



CORPORATE SUSTAINABILITY REPORT 2017

ONE DATA CENTER PROVIDER.
EVERYTHING YOU NEED.







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A MESSAGE FROM OUR CEO

CUSTOMERS. COLLEAGUES. COMMUNITIES.

These three words describe how our business strategy

intertwines with our sustainability practices. Since 2001, CoreSite

has been committed to best-in-class customer experience and value, an engaging, attractive and diverse employment environment, and practices that help our customer communities thrive sustainably. Today, more than 1,350 customers rely on us to

efficiently power, protect, and interconnect the servers that drive their performance-sensitive data applications and computing workloads and deliver their data products to customers.



PAUL E. SZUREK
President, CEO and Director

In 2018, we began to more systematically track and report key sustainability markers. To guide this effort, we identified the issues that matter most to us and our stakeholders. Here, in our first Corporate Sustainability Report, we summarize our journey of being a responsible steward of our business for all our stakeholders.

For CoreSite, corporate responsibility includes building and maintaining these cornerstones:

1. **Energy efficient data centers** with high uptime and high-performance connectivity to enable customers to significantly reduce their overall datacenter footprint and dramatically lower their costs and energy consumption;
2. **A culture of responsibility, transparency, innovation and operational excellence** in which all CoreSite colleagues can experience success and career growth; and
3. **Communities of customers that work seamlessly with each other** to be more effective, efficient, and successful in creating value for their customers in a sustainable manner.

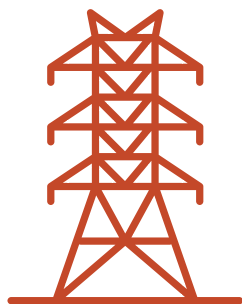
With these thoughts in mind, we strive continuously to be a reliable partner, people centered, and efficiency focused.

RELIABLE PARTNER

We operate in a rapidly expanding industry. In the almost 20 years since the company was founded, connected devices worldwide have increased dramatically, to now over 23 billion. Rapid innovation in the technology sector is making this digital revolution possible, yet consumer expectations adapt just as quickly, if not faster. The norm and expectation today is on-demand, real-time delivery of content. Increased latency, lost power, or a decrease in performance translates into lost business opportunities for our customers and inconvenience or poor service for their customers. They count on us to provide industry-leading reliability and security 24 hours a day, 365 days a year at the edge in almost all of the most populous cities in the U.S. We offer the flexibility of space size and density to accommodate a broad community of interacting customers. Accountability, integrity, flexibility, and creativity drive our ability to deliver a world class customer experience.

PEOPLE CENTERED

When working with us, our customers experience highly capable, customer-focused colleagues and an outstanding culture in which operational excellence prevails. One of our Guiding Principles is fair and equal treatment of all employees. CoreSite is proud to promote a culture of mutual respect and decency, where the rules of behavior apply equally to everyone at all levels of the organization. We are particularly invested in providing opportunities for growth (manifested by our strong track record of promoting from within), ensuring equality of opportunities and compensation, and providing a safe



Data centers are an inherently energy-intensive business, and we are committed to deploying efficient practices for power and cooling throughout our portfolio.

and harassment-free workplace, where employees can openly share their ideas and perspectives, and feel part of a customer-centered team.

EFFICIENCY FOCUSED

Data centers are an inherently energy-intensive business, and continuously improving power efficiency is necessary to offset the growth in demand. We are committed to deploying efficient practices for power and cooling throughout our portfolio. For us, this starts with building efficiency into our new construction projects, constantly evaluating more energy efficient equipment options and designs, and carefully monitoring and improving the energy efficiency of our data centers. We utilize techniques and practices that minimize energy demands without compromising reliability. We also seek the least carbon-intensive generation sources consistent with our customers' economic goals and the options permitted in our markets.

The introspection and review of our progress required to develop this report confirms to me that we are pursuing business success in a responsible and sustainable manner here at CoreSite. A formal Corporate Sustainability program is a continuous quest. I look forward to the road ahead, as we persist in focusing holistically on a broad range of success measures that take into account all our stakeholders.

Sincerely,

Paul E. Szurek



ABOUT CORESITE

CoreSite delivers secure, reliable, high-performance data center and interconnection solutions to a growing customer ecosystem across eight key North American markets. More than 1,350 of the world's leading enterprises, network operators, cloud providers and supporting service providers choose CoreSite to connect, protect and optimize their performance-sensitive data, applications and computing workloads. Our scalable, flexible solutions and dedicated employees consistently deliver quality data center experiences and create best-in-class lasting relationships.



