

Capital Markets Day

11 October 2023

3i Infrastructure plc





Introduction

Bernardo Sottomayor

Managing Partner & Co-Head of European Infrastructure



Today's agenda



2:00 Agenda and introduction

Bernardo Sottomayor

Managing Partner & Co-Head of European Infrastructure, 3i

2:05 Review of investment in Attero

Aaron Church

Partner, 3i

2:15 Future Biogas

Tim Short

Partner, 3i

Philipp Lukas

CEO, Future Biogas

3:00 Coffee break

3:15 Global Cloud Xchange (“GCX”)

Scott Moseley

Managing Partner & Co-Head of European Infrastructure, 3i

Carl Grivner

CEO, GCX

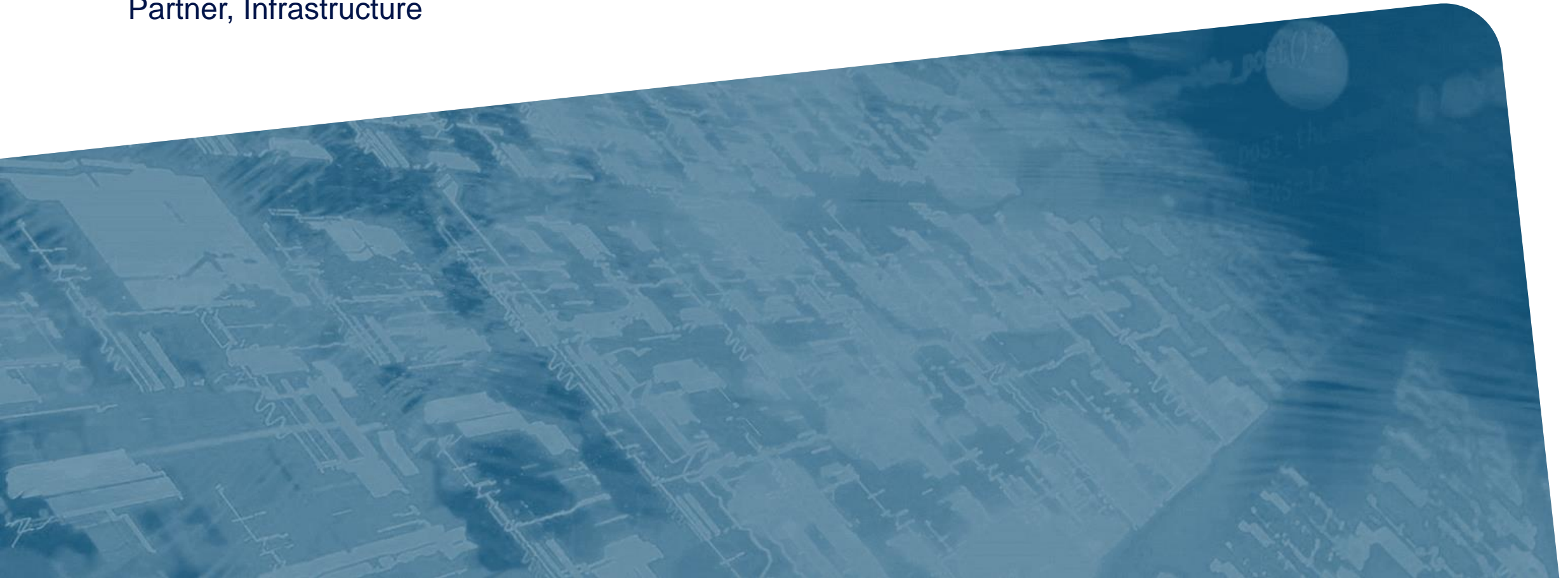
4:00 Close



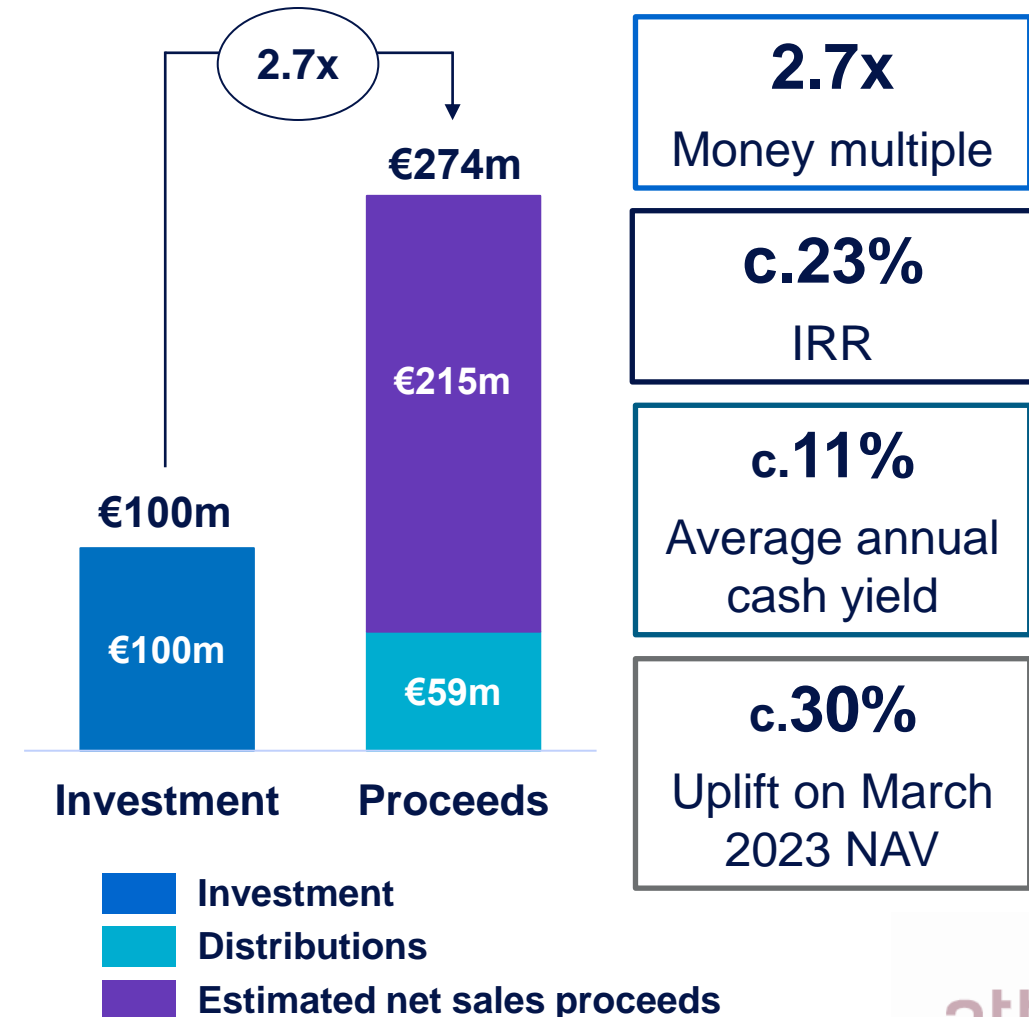
Review of investment in Attero

Aaron Church

Partner, Infrastructure



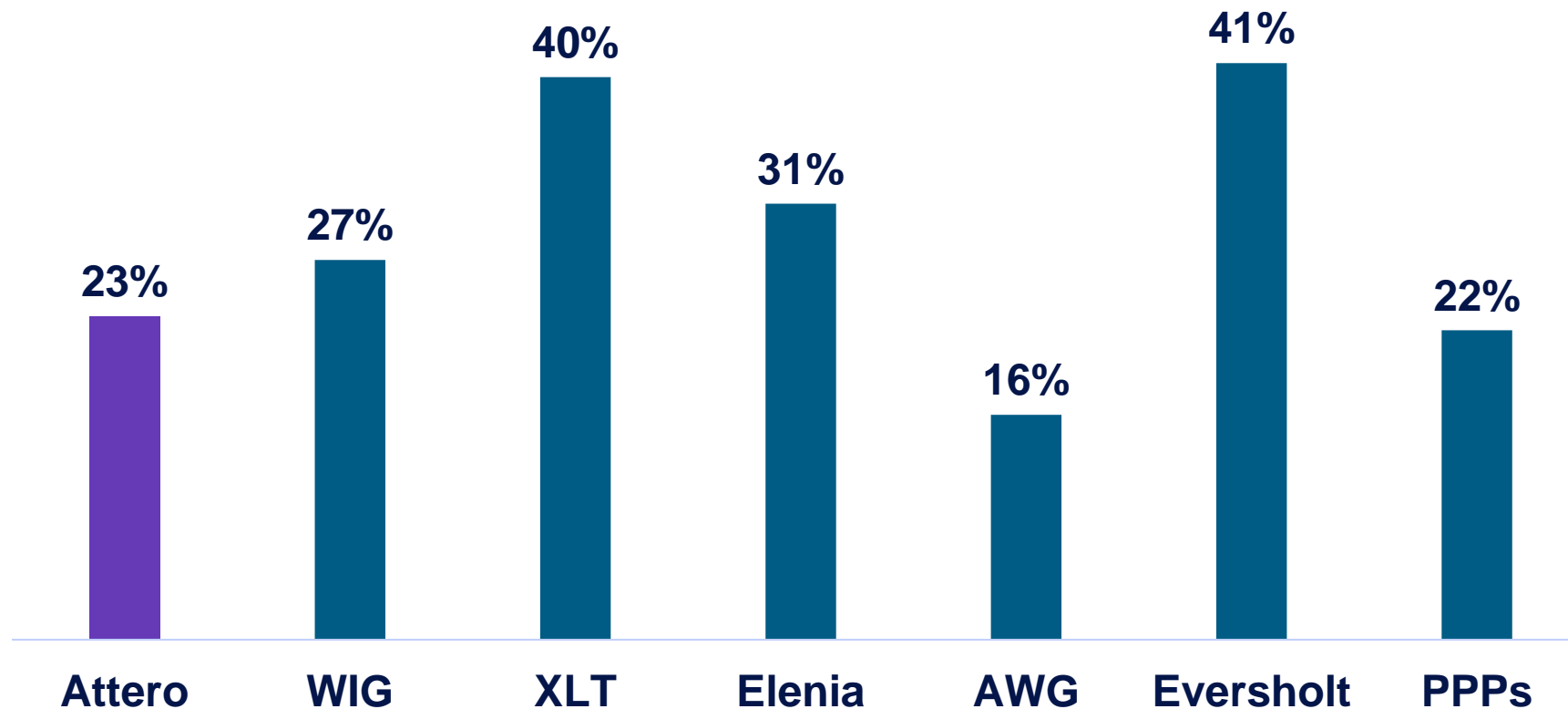
