FROST & SULLIVAN

ASCENTY RECEIVES THE 2023
COMPANY OF THE
YEAR AWARD

Identified as best in class in the Brazilian data center services industry

Despite high-growth opportunities, the market faces distinct restraints such as unstable political situations, supply chain constraints, delayed delivery, rising power costs, and skilled labor shortage. To outpace competitors, vendors must identify strategic regional locations to deploy edge facilities and focus on valuable partnerships to expand geographical coverage. Hence, data center service providers must build advisory capabilities to support edge architectures and develop an integrated edge and colocation infrastructure to succeed. Furthermore, Frost & Sullivan analysts recognize environmental sustainability as an influential and crucial priority for government, enterprises, and service providers. Thus, market participants focus on best-in-class data center design and management tools, creating energy-efficient facilities that utilize renewable resources to reduce carbon footprints.

Ascenty: Delivering Quality, Reliability, and Availability

Founded in 2010 and headquartered in São Paulo, Brazil, Ascenty is a leading provider of data center services, offering best-in-class services through advanced technology. Its expansive footprint (spanning 34 data centers in operation or under construction, covering 380,000 square meters, and housing 50,000 racks) requires 495 megawatts of energy.

Ascenty's three-pillar strategy is vital in its colocation offering expansion. First, the company delivers exceptional high-quality infrastructure services to its customers worldwide in strategic locations such as São Paulo, Fortaleza, and Rio de Janeiro. Secondly, Ascenty has refined its connectivity approach, establishing solid and secure connections that guarantee availability and resilience, enabling clients to access major cloud providers like Amazon, Microsoft, Oracle, IBM, and Google. Lastly, Ascenty offers cloud-connect services with various low-latency speed options, meeting customers' connectivity needs and enhancing operational efficiency. As a result, its emphasis on customer satisfaction and superior service performance distinguishes the company from its competitors.

> *"Ascenty maintains its competitive edge by providing reliable services to its customers. Its extensive industry experience gives the company a deep understanding of the market, enabling it to offer clients valuable benefits (e.g., operation expansion to key locations, reduced costs, and improved connectivity). With this focus, Frost & Sullivan expects Ascenty to sustain its leadership in the Brazil data center services market."*
>
> *- Kriti Yadav*
> *Industry Analyst*

Ascenty is carrier-neutral and has access to multiple telecommunications companies, allowing flexibility and cost savings as clients choose the one that best fits their needs. Additionally, customers can utilize a network of over 5,000 kilometers that interconnects the main connection points in Brazil. Its extensive network ensures reliability and redundancy, reducing the risk of downtime or service interruption.

The company's executive team closely monitors emerging market trends and evolving customer demands. One factor contributing to companies' digital transformation in Brazil is the expansion of 5G technology, leading to an increase in data volume and storage. To this end, Ascenty is investing $290 million to build five new data centers in Brazil, Colombia, and Chile to meet the growing demand for data storage.[1] All

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[1] https://www.datacenterdynamics.com/en/news/ascenty-invests-290m-to-construct-five-more-data-centers-in-latin-america/ Accessed May 2023.

five data centers will operate with 100% renewable and carbon-neutral power. Ascenty's under-construction data center, Hortolândia 6, will directly connect to the internet exchange interconnect points in Campinas and São Paulo. This access to interconnected points will streamline provider connections and reduce internet bandwidth consumption as exchanges occur on-site.[2]

Ascenty stands out among data center providers for its affordable cross-connect connectivity. The company is implementing a unique strategy to become Brazil's leading network access point by launching an internet service streaming company to support its data centers. Compared to the high cost of cross-connect in Brazil, Ascenty offers a competitive price for this service. Furthermore, the company has an impressive portfolio of over 200 certifications, including the International Organization for Standardization (ISO) 45001 certification and ISO 14001.

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A Sustainable and Valuable Approach to Data Center Services

According to Frost & Sullivan's research, data center service providers must prioritize sustainability to stay competitive. Thus, service providers should focus on designing energy-efficient data centers that use renewable sources. Ascenty has achieved "carbon neutral" status under the Brazilian Greenhouse Gas Protocol Program for two consecutive years, 2020 and 2021. By reducing its environmental impact, Ascenty saves costs, attracts customers, and boosts its brand reputation.

Ascenty initiates regular enhancements to its services to ensure their optimal performance. The company has undertaken several actions regarding sustainable power generation. For instance, it heavily invested in photovoltaic plants in its data centers, an alternative to conventional energy use, that capture and convert solar radiation into electricity. The solar plant installation benefits Ascenty clients by optimizing electricity costs and improving the data center's energy efficiency. Additionally, the company further reduces operating costs by purchasing energy directly from the free market. In 2022, approximately 94% of Ascenty's electricity consumption came from renewable electricity at the source.

Ascenty's persistent dedication to sustainable power generation shows its commitment to building next-generation data centers and reducing environmental impact.

Building Trust through a Customer-centric Vision

With its customer-centric corporate philosophy, Ascenty operates on the central tenet that its success depends on customer satisfaction. This philosophy permeates the company's daily practices, providing customizable and scalable solutions that fulfill service-level agreements. Ascenty meets with clients to assess their specific needs and develop tailored solutions with roadmaps for seamless execution.