27K

INTERCONNECTIONS
ACROSS OUR PORTFOLIO

**OUR CUSTOMERS HAVE
ACCESS TO OVER**



450

TELECOM CARRIERS
& ISPS



325

CLOUD & IT
SERVICE PROVIDERS

A HISTORY TO BUILD UPON

CoreSite Realty Corporation started in 2001 as CRG West, a portfolio company of The Carlyle Group. In 2009, CRG West rebranded as CoreSite—a name more indicative of the company's nationwide capabilities, edge-market importance, and mission-critical reliability. In 2010, CoreSite became publicly traded on the New York Stock Exchange (NYSE: COR). Today, CoreSite has twenty-two operational data centers in eight major communications markets across the United States—a portfolio totaling more than 4.1 million net rentable square feet of existing or potential data center space.

SOLUTIONS

We offer cloud-enabled, network-rich data center campuses with over 27,000 interconnections across our portfolio. Our customers have direct access to over 450 telecommunications carriers and Internet Service Providers and over 325 leading cloud and IT service providers. In addition to standard interconnection offerings, we also operate the Any2Exchange®, the second-largest peering exchange in the United States, and the CoreSite Open Cloud Exchange®. Our diverse network and cloud connectivity options at our data centers provide an ideal environment for enterprises to build holistic, streamlined hybrid cloud solutions. By enabling customers to work together securely and reliably, we promote and enable their use of shared infrastructure which reduces their collective data center footprint.

For more information about our solutions, visit:
coresite.com/solutions

FINANCIAL PERFORMANCE

We believe that financial stability and transparent disclosures of our performance instill trust and confidence with our customers. Selected financial data from the year 2017 can be found beginning on page 43 of our [2017 Form 10-K](#).



SUSTAINABILITY AT CORESITE

VALUES AND MISSION

CoreSite's mission is to enable businesses to connect, protect, and maintain optimal performance and continued operation of mission critical data and infrastructure. Our vision is to be the preferred data center company with which customers desire to do business in our markets.

Our way of doing business is driven by our commitment to our customers and to each other; and being innovative and diligent in our commitment to deliver an exceptional customer experience in every aspect of our business. Our people receive the company support they need to focus on providing our customers with data center solutions that meet their individual business needs and deliver industry-leading customer satisfaction.

Achieving our aspirations is possible because of our Guiding Principles.

- Accountability and Integrity
- Commitment to the Customer
- Commitment to Each Other
- Professionalism & Teamwork
- Fair and Equal Treatment
- Innovation & Improvement
- Hard Work
- Have Fun

THE SUCCESS OF OUR COMPANY IS ROOTED IN STRONG CORPORATE GOVERNANCE

Our [Corporate Governance Guidelines](#) detail the roles, responsibilities, and expectations we have for our Board. These include:

- Board size and responsibilities
- Separation of the Chairman and Chief Executive Officer roles
- Board independence and selection of a Lead Independent Director
- Qualifications for directors and director selection process
- Compensation and stock ownership
- Careful restrictions on conflicts of interest
- Board meeting and attendance policies
- Director orientation and continuing education
- Board committees
- Director access to management and independent advisors
- Management evaluation and succession planning
- Annual performance evaluation of the board
- Board interaction with institutional investors, the press, customers, and others, when requested



Our Board of Directors has three standing committees:

- Audit Committee
- Compensation Committee
- Nominating/Corporate Governance Committee

GOVERNANCE

We are committed to the highest ethical standards. Our [Code of Business Conduct and Ethics](#) sets forth legal and ethical standards of conduct for directors, officers, and employees of the company, including our Chief Executive Officer and senior executive officers, and other individuals performing similar functions. This Code is designed to deter wrongdoing and promote business conduct that aligns with high standards of integrity and compliance with all applicable laws and regulations. Our Core Values work in conjunction with the principles outlined in the Code, and ultimately foster a corporate culture with a strong commitment to diligent work and high ethical standards.

The governance of CoreSite is also led by key policies, such as our [Corporate Governance Guidelines](#), [Insider Trading Policy](#), a [Whistleblower Policy](#), and a [Fair Disclosure Policy](#).

MATERIAL TOPICS

To guide our sustainability efforts both internally for employees and externally for customers, we refer to a set of material topics that reflect key business objectives and sustainability goals. In 2018, we conducted an assessment to determine which topics form the basis of our ability to create long-term value, hold the greatest interest for our stakeholders, and represent our highest-potential impacts. The resulting material topics (and corresponding subtopics) reflect the top priorities for CoreSite and its stakeholders and serve as the foundation of our sustainability program and business goals.

STAKEHOLDERS

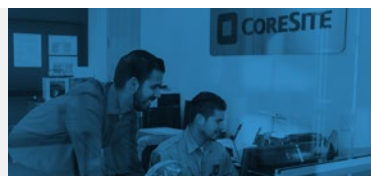
To support our business success, governance, and commitment to ethical behavior, we engage with key stakeholders who are pivotal to our work and success. Our primary stakeholders are customers, employees, shareholders, vendors, business relationships, and the communities where we operate. Our selection of stakeholders is based on the extent to which each group has interest in, or impacts, CoreSite's economic, ecological, and social performance. These stakeholders therefore play a role in how we conduct business, how we satisfy our customers, and how we influence areas surrounding our operations.