Another exceptional exit



Consistent track record of successful exits



Gross IRR: Realised assets¹



c.21%
Weighted average
gross IRR on
realised assets¹

1. Excludes India Infrastructure Fund, Junior debt portfolio, T2C and Novera.



- Completed a review of the waste sector
- Identified Attero as one of our preferred targets in the sector
 - ✓ Leading Dutch player
 - ✓ Diversified business lines
 - ✓ Supportive megatrends
- Acquired the business through bilateral process with the previous owner



- Partnered with management to diversify and grow the business, and position for future
- Selected achievements include:
 - ✓ Diversified sources of waste imports
 - ✓ Refinanced with long-term, portable debt before interest rate cycle turned
 - ✓ Growth: materially increased electricity production, plastics recycling, biogas expansions, solar farms, CCS project
- Doubled EBITDA since acquisition to c.€160m in 2023

Why sell now?



- Delivered initial value creation plan
- Major strategic review completed in 2022
 - Focussed on growing carbon neutral energy production, and recycling
 - Identified significant growth potential across all (and new) business lines
 - Over €1 billion of capex by 2030
- Exciting growth plan to sell to bidders who may have a lower cost of capital than 3iN



- Extensive preparation and pre-marketing
- Structured auction sales process
- Portable debt helpful in current market
- Believe winning bidder will be a strong partner for the business

**3i Infrastructure
is proud to
have supported
