of accountability.

We consider timely and transparent communication to our investors and other stakeholders an integral element of responsible investing. This 2020 ESG Report describes our approach, highlights important actions and outlines our strategy for 2021 and beyond.

## Report Boundaries

Published in June 2021, this report contains data as of Dec. 31, 2020, unless otherwise noted. It reflects our activities for calendar year 2020 as well as a number of important activities from 2021. This report was formally reviewed and overseen by our senior management team in collaboration with our ESG Committee. For more information, please visit [DigitalBridge.com](https://www.digitalbridge.com).

Unless this report indicates otherwise or the context otherwise requires, the terms “we,” “our,” “our company,” “the company” or “us” refer to DigitalBridge and our subsidiaries.

## Reporting Guidelines and Content

The content of this report was informed by the Sustainability Accounting Standards Board (SASB) Standards for Real Estate and Telecommunication Services and the Task Force for Climate-related Financial Disclosures (TCFD) framework. In 2020, we engaged with internal stakeholders and conducted a materiality assessment to identify priority ESG issues. The results of this assessment are described on [page 10](#) of this report. The topics covered in this report were defined based on the results of this materiality assessment.

The terms “material” and “materiality” as used in the context of this report and in our materiality assessment relating to this report are different from such terms as used in the context of filings with the Securities and Exchange Commission (SEC). Issues deemed material for purposes of this report may not be considered material for SEC reporting purposes.



# Sustainability Accounting Standards Board (SASB) Index

We seek to provide the consistent, comparable, decision-useful information that investors value.

## SASB Real Estate Accounting Metrics

All data as of Dec. 31, 2020 unless otherwise noted

Real Estate Accounting Metric	Category/ Unit of Measurement	DigitalBridge Response
<b>ENERGY MANAGEMENT</b>		
IF-RE-130a.1 Energy consumption data coverage as a percentage of total floor area, by property subsector	Quantitative/ Percentage (%) by floor area	As a global investment company with investments in infrastructure operating companies, we do not currently aggregate energy consumption at the full portfolio level. However, as part of our Net Zero 2030 commitment, DigitalBridge has required our portfolio companies to calculate and report their greenhouse gas emissions footprint in 2021.
IF-RE-130a.2 (1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity, and (3) percentage renewable, by property subsector	Quantitative/ Gigajoules (GJ) Percent- age (%)	See above.  Some of these metrics are tracked by some portfolio companies with higher energy consumption. See <a href="#">Our Portfolio/Environmental</a> on <a href="#">pages 22 and 23</a> for examples.
IF-RE-130a.3 Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property subsector	Quantitative/ Percentage (%)	See above.  We expect our portfolio companies to begin reporting energy consumption data at the board level in 2022.
IF-RE-130a.4 Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property subsector	Quantitative/ Percentage (%) by floor area	Energy ratings and Energy Star are not applicable for many of our portfolio companies' operations. Our data center investments measure their power usage effectiveness (PUE) and already report that data to their boards of directors, and other companies will begin reporting energy consumption to their boards in 2022. See <a href="#">Vertical Bridge Case Study</a> on <a href="#">page 23</a> for an example.
IF-RE-130a.5 Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and Analysis	DigitalBridge is an investment platform focused on the full spectrum of digital infrastructure, including towers, data centers, fiber and small cells. Building energy management considerations are not applicable to the majority of these assets. See <a href="#">Net Zero 2030</a> on <a href="#">pages 12 and 13</a> for more about DigitalBridge's energy management goals and actions.