Our primary stakeholders are customers, employees, shareholders, vendors, business relationships, and the communities where we operate.

To engage with these groups, we develop active relationships that foster communication and collaboration. For example, we maintain an open dialogue through regular communication with our material customers in quarterly business reviews.

CORESITE'S MATERIAL TOPICS:

- Financial Performance
- Business Ethics
- Customer Experience
- Risk, Resilience, and Business Continuity
- Employees
- Efficient Building Infrastructure and Construction
- Energy and Greenhouse Gas Emissions
- Water Use



Additionally, we solicit broad-based feedback via systematic customer satisfaction surveys. Employee engagement surveys help us glean valuable feedback from our employees. We also engage with our shareholders through annual meetings, our investor relations department, investor outreach efforts and selected interactions with interested parties.

OUR APPROACH TO SUSTAINABILITY

This is our first iteration of formally reporting on sustainability at CoreSite. With this report, we are disclosing performance data regarding the issues that we have determined to be material to our company. Management of these issues is discussed in each section where relevant. This includes a disclosure of formal management and goal-setting processes where they exist. Moving forward, we will use this exercise as the foundation upon which to expand our programs where needed and strengthen our internal processes.



A close-up photograph of a person's hand plugging a yellow Ethernet cable with a blue RJ45 connector into a port on a black network switch. The switch has several other ports and two green indicator lights labeled 'Pwr' and 'Active' are visible in the lower right. The background is blurred.

RELIABLE PARTNER

Reliability is the backbone of all we do. It is ingrained throughout our organization. We are committed to the highest standards of business ethics. Our risk management processes and business continuity plans are designed to ensure that CoreSite is performing effectively now and in the future. Our customers depend on us to safeguard their IT equipment and to protect against incidents that could impair their operations and against physical security breaches. Working with CoreSite means an industry-leading customer experience provided by a team that goes above and beyond to exceed our customers' expectations.



We take seriously our responsibility to investigate and, if required, report any violations of business ethics.

BUSINESS ETHICS

We are also committed to being a partner our stakeholders trust—trusted to do the right thing, to be honest, and to do our best for our customers. This pledge to operate according to the highest ethical standards has been an important value since our inception and extends throughout our entire organization.

Several central policies and guidelines embody this commitment and clearly delineate what we expect of our employees, including our senior management team. These include:

- [Our Corporate Governance Guidelines](#)
- A comprehensive [Code of Business Conduct and Ethics](#)
- An [Insider Trading Policy](#)

Our sales compensation programs are reviewed annually to minimize improper incentives and improve sales productivity without encouraging unethical conduct.

MANAGEMENT APPROACH

Business Ethics are overseen by our Legal and Human Resources departments, with particular focus by the Vice President of Audit, Risk and Compliance, who also acts as Compliance Officer. He provides an Ethics report to the Audit Committee on an annual basis. We also evaluate Business Ethics in our annual Enterprise Risk Assessment Survey. Business Ethics is consistently rated by CoreSite employees, senior management, and the Board among the lowest areas of risk.

We take seriously our responsibility to investigate and, if required, report any violations of business ethics. This relates to corporate reporting and disclosure, accounting and auditing controls and procedures, securities law compliance, other matters pertaining to fraud against shareholders, and any other violations

of federal, state, or local law. Our [Whistleblower Policy](#) governs the process through which employees and others, either directly or anonymously, can notify CoreSite's senior management and Audit Committee of potential violations or concerns.

To ensure our policies are understood by everyone in our organization, all employees are required to complete an Ethics course within 90 days of their start date and thereafter on an annual basis. In addition, a Foreign Corrupt Practice Act (FCPA) course is mandatory for all employees working with international customers.

In 2017, CoreSite did not receive any reports of employee non-compliance with laws or regulations related to corruption.

