Elea DATA CENTERS

2025 TRANSFORMATIONAL INNOVATION LEADER

Accelerating Innovation to Zero Across the Global Ecosystem

RECOGNIZED FOR BEST PRACTICES IN THE BRAZILIAN DATA CENTER SERVICES INDUSTRY

FROST & SULLIVAN

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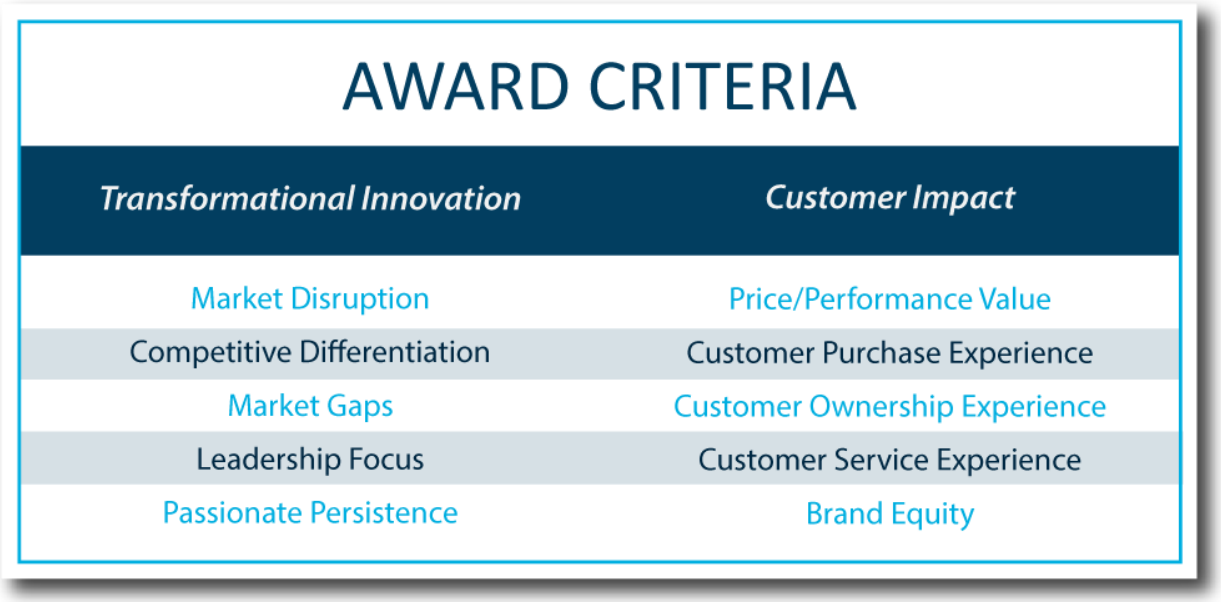
Best Practices Criteria for World-class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each recognition category before determining the final recognition recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Elea Data Centers (Elea) excels in many of the criteria in the data center services space.



The Transformation of the Data Center Services Industry

Innovation to Zero

The data center services industry presents exciting new growth opportunities for service providers leveraging artificial intelligence (AI) and high-performance computing (HPC). In line with the shift toward a net-zero future, many companies struggle with pricing, energy security, pace of change, conflicting priorities, and industry disruption. The primary challenge for today's data centers is striking a balance between transitioning to net zero and meeting current energy demand in the most efficient and sustainable manner possible.

Founded in 2019, Elea provides colocation, interconnection, hosting, and managed services across a strategically distributed platform throughout Brazil, with nine data centers located in five federative units: São Paulo, Rio de Janeiro, Paraná, Rio Grande do Sul, and Brasilia (Federal District). No competitor in the market has a presence in as many states as Elea does. In Brasília, for example, the BSB2 is the only commercial Tier III data center colocation site in operation. Elea has the most extensive geographic distribution in Brazil's most interconnected cities, with direct connections to submarine cable hubs and regional logistics centers. This strategy positions the company close to IT demand while optimizing operating costs through the use of renewable energy sources.