Proven success cases of local customers testify to Ascenty's impressive track record:

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[2] https://ascenty.com/es/interconexion/ix-br-pix-ptt/. Accessed May 2023.

Use Case 1: Vianet Telecom

Vianet Telecom is a telecommunication operator that delivers a wide range of high-speed internet, voice, and fiber optic television services across over 18 cities in the interior of São Paulo State. The client encountered internal infrastructure challenges and required migration and colocation facilities. Ascenty's data center integration with diverse fiber routes to the previous customer site ensured exceptional stability, effortless connectivity, and cost-effective internet protocol traffic for primary content providers, resulting in significant savings.

"We opted for Ascenty because our planning to expand and increase the quality of our services included choosing a data center with the highest reliability, quality and security for installing our backbone equipment and the edge of our connectivity network that supports and feeds the internet, television, telephone and other connectivity and cloud services we offer. We found Ascenty to be the ideal partner, in that it not only met, but exceeded all technical and contingency requirements defined in our scope."

-Marcelo Szeer, Planning Director, Vianet Telecom[3]

Use Case 2: Sicoob Credicitrus

The Credicitrus Credit Cooperative (Sicoob Credicitrus), a financial service provider, faced the challenge of retrofitting its structure and current environment. Ascenty designed a secure solution that met its needs, referred to as Data Center Backup. Such redundancy of records and operations is a measure traditionally adopted by Sicoob Credicitrus, both to protect data and ensure the continuity of its functions without compromising quality.

> *"The company established itself as a trusted partner in clients' digital transformation journey, owing to its industry expertise, next-generation infrastructure, and outstanding services. Frost & Sullivan believes Ascenty is poised to solidify its position as a top provider in the market."*
>
> *- Valentina Barcia*
> *Best Practices Research Analyst*

By partnering with Ascenty, Sicoob Credicitrus maintain a structure colocation with connectivity in a secure location with environment reliability and availability. These benefits have significantly improved Sicoob Credicitrus's IT environment, making it more strategic and better aligned with business needs, in addition to relying on the quality and efficiency sought after. Ascenty offered faster and more efficient problem resolution compared to competitive offerings.

"At Ascenty, we found the possibility of a partnership. Credicitrus likes and actively seeks companies that like to be partners. With Ascenty, we had this partnership from the beginning. Partnership from the outset, demonstrating commitment, capacity and security in offering us this infrastructure. A partnership that welcomed us, showing all their modern and efficient facility, with qualified professionals. We felt secure and assured in taking the chance with this partnership."

-Gesiel Gomes, Credicitrus Technology Manager [4]

Ascenty's customer experience vision places flexibility and agility as central pillars. For the fifth

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[3] https://ascenty.com/en/blog/success-cases/vianet-telecom-5/. Accessed May 2023.
[4] Frost & Sullivan Interview with Ascenty, May 2023.

consecutive year, the company earned an "excellent" Net Promoter Score, falling within the 75-100 point range, demonstrating its dedication to client satisfaction.[5] This foundational approach establishes ongoing customer trust for long-lasting relationships throughout the service lifecycle.

Growth Potential

Ascenty achieved impressive double-digit revenue growth for its global operations in 2022, positioning it firmly for future growth. Moreover, it received significant investments of approximately $1.025 billion to expand its infrastructure in Brazil and Latin America.[6] Additionally, Ascenty has increased its client base by 19% in 2022.

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Conclusion

As data centers are the backbone of the digital economy, enterprises and governments rely heavily on best-in-class data centers and digital infrastructure. As one of the largest colocation providers in Brazil, Ascenty consolidates its leadership, focusing on delivering exceptional infrastructure services, refining its connectivity approach, and offering cloud-connect services with multiple speed options. The company addresses industry challenges (e.g., increased regulation, security, edge infrastructure, and availability) and partners with cloud providers to secure high-availability, low-latency services for its clients, setting it apart from its competitors. Its affordable cross-connect connectivity strategy uniquely contributes to its position as Brazil's leading network access point. Moreover, its extensive certification package follows the highest standards, ensuring business continuity and sustainability while maintaining transparency and upholding best governance practices.

With its strong overall performance, Ascenty earns Frost & Sullivan's 2023 Brazilian Company of the Year Award in the data center services industry.

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[5] https://ascenty.com/en/blog/news-ascenty-en/ascenty-achieves-excellence-in-customer-service-for-the-fifth-consecutive-year%ef%bf%bc/. Accessed May 2023.
[6] https://ascenty.com/en/blog/news-ascenty-en/ascenty-raises-usd-1-025-billion-in-funding-for-investments-to-build-new-data-centers/. Accessed May 2023.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends: Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at http://www.frost.com.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.
Learn more.

Key Impacts:

- **Growth Pipeline:** *Continuous Flow of Growth Opportunities*
- **Growth Strategies:** *Proven Best Practices*
- **Innovation Culture:** *Optimized Customer Experience*
- **ROI & Margin:** *Implementation Excellence*
- **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**