CUSTOMER EXPERIENCE

Our mission is to provide our customers a robust and scalable data center solution that enables their business and fuels the growth of their organization. Along with the technical factors of reliability, safety, ability to grow, and proximity to local metro-markets of our data centers, our value proposition is our customer service. We consider our customers part of the CoreSite community. As we grow with them, we are building relationships that last. CoreSite offers a purpose-built solution to address the unique business needs of our customers. We believe our staff delivers best-in-class service by carefully focusing on the planning, implementation, and operating requirements of our customers. Additionally, we provide dedicated resources to facilitate customer onboarding. Our sales and engineering professionals develop complex data center solutions for the most demanding customer requirements; and our experienced operations and facilities personnel are available for extensive operational support. We consistently review and

DATA CENTER COMPLIANCE

CoreSite data center controls assist our customers in meeting a wide variety of regulatory requirements. Our certifications include:

- SOC 1 Type 2 and SOC 2 Type 2
- PCI DSS
- ISO 27001
- HIPAA Compliance

For more information, visit:

coresite.com/data-centers/data-center-design/compliance



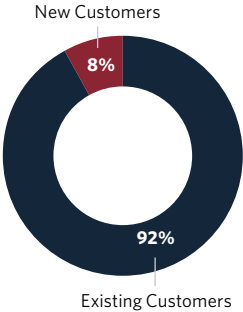
We consider our customers part of the CoreSite community. As we grow with them, we are building relationships that last.

MANAGEMENT
APPROACH

The Vice Presidents of Client Services, Marketing, and Data Center Operations oversee the management of CoreSite’s Customer Experience. Their teams collaborate with the Sales and Sales Engineering departments in providing best-in-class customer service.

We review our retention and churn rates, as well as several other key performance indicators, on a regular basis. We conduct various customer satisfaction surveys and periodically hold key customer advisory meetings to discuss overall strategy and areas for improvement. In short, we are constantly working to improve the customer experience.

2017 Leasing Volume



improve the resiliency of our power, cooling and security infrastructure. We pride ourselves in being proactive, responsive, and trustworthy, and our employees often become integral and valued parts of our customers’ teams. This allows our customers to focus on strategy and not worry about the data center environment negatively affecting their business.

We believe our customer satisfaction is evident in the 92% of CoreSite’s 2017 new and expansion leasing volume that came from existing customers. Our churn rate was only 5.5% in 2017.

RISK, RESILIENCE, AND BUSINESS CONTINUITY

Like any other business, we face risks. At CoreSite, we regularly monitor our risk landscape through a rigorous risk management process and maintain, and drill for, risk response plans for industry-related scenarios. To protect our own and our customers’ infrastructure and operations, we equip our data centers with redundant power and cooling systems and maintain and upgrade these systems proactively, guided by digitized notification and tracking of preventative and detective maintenance. We work diligently to be prepared for various contingencies.

Our customers’ IT equipment and data are protected from any physical intrusion by state-of-the-art security

systems. Any cyber security threats to CoreSite's own IT environment are met with ISO 27001-certified controls. In the case of an emergency, such as a severe weather event, we respond through our carefully designed Business Continuity and Disaster Recovery Plans and our commitment to operational excellence.

RISK MANAGEMENT

To maintain CoreSite's reputation as a trusted and diligent data center provider, we have implemented a comprehensive Enterprise Risk Management (ERM) system. Each year, we develop an ERM survey to better identify and understand risks. Directors and employees representing a cross-section of functions and management levels, including the Audit Committee, rank risks according to impact (inherent risk) and our vulnerability (mitigated risk). CoreSite's Risk Intelligence Steering Committee, Senior Management Team, and Audit Committee all review the survey results, assign risk owners and track responses. The Audit Committee then reports on the ERM process to our board of directors.

ERM

To maintain CoreSite's reputation as a trusted and diligent data center provider, we have implemented a comprehensive Enterprise Risk Management (ERM) system.

The Enterprise Risk Management process is managed by the Vice President of Internal Audit, Risk and Compliance with assistance of the Risk Intelligence Steering Committee. The Vice President reports to the Audit committee on a regular basis. The ERM survey is conducted annually. Our year-over-year monitoring has resulted in a deeper understanding of our risks. We also track risk through RACI charts, risk and performance metrics, and are working to further increase efficiency through automation and predictive analytics.

**MANAGEMENT
APPROACH**

Additional risk assessments can occur in almost all areas, including as part of Sarbanes-Oxley compliance, IT Information Security, certifications such as the International Organization for Standardization's ISO 27000 certification, regular management reviews,



Power loss, equipment failures, fire, water damage, and extreme weather events are a risk for any business.

teamwork between departments, internal audit of data center operations, tracking of operational key performance indicators and in the context of insurance procurement.

OPERATIONAL RESILIENCE

We invest time, energy, and resources into building a secure, redundant, and resilient nationwide infrastructure that can endure various contingencies and operate seamlessly and continuously without interruption to our customers’ data storage and transmission needs.

It is critical that we protect our customers’ equipment against any form of physical disruption. Power loss, equipment failures, fire, water damage, and extreme weather events are a risk for any business. Our job is to minimize such risks at our data centers, and to secure uninterrupted operation and protection of assets at all our sites. Our training programs and procedures contribute to well-rounded employees who maintain security, reliability, and high performance of our data centers, and who can respond quickly to events.