**SASB Real Estate Accounting Metrics** (cont.)

All data as of Dec. 31, 2020 unless otherwise noted

Real Estate Accounting Metric	Category/ Unit of Measurement	DigitalBridge Response
<b>WATER MANAGEMENT</b>		
IF-RE-140a.1 Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property subsector	Quantitative/ Percentage (%) by floor area	As water management is not a material consideration for the tower, fiber and small cell companies in which we invest, we do not currently track water withdrawal at the full portfolio level. For our data center investments where the business has identified water consumption to be a material environmental issue, we encourage water consumption KPIs (e.g., water usage effectiveness (WUE)) to be tracked and reported to the board of directors to facilitate management of this issue.
IF-RE-140a.2 1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property subsector	Quantitative/ Thousand cubic meters (m <sup>3</sup> ), Percentage (%)	We advise our portfolio companies to identify, manage, monitor and report their most material environmental issues. Where water resources are included, we would expect the relevant portfolio company to report these metrics at the board level on a quarterly basis. We also advise portfolio companies to assess their physical climate risks, including if any of their locations are in regions with High or Extremely High Baseline Water Stress.
IF-RE-140a.3 Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property subsector	Quantitative/ Percentage (%)	DigitalBridge is an investment platform focused on the full spectrum of digital infrastructure, including towers, data centers, fiber and small cells. Water consumption considerations are not applicable to the majority of these assets. We do not currently track this data across the portfolio.
IF-RE-140a.4 Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	Water management risks are not a material consideration for the tower, fiber and small cell companies in which we invest. However, we require all DigitalBridge portfolio companies to identify company-specific key performance indicators and report them to their boards of directors quarterly. The data center businesses in which we have invested may identify water management as a high-priority ESG issue. In this case, we would expect them to develop and implement water management strategies and practices.
<b>MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS</b>		
IF-RE-410a.1 (1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area, by property subsector	Quantitative/ Percentage (%) by floor area, Square feet (ft <sup>2</sup> )	(1) Our leases do not include cost recovery clauses. (2) Floor area is not a relevant metric for our business.
IF-RE-410a.2 Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property subsector	Quantitative/ Percentage (%) by floor area	This metric is dependent on the business model of the individual operating companies in which DigitalBridge invests. We do not currently track this figure across our portfolio.

**SASB Real Estate Accounting Metrics** (cont.)

All data as of Dec. 31, 2020 unless otherwise noted

Real Estate Accounting Metric	Category/ Unit of Measurement	DigitalBridge Response
<b>MANAGEMENT OF TENANT SUSTAINABILITY IMPACTS</b> (cont.)		
IF-RE-410a.3 Discussion of approach to measuring, incentivizing and improving sustainability impacts of tenants	Discussion and Analysis	DigitalBridge is an investment platform focused on the full spectrum of digital infrastructure, including towers, data centers, fiber and small cells. As the data centers in our portfolio seek to reduce their carbon footprint, some are collaborating with tenants to jointly address their emissions reduction goals.
<b>CLIMATE CHANGE ADAPTATION</b>		
IF-RE-450a.1 Area of properties located in 100-year flood zones, by property subsector	Quantitative/ Square feet (ft <sup>2</sup> )	We do not track this figure, but relevant prospective new investments undergo an assessment of resiliency, including if the chosen location is in a 100-year floodplain, as part of the due diligence process. We advise all current portfolio companies to assess their physical climate risks and have provided a template for them to do so.
IF-RE-450a.2 Description of climate change risk exposure analysis, degree of systematic portfolio exposure and strategies for mitigating risks	Discussion and Analysis	<p>As an active investment manager, we engage with each portfolio company through the ownership period. This includes educating portfolio company management on issues such as climate change risks, providing tools and requiring quarterly reporting on key performance indicators, including those related to climate change and its associated risks. See <a href="#">page 13</a> for more details on our recent training. We recommend that all portfolio companies consider analyzing the exposure and sensitivities of their physical assets to climate risks, depending on the company location and asset type. After conducting an initial assessment, portfolio companies should conduct further investigations on sites that are deemed high risk. Further, we have educated our portfolio companies on both physical and socioeconomic impacts of climate change and recommend that all portfolio companies consider how the socioeconomic impacts of climate change will impact their business. We believe these investigations will yield valuable information that can be used to better understand our risk exposure.</p> <p>As many of our investments have been in our portfolio for less than a year, we have not yet conducted a full analysis of our systemic portfolio exposure. Going forward, we expect to be able to gain a better understanding of our risk exposure as our portfolio companies complete their first full year of quarterly reporting on core and company-specific key performance indicators. See <a href="#">Measuring Performance on page 20</a>.</p> <p>We believe that our Net Zero 2030 commitment will help us reduce climate risks, which are becoming more costly and/or widespread throughout the economy. Also, by considering climate change risks during the due diligence process, DigitalBridge can better understand how to mitigate potential climate-related risks.</p>