Rio AI City

As AI accelerates, data center providers and hyperscalers are under pressure to deliver unprecedented levels of reliable power, advanced cooling, and computing density. However, grid constraints, soaring energy costs, ultra-low latency demands, data sovereignty regulations, and rising sustainability standards strain traditional infrastructure models. To stay ahead, the industry is transitioning from a hyperscaler mindset to a hyperdense reality, where every watt, rack, and square meter must work more efficiently. Brazil is emerging as a pivotal hub in this transformation, offering both opportunities and complexities.

In 2025, Elea announced the establishment of Rio AI City, a pioneering digital ecosystem to drive AI and cloud computing in the country. The first two sites are expected to deliver 85 MW of energy capacity by 2026. From 2027 to 2032, Elea plans to launch additional sites, aiming to reach a capacity of 1.5 GW, with potential for future expansion to 3.2 GW. The initiative is fully integrated into the city's development strategy, utilizing 100% renewable and certified energy. Hyphen, a global business management consulting company, is responsible for the architectural design and master plan. The project encompasses reforested green spaces and urban gardens, as well as residential, educational, and hospitality hubs, cultural spaces, longevity zones, and startup hubs. Additionally, it features a digital green district dedicated to innovation and clean technologies. This AI hub aims to create more than 10,000 skilled jobs in the first phase and attract billions of dollars in direct and indirect investment. These initiatives will have a significant impact on the population of Rio de Janeiro and contribute to the country's progress. Rio AI City is a pioneer data center hub, scaling AI workloads with high-density colocation services in Brazil.

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>
> ***– Carina Gonçalves, Industry Principal***

First HPC Massive Deal in LATAM

In September 2025, Elea announced it won a bid to build 30 MVA Petrobras Data Center in São Paulo. The R$2.3 billion (approximately US$0.5 billion) 17-year contract represents the largest IT infrastructure initiative ever awarded by a Latin American company. The project involves the development of a high-capacity, 30 megavolt-amperes (MVA) data center with advanced liquid cooling technology. The facility will host Petrobras' supercomputers and process critical scientific data across exploration, research, and reservoir operations, while also supporting AI workloads. Reflecting its commitment to a fair energy transition, Petrobras required the facility to be powered exclusively by renewable energy, positioning this project as a global model for sustainability.

Ultra-Low Latency with Distributed Edge Data Centers

Edge computing pushes intelligence, data processing, analytics, and communication capabilities to where the data originates: at network gateways or endpoints. The goal is to provide ultra-low latency, ensure highly efficient network operation and service delivery, and improve user experience. By extending processing closer to the data source, edge computing enables latency-sensitive computing, offers greater business agility through better control and faster insights, lowers operating expenses, and results in more efficient network bandwidth support. Elea has a distributed and widespread presence across multiple metropolitan cities in Brazil, rather than limiting itself to a few hyperscale campuses in São Paulo and Rio de Janeiro, like its competitors. With a total power capacity of 30 MW, Elea currently operates two data centers in Brasília and two in Porto Alegre, as well as data centers in São Paulo, São Bernardo do Campo, Tamboré, and Curitiba.

The company also allocates significant short- and long-term sustainable investments to increase this capacity and enhance existing IT infrastructure. By 2029, Elea plans to expand power capacity in SPO2 by 80 MW, SPO3 by 30 MW, BSB2 by 5 MW, and RJO1 + RJO2 by 40 MW. By 2031, the company aims to expand its power capacity in SPO2 by 200 MW, SPO3 by 130 MW, BSB2 by 15 MW, and RJO1-RJO4 + Rio AI-driven campus by 325 MW.

Additionally, Elea provides a highly interconnected environment for its customers. Its data center in Rio de Janeiro, for example, hosts more than 50 operators and Globo, one of the world's leading TV broadcasters and a major player in traffic exchange. The two data centers in Brasília are part of the largest commercial data center colocation hub in the country’s central west region, ensuring high availability and security for large banks and government institutions. Elea’s internet traffic exchange in Brasília represents almost 40% of all IX.br traffic in the region, with an average of over 370 Gbps per month, highlighting the company’s success in establishing smaller data centers at the network edge, closer to customers, to enable compelling use cases and optimize application performance.