**MANAGEMENT
APPROACH**

The Data Center Operations department is responsible for managing operational resilience. They conduct quarterly physical maintenance and safety exercises and monthly “table top” exercises. Our maintenance Standard Operating Procedures are reviewed annually. We have developed a risk matrix which guides our regular drill programs. All incidents are analyzed to ensure continuous improvement of our management approach.

As part of our continuous effort to achieve paramount resiliency, redundancy, and efficiency, we added two new chillers to our VA2 data center in 2017, replaced mechanical and control systems at the Silicon Valley Campus, and increased controller redundancy at a chiller plant at our VA1 data center to enhance mechanical resilience and guard against cooling system failures.



PHYSICAL AND INFORMATION SECURITY

Security is a major concern for most organizations, and CoreSite takes data protection and privacy very seriously. As a colocation service provider, we have no access to the data on our customers' servers, systems, or networks. We do not directly process, manage or store any of our customers' data. However, we undertake comprehensive measures to maintain the physical security of our customers' IT infrastructure colocated within our facilities. Our data centers are equipped with perimeter fencing, access trap entries, IP-DVR cameras, biometrics, and keycard scanners. Our highly trained data center professionals are on-site 24/7/365 and are supported by best-in-class processes and procedures and cutting-edge technology.

To identify cyber risks concerning our own internal systems and to implement controls, we follow best practices of the CIS Critical Security Control and



For more information about CoreSite's IT security, visit: coresite.com/data-centers/data-center-design/security

National Institute of Standards and Technology, including external and internal scanning with network and system segregation. We monitor issues and threats on a 24/7 basis for escalation to our security and operations teams. Attempted intrusions, malware, or other security issues are dealt with immediately through the Information Security program. Our policies and procedures are backed by the ISO 27001 certification—one of the most stringent certifications for information security controls. This certification confirms our systems detect and defend against potential data system vulnerabilities. For more on all our data center certifications, visit: coresite.com/data-centers/data-center-design/compliance

MANAGEMENT APPROACH

Our Vice President of Information Technology and Digitization oversees Information Security at CoreSite and reports directly to our Chief Executive Officer. Information Security is managed by the Director of Information Security and IT Operations in coordination with the Vice President of Internal Audit, Risk and Compliance and the Crisis Management Team. CoreSite engages annually in a third-party risk assessment of our business processes, risks, and controls. We also conduct annual penetration testing and computer security incident tabletop exercises to test, validate, and update our incident procedures. In addition, CoreSite undergoes regular compliance and certification audits.

A Privacy and Information Security course is part of our onboarding training and must be retaken annually by every employee. Additionally, our employees are periodically sent simulated phishing emails to test and enhance our employee's security awareness.

BUSINESS CONTINUITY PLANNING

As a data center company, business continuity and disaster recovery are central to our operations and to our commitment to our customers. We recognize the importance of being prepared for the unforeseen. To address both man-made and natural disasters, we have

The BCP and DRPs are overseen by the Crisis Management Team (CMT), which is responsible for the operation of the plans, including notification of employees and external parties. Functional team leads monitor business units and assist the CMT. CoreSite updates and tests these plans on at least an annual basis. The BCP is part of our ISO 27001 certification, which requires annual validation of our BCP and DRP processes.

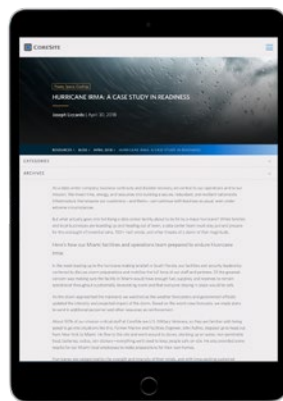
MANAGEMENT APPROACH

2017 CUSTOMER UPTIME AVAILABILITY

>99.99999%

implemented a comprehensive Business Continuity Plan (BCP) for our corporate operations. In addition, we have unique Disaster Recovery Plans (DRPs) for each of our data centers with guidance for employees and customers specific to each location. Our Information Technology systems are designed so that individual data centers can continue to independently operate, regardless of an interruption of services at CoreSite headquarters or other individual locations.

CoreSite's guarantee is 100% SLA uptime availability, which can be a tall order. In 2017, our DRPs were put to the test when Hurricane Irma impacted Miami, Florida. The storm resulted in widespread wind and flood damage, and tens of thousands of customers lost power. With meticulous preparations, continual training, and commitment to operational excellence, the MI1 facility in Miami weathered Hurricane Irma with no damage to the site other than some minor water intrusion. We maintained continuous operation despite a five-day utility outage.



For more information on our response to Hurricane Irma, [visit our blog](#).