**SASB Real Estate Activity Metrics**

All data as of Dec. 31, 2020 unless otherwise noted

Real Estate Activity Metric	Category/ Unit of Measurement	DigitalBridge Response
IF-RE-000.A Number of assets, by property sub-sector	Quantitative/ Number	See About DigitalBridge on <a href="#">page 5</a> .
IF-RE-000.B Leasable floor area, by property sub-sector	Quantitative/ Square feet (ft <sup>2</sup> )	Floor area is not relevant to many of our portfolio companies as we provide access and capacity to our shared communications infrastructure (towers, small cells and fiber).
IF-RE-000.C Percentage of indirectly managed assets, by property subsector	Quantitative/ Percentage (%) by floor area	We do not outsource the management of our assets to third parties.
IF-RE-000.D Average occupancy rate, by property subsector	Quantitative/ Percentage (%)	This data is not relevant to our business model.

**SASB Telecommunication Services Accounting Metrics**

All data as of Dec. 31, 2020 unless otherwise noted

Telecommunication Services Accounting Metric	Category/ Unit of Measurement	DigitalBridge Response
<b>ENVIRONMENTAL FOOTPRINT OF OPERATIONS</b>		
TC-TL-130a.1 (1) Total energy consumed (2) percentage grid electricity (3) percentage renewable	Quantitative/ Gigajoules (GJ), Percent- age (%)	We are asking relevant DigitalBridge portfolio companies to report energy consumption in kW and intensity relative to a company-defined base unit.
<b>DATA PRIVACY</b>		
TC-TL-220a.1 Description of policies and practices relating to behavioral advertising and customer privacy	Discussion and Analysis	Data privacy is a <u>priority ESG issue</u> for both DigitalBridge and our portfolio companies. See <u>Protecting People and Data</u> for information on DigitalBridge's corporate policies and practices regarding customer privacy. See <u>Our Portfolio/Governance</u> for information on data privacy expectations and accomplishments in our portfolio.
TC-TL-220a.2 Number of customers whose information is used for secondary purposes	Quantitative/ Number	To our knowledge, no customer information has been used for secondary purposes. It would be highly unlikely for DigitalBridge to invest in a company where customer information is used for secondary purposes.
TC-TL-220a.3 Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Quantitative/ Reporting Currency	In 2020, DigitalBridge did not incur any monetary losses as a result of legal proceedings associated with customer privacy.

**SASB Telecommunication Services Accounting Metrics** (cont.)

All data as of Dec. 31, 2020 unless otherwise noted

Telecommunication Services Accounting Metric	Category/ Unit of Measurement	DigitalBridge Response
<b>DATA PRIVACY</b> (cont.)		
TC-TL-220a.4 (1) Number of law enforcement requests for customer information, (2) number of customers whose information was requested, (3) percentage resulting in disclosure	Quantitative/ Number, Percentage	(1) None (2) None (3) Not applicable
<b>DATA SECURITY</b>		
TC-TL-230a.1 (1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	Quantitative/ Number, Percentage	DigitalBridge had no material breaches during 2020.
TC-TL-230a.2 Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Discussion and Analysis	See Protecting People and Data on <a href="#">page 33</a> .
<b>PRODUCT END-OF-LIFE MANAGEMENT</b>		
TC-TL-440a.1 (1) Materials recovered through take back programs, percentage of recovered materials that were (2) reused, (3) recycled, and (4) landfilled	Quantitative/ Metric tons (t), Percentage (%)	This disclosure is not relevant to our business as we do not sell physical products.
<b>COMPETITIVE BEHAVIOR &amp; OPEN INTERNET</b>		
TC-TL-520a.1 Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Quantitative/ Reporting Currency	In 2020, DigitalBridge did not experience any monetary losses as a result of legal proceedings associated with regulation governing anticompetitive behavior.
TC-TL-520a.2 Average actual sustained download speed of (1) owned and commercially associated content and (2) nonassociated content	Quantitative/ Megabits per- second (Mbps)	This is not applicable to our business model.
TC-TL-520a.3 Description of risks and opportunities associated with net neutrality, paid peering, zero rating and related practices	Discussion and Analysis	DigitalBridge remains neutral with respect to the repeal of net neutrality. Within our investment portfolio, these issues are managed at the portfolio company level.