Zero Energy Waste, Zero Emissions, Zero Waste, and Zero Water Cooling

With the growing need to achieve net-zero targets, data center providers are at the forefront of reducing scope 1 (direct) and scope 2 (indirect) emissions by implementing various emission-reduction technologies, including carbon capture, utilization, and storage (CCUS), and using sensors, drones, and satellite imaging to track methane emissions and take preventive actions. The renewable energy transition will remain a priority for data center companies; however, progress will likely slow as they focus on profitability and energy security. With a growth strategy based on sustainability and efficiency, Elea issued more than $280 million in green debentures between January 2024 and September 2025, its sustainability-linked corporate bonds, which will also provide tax benefits under new government regulations. Unlike many competitors in the market, Elea has firm long-term expansion plans, supported by financial mechanisms linked to its environmental and social commitments.

The company utilizes 100% renewable and certified energy, sourced from hydroelectric, sources, on its sites. It also promotes the recycling of obsolete materials in compliance with Federal Law 12,305. The company also actively participates in global impact initiatives such as the United Nations Global Compact (UNGC) and the iMasons Climate Accord (ICA). For example, Elea targets reducing the average water use

efficiency (WUE) to 0.2 liters per kWh by the end of 2026 and to 0.18 liters per kWh by 2028, by replacing chillers with water-efficient models, collecting rainwater, and utilizing sewage treatment for reuse in selected units. The company is partnering with WEG to ensure a green skin architecture, featuring waterless cooling systems, high-voltage transformers, and a reliable power supply. Elea is also collaborating with Vertiv to pioneer liquid cooling systems to support high-density AI applications. Global partnerships with leading companies ensure continuous innovation and operational efficiency for the company.

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Zero Downtime, Zero Hands with Automation, and Zero Security Breaches

Data center providers recognize that automation technologies can help them become more productive and efficient, while reducing their carbon footprint. Companies can anticipate energy output and demand more effectively using machine learning (ML) and data analytics to efficiently plan their decarbonization initiatives. Clearer visibility into operational processes enables more accurate, data-driven decisions.

In the second quarter of 2024, heavy rains and storms caused widespread flooding in Rio Grande do Sul, southern Brazil, the worst natural disaster in decades. There was a large number of displaced people, severe disruption to infrastructure (including roads, electric supply, and communications), and a considerable human toll, forcing all competitors' data centers in the region to suspend operations. In contrast, Elea's POA1 data center remained fully operational during the floods, providing complete disaster recovery for its other data centers in the region and supporting businesses, hospitals, and government agencies. This demonstrated Elea's resilience in handling critical operations during the disaster.

Elea offers managed services with advanced monitoring, including managed hosting, equipment provisioning, operating system administration, backup, virtualization, information security operations center (SOC), network operations center (NOC), and database administration (DBA). The combined service offering leads to cost optimization and customer attraction, especially with mission-critical applications.

Differentiated Mergers and Acquisitions (M&A) Strategy

Currently, there are nine cloud regions in São Paulo and Rio de Janeiro, with the potential to maximize business resilience for the enterprise and public sectors. Cloud providers are expected to continue investing in the country in the years to come. Brazil can evolve from a hyperscale hub to an AI powerhouse if growth challenges are addressed proactively and public policies support this transformation. Elea has a differentiated growth strategy, combining acquisitions of existing campuses (from telcos, media players, IT players, and enterprises), and focusing on modernizations to increase power capacity and partnerships with public entities (e.g., urban innovation projects). The company has 150 customers, including telcos,

enterprises, internet service providers (ISPs), and cloud providers. This hybrid approach accelerates footprint expansion while maintaining sustainability and cost efficiency.

, Built from telco-density sites, Elea acquired five data centers from Oi, one from TIM, and another from Globo, all of which are ICT companies in Brazil. In 2024, the company continued its M&A strategy with the acquisition of two data centers from DXC, totaling 10 MW of capacity in the state of São Paulo. Elea announced an investment of $1 billion to increase the capacity of these data centers to 100 MW by expanding the existing facilities and adding two new buildings in the area. Most new entrants in the market begin their operations without already functional and profitable operations, having more pressure to bring their facilities up to IT load capacity. Elea has the expertise to select strategic high-density assets, as well as to efficiently and sustainably customize greenfield projects.