PEOPLE CENTERED

COLLEAGUES

The most successful companies enjoy the full commitment and engagement of their employees. By this measure, CoreSite is thriving. Through leveraging the power of technology, our team of colleagues helps drive our company and customers forward in a responsible, ethical, and thoughtful manner. By fully embracing this mission, CoreSite employees have made us much more than just another data center company.



465

EMPLOYEES

Responsibility for Human Resource Management lies with our Human Resources department, whose Vice President reports directly to the SVP & General Counsel. People managers across all departments are responsible for executing our management approach.

We review human capital metrics on a quarterly basis with the Compensation Committee. In 2017, we started establishing baseline metrics for multiple diversity categories and will continue improving our metrics in 2018. Bias assessments in 2017 concluded that there was no evidence that any groups were treated unfairly.

MANAGEMENT APPROACH



Our employees are the core of who we are. Their abilities and dedication allow us to deliver an exceptional customer experience and superior professional services. In return, we ensure that all our colleagues enjoy best-in-class training and professional development opportunities, a safe and harassment-free workplace, and competitive employment benefits. In 2017, CoreSite was once again recognized by our employees as one of the Top Workplaces in Colorado.

CoreSite's eight Guiding Principles for employees.

Our guiding principles equip current and future colleagues with a clear road map to our culture and workplace experience.

81%
RETENTION RATE

31%
HIRING RATE

TALENT RECRUITMENT AND RETENTION

CoreSite operates in a highly competitive industry and attracting and retaining talent are crucial for our success. In 2017, all 113 people managers went through a 16-hour live training, entitled *COR Impact: A Leader's Journey*, on the seven modules of our employee life cycle:

- Culture
- Employee Value Proposition & Diversity and Inclusion (Attract)
- Talent Acquisition (Recruit)
- Integration & Building Effective Teams (On-Board)
- Performance Management (Develop)
- Recognition & Total Rewards (Retain)
- Employment Law & Compliance (Separate).



VETERANS AT CORESITE

We value those who served our country through military service.

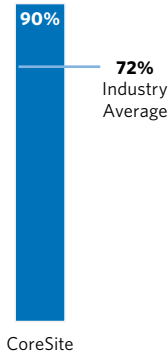
Veterans also bring personal values, skills and experiences to the table that suit them well for many of our positions. In facility management and operations disciplined process is especially revered, regular testing is imperative and disaster preparedness is compulsory. Through their military training, veterans are accustomed to following and documenting rigid protocols and chains of command. They have leadership skills and are able to adjust to sudden change with swift resolution. Often, they even have the technical background needed to understand the myriad of parts and components that make up a data center.

In 2017, the percentage of self-identified veterans in our workforce was 13.6%, and a significant portion of our mission-critical roles were filled with former military professionals.

BENEFITS

Our comprehensive benefits include medical, dental, and vision coverage options at very competitive premiums. Standard levels of life, short-term, and long-term disability insurance are fully paid by the company. We also offer a wellness program with annual participation incentives. In 2017, 90% of our employees participated in our 401(k)-retirement savings plan versus a peer group average of 72%. In addition, our annual automatic employee deferral increase program improved our average deferral election from 3.67% in 2015, to 4.24% and 4.87% in 2016 and 2017 respectively. Our contribution to the 401(k) plan is 3%, and we are planning to increase it to 4% in 2019. For more information on our paid volunteer day of service, see our section on Philanthropy and Community Engagement.

Employee
Participation in
401(k)-Retirement
Savings Plan



WORKPLACE SAFETY

We are proud of our strong workplace safety record. In 2017, our lost day rate was 0.011% and our Days Away/Restricted or Job Transfer Rate (DART) Rate was 0.036%.



.011%

LOST DAY RATE*

.036%

DART RATE*

0

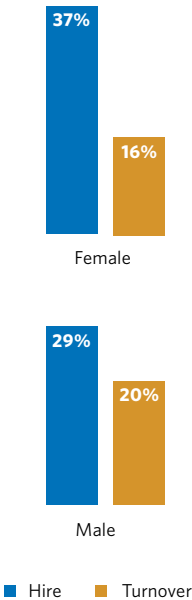
FATALITIES

*Calculated as number of days lost due to work-related injuries or disease divided by the total days worked by the workforce in 2017. For this calculation, total headcount was considered (465) and average number of days worked as 250 per employee. The Lost Day Rate only considers days away from work, while the DART Rate (Days Away/Restricted or Job Transfer Rate) also includes days employees had to transfer to a different job within the company due to a work-related injury or illness.



In 2017 there were no formal complaints of discrimination.