**SASB Telecommunication Services Accounting Metrics** (cont.)

All data as of Dec. 31, 2020 unless otherwise noted

Telecommunication Services Accounting Metric	Category/ Unit of Measurement	DigitalBridge Response
<b>MANAGING SYSTEMIC RISKS FROM TECHNOLOGY DISRUPTIONS</b>		
TC-TL-550a.1 (1) System average interruption frequency and (2) customer average interruption duration	Quantitative/ Disruptions per customer, Hours per customer	When relevant, this is tracked and reported at the portfolio company board level.
TC-TL-550a.2 Discussion of systems to provide unimpeded service during service interruptions	Discussion and Analysis	See Risk and Reliability.

**SASB Telecommunication Services Activity Metrics**

All data as of Dec. 31, 2020 unless otherwise noted

Telecommunication Services Activity Metric	Category/ Unit of Measurement	DigitalBridge Response
Number of wireless subscribers	Quantitative/ Number	This is not applicable to our business model.
TC-TL-000.A Number of wireline subscribers	Quantitative/ Number	This is not applicable to our business model.
TC-TL-000.B Number of broadband subscribers	Quantitative/ Number	This is not applicable to our business model.
TC-TL-000.D Network traffic	Quantitative/ Number	This is not applicable to our business model.

# Important Information

This Report is provided by DigitalBridge for informational purposes only and is solely intended to provide an overview of the ESG processes and initiatives of DigitalBridge and certain of its portfolio companies; it is not intended to describe the performance of any investment or company. This Report should not be relied upon for any other purpose. This Report does not constitute an offer to sell, or the solicitation of an offer to buy, any security, product or service, including interests in any investment fund managed by DigitalBridge (the "Funds"). References to portfolio companies are intended to illustrate the application of DigitalBridge's ESG priorities only and should not be viewed as a recommendation of any particular security or company. Any information provided in this Report about past investments is provided solely to exemplify various aspects of previously utilized ESG processes and strategies. Any past performance information provided herein is not indicative nor a guarantee of future returns. Not all ESG metrics are applicable to DigitalBridge or each company, and methodologies for measuring ESG metrics differ across industries and asset classes. While DigitalBridge integrates certain ESG factors into its investment process in accordance with its ESG policy and subject to its fiduciary duty and any applicable legal, regulatory or contractual requirements, there is no guarantee that DigitalBridge's ESG policy will be successful or that it will create a positive ESG impact. In addition, applying ESG factors to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by DigitalBridge, or any judgment exercised by DigitalBridge, reflects the beliefs or values of any particular person or industry participant. There are significant differences in interpretations of what positive ESG characteristics mean by region, industry and issue, and these interpretations are rapidly evolving.

This report contains forward-looking statements, including statements about our goals and expectations regarding our ESG initiatives. Forward-looking

statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as "may," "will," "should," "expects," "intends," "plans," "anticipates," "believes," "estimates," "predicts," or "potential" or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. Due to various risks and uncertainties, actual events or results of the actual performance of DigitalBridge, any Fund and any portfolio company may differ materially from those reflected or contemplated in such forward-looking information. As such, undue reliance should not be placed on such information, and no individual or entity should rely on such information in connection with buying or selling any securities or making or selling any investment.

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