Conclusion

Elea's growth strategy is anchored in innovation, scalability, and sustainability, positioning the company as a leader in Brazil's evolving data center landscape. By integrating renewable energy at scale, adopting sustainability-linked financing, and designing resilient Tier III-certified facilities, Elea ensures that expansion aligns with environmental responsibility. Initiatives such as Rio AI City, which will eventually deliver up to 3.2 GW of clean energy-powered capacity, and Petrobras's 30 MVA HPC data center exemplify how the company combines cutting-edge technology with sustainability objectives.

Elea's approach to hyperscale, enterprise and public sector clients emphasizes operational reliability, climate resiliency, and digital transformation, demonstrating that profitable growth and environmental stewardship can advance hand in hand. With a distributed infrastructure in Brazil and investments in larger sites, Elea can support demands ranging from Large enterprise-based companies to Big Techs.

With its strong overall performance, Elea Data Centers earns Frost & Sullivan's 2025 Brazilian Transformational Innovation Leadership Recognition in the data center services industry.

What You Need to Know about the Transformational Innovation Leadership Recognition

Frost & Sullivan's Transformational Innovation Leadership Recognition is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Recognition Analysis

For the Transformational Innovation Leadership Recognition, Frost & Sullivan analysts independently evaluated the criteria listed below.

Transformational Innovation

Market Disruption: Innovative new solutions have a genuine potential to disrupt the market, render current solutions obsolete, and shake up competition

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Market Gaps: Solution satisfies the needs and opportunities that exist between customers' desired outcomes and their current market solutions

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

Passionate Persistence: Tenacity enables the pursuit and achievement of seemingly insurmountable industry obstacles

Customer Impact

Price/Performance Value: Products or services offer the best ROI and superior value compared to similar market offerings

Customer Purchase Experience: Purchase experience with minimal friction and high transparency assures customers that they are buying the optimal solution to address both their needs and constraints

Customer Ownership Excellence: Products and solutions evolve continuously in sync with the customers' own growth journeys, engendering pride of ownership and enhanced customer experience

Customer Service Experience: Customer service is readily accessible and stress-free, and delivered with high quality, high availability, and fast response time

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty, which is regularly measured and confirmed through a high Net Promoter Score®

Best Practices Recognition Analytics Methodology

Inspire the World to Support True Leaders

This long-term process spans 12 months, beginning with the prioritization of the sector. It involves a rigorous approach that includes comprehensive scanning and analytics to identify key best practice trends. A dedicated team of analysts, advisors, coaches, and experts collaborates closely, ensuring thorough review and input. The goal is to maximize the company's long-term value by leveraging unique perspectives to support each Best Practice Recognition and identify meaningful transformation and impact.

		VALUE IMPACT	
STEP		WHAT	WHY
1	**Opportunity Universe**	Identify Sectors with the Greatest Impact on the Global Economy	Value to Economic Development
2	**Transformational Model**	Analyze Strategic Imperatives That Drive Transformation	Understand and Create a Winning Strategy
3	**Ecosystem**	Map Critical Value Chains	Comprehensive Community that Shapes the Sector
4	**Growth Generator**	Data Foundation That Provides Decision Support System	Spark Opportunities and Accelerate Decision-making
5	**Growth Opportunities**	Identify Opportunities Generated by Companies	Drive the Transformation of the Industry
6	**Frost Radar**	Benchmark Companies on Future Growth Potential	Identify Most Powerful Companies to Action
7	**Best Practices**	Identify Companies Achieving Best Practices in All Critical Perspectives	Inspire the World
8	**Companies to Action**	Tell Your Story to the World (BICEP*)	Ecosystem Community Supporting Future Success

*Board of Directors, Investors, Customers, Employees, Partners

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The Growth Pipeline Generator™

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:

- Megatrend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)