Hire and Turnover Rates* by Gender



DIVERSITY, EQUAL OPPORTUNITY, AND NON-DISCRIMINATION

CoreSite is big enough to make a difference in the global technology economy, but small enough that each member of our team can have an impact. We're a team of people who bring an assortment of experiences, cultures, and skills to our daily work. At CoreSite we know that a diverse talent base drives collaboration and effectiveness, spurs innovation, and accelerates growth. We are proud to be a company that promotes a culture of mutual respect and decency, where the rules of behavior apply equally to all employees and at all levels of the organization. Essential to those elements of our culture is having a harassment free workplace. We do not tolerate discrimination and prohibit harassment in any form based on race, color, gender, religion, nationality, pregnancy, age, sexual orientation, medical condition, veteran status, or any other consideration made unlawful by federal, state, or local laws. Our Equal Employment Opportunity/ Harassment Policy applies to all employees, including senior executives, as well as third-party non-employees such as customers and vendors. Each employee at CoreSite is required to complete a Workplace Harassment Preventions course annually to understand CoreSite's policies and expectations and learn how to identify, report, and prevent harassment. We have promulgated to all employees, a duty to report any observed harassment so that harassment victims do not bear the entire burden of reporting harassment. We also conduct various analyses throughout the year to test for discriminatory or unconscious bias in our hires, terminations, promotions, or performance and pay decisions. Our non-discrimination and harassment guidelines are made available to all employees in our Code of Ethics.

*Hire rates: number of Joiners (f or m)/ number of employees (f or m) at the beginning of the year
Turnover rates: number of leavers (f or m)/ number of employees (f or m) at the end of the year

2017	Female	Male
Total Workforce	24%	76%
Governance	24%	76%
Board	29%	71%
Organizational Leader	21%	79%
Advanced Professional	19%	81%
Professional Manager	32%	68%
Support	21%	79%



100%

OF EMPLOYEES

received regular performance and career development reviews

33

HOURS

of training per employee on average in 2017

PROFESSIONAL DEVELOPMENT AND TRAINING

We believe that training and professional development opportunities are among the most valuable benefits we can offer our employees. Moreover, a highly skilled and trained workforce allows us to deliver exceptional service and customer experience in a fast-changing and expanding industry. New employees must take several online training courses within 90 days of their start date, followed by more intensive training relevant to their daily tasks, goals, and responsibilities. Our employees received 33 hours of training on average in 2017. In addition, we provide regular performance and career development reviews to our entire workforce.

PHILANTHROPY AND COMMUNITY ENGAGEMENT

Every year on 9/11, CoreSite hosts a day of service to remember our fallen heroes and to give back to our communities. In 2017, 105 employees from our Denver headquarters participated in one of three events benefiting the following charities serving the local community: Ronald McDonald House; Brothers Redevelopment; and Food Bank of the Rockies.



CoreSite employees cooked and served lunch for families of hospitalized children in a Ronald McDonald House, and cleaned and sanitized the facility. Another





group completed yard work and painted the outside of a home for a senior in need of assistance through Brothers Redevelopment. Lastly, volunteers helped the Food Bank of the Rockies organize donations, compile food orders, and packed boxes for the USDA's Commodity Supplemental Food Program.

In 2017, CoreSite employees also geared up with the Denver based American Transplant Foundation to participate in the Elephant Rock Ride in Castle Rock, Colorado. This cycling event is both scenic and challenging, with distances ranging from an 8 mile family ride to both metric and imperial century rides (62 miles and 100 miles, respectively) through the foothills of Colorado. Funds raised by the CoreSite team went towards the American Transplant Foundation's mission to save lives by reducing the growing list of women, men, and children who are waiting for a transplant.



105

DENVER EMPLOYEES

participated in our 2017
paid day-of-service

661

HOURS

of paid volunteer service



EFFICIENCY FOCUSED

We are proud to be a leading provider of secure, reliable, and efficient data centers—efficient for our customers, for CoreSite, and for the environment. As an energy-intensive business, we believe that efficiency begins with a facility design that features state-of-the-art systems that help us reduce our environmental impact. We also began procuring renewable energy and the process of utilizing fuel cells in 2017 and are committed to continuing this practice into the future. Our commitment to energy efficiency extends to our headquarters location which is Leadership in Environmental Design (LEED) Gold and Energy Star Labeled.

BUILDING INFRASTRUCTURE AND CONSTRUCTION

We strive to build industry-leading, energy efficient data centers. In designing new buildings, we seek to include aspects of the LEED and Energy Star standards. For example, one of our Santa Clara, California data centers achieved LEED Gold Certification.



A critical component of our approach to data center efficiency is optimal power and cooling designs. In-house engineers and solutions architects drive the design of CoreSite's facilities using the latest technologies and consider the local geographic climates in order to take full advantage of dry, humid, cold or hot environments.



CoreSite's Engineering, Construction and Facilities Management departments are responsible for managing this important area. They consistently seek economically feasible and energy efficient designs that increase our overall competitiveness. The success of initiatives is evaluated through the tracking of achieved Power Usage Effectiveness (PUE) of our facilities.

MANAGEMENT APPROACH

Air-Side Economization: In geographies with suitable temperature and humidity conditions, air-side economizers pull colder outside air into the facility for cooling purposes, rather than using recirculated mechanically-cooled air from inside the data center.

Water-Side Economizers: These utilize the evaporative cooling capacity of a cooling tower to produce chilled water during colder months, rather than utilizing chillers.

Hot/Cold Aisle Containment: CoreSite deploys cabinet lineups in hot- and cold-aisle configurations so that hot exhaust air and cold intake air remain isolated from one another.



MANAGEMENT
APPROACH

Energy and Greenhouse Gas Emissions are managed by the departments of Product Management, Facilities Management, and Engineering, which look for opportunities to reduce energy usage in ways that meet our expectations for capital expenditures and returns on investment while maintaining customer value through industry-leading data center designs and operations.

Energy consumption and costs are actively tracked and reported internally. Success is measured based on achieving a broad range of efficiency and economic metrics.

IN 2017:

REPLACEMENT
of chiller in LA2 facility:

16

GWh projected
annual reductions

ENERGY EFFICIENCY UPGRADES

We follow a proactive maintenance and upgrade strategy to preserve and further improve the efficiency of our existing infrastructure.

We are constantly on the lookout for additional improvement opportunities. Planned projects include upgrades to airflow management at our LA2 site with 6.9 GWh of projected annual reductions.

RENEWABLE AND ALTERNATIVE ENERGY

We recognize the crucial role renewable and alternative energy will play in balancing the immense energy needs of the data center industry, as well as our customers' interest in carbon-neutral data storage. In June 2017, we procured approximately

~25%

of electricity used in our data
centers is from renewable sources

4 MW of 100% wind-sourced Renewable Energy Credits (RECs) for our NY2 data center. This will cover NY2's electricity needs until the end of 2020, equaling over 90,000 avoided tons of CO₂e emissions. In the future, we will install 1.5 MW and 4 MW on-site fuel cells at our SV2 and BO1 sites. These projects are projected to reduce 13 million lbs of CO₂ annually.

OPTIMIZATION
of the economizer and sequence
of operations at our SV7 facility:

2.1

GWh projected
annual reductions

UPGRADE
of controls at our SV4 facility:

0.7

GWh projected
annual reductions

RECYCLING FOAM PLASTIC



Our employees at NY2 in New York turned a waste challenge into a success story. Most of the waste we encounter at our data centers is cardboard and foam plastic, both of which are light but voluminous. Foam is also tricky to recycle and often ends up in the general waste stream. Our NY2 team worked with a third-party vendor (Premier Facility Management), to purchase our own on-site compactors for aluminum and plastic, a cardboard baler, and a foam plastic densifier. These machines significantly condense the material and turn them into bricks and bales. In the case of the foam, the volume is densified by 90%. Our third-party vendor then collects the material for recycling or repurposing.

In 2017, NY2 collected 4.83 tons of cardboard and 272 lbs of foam plastic for recycling. We plan to expand this program to other data centers where we can work with this vendor or similar vendors.

EMISSIONS

2017 DATA CENTER
EMISSIONS
tons of CO₂ e

TOTAL CARBON INTENSITY (market-based)	
per \$ Million Revenue	530 tons of CO ₂ e
per GWh	336
tons of CO ₂ e per NRSF (Net Rentable Square Feet)	0.12



* Scope 1 emissions are from natural gas consumption. Refrigerants are a significant source of emissions for us as well. We are currently putting system enhancements in place to enable us to track and report emissions from refrigerants in the future.

** Market-based emissions, considering 19,000 MWh of purchased renewable energy credits; location-based emissions amount to 262,000 metric tons of CO₂ e.

460
Scope 1*
Scope 2**
(Market-based)



WATER USE

We primarily use water to cool our data centers. Sometimes that means we must increase our water consumption in order to achieve higher energy savings. We always strive to balance the use of both water and energy in the most efficient way.

To conserve potable sources in drought-prone California, we use recycled water at the SV4 data center in Santa Clara. The water is treated to high standards set by the California Department of Public Health and is delivered to us by the city in separate pipelines. We utilize it for cooling, landscaping, and in water closets.

MANAGEMENT APPROACH

CoreSite's Facilities, Product Management and Engineering departments are managing this area.



In 2017 we started working towards commissioning an 80,000-gallon collecting cistern on our VA2 campus.

Rainwater is a renewable natural resource that can also increase the resilience of our data centers. In 2017 we started working towards commissioning an 80,000-gallon collecting cistern on our VA2 data center. It will not only act as a secondary water source but also facilitate a seamless transition to rainwater should an issue occur with our city water. The cistern is expected to save about a half million gallons of water per year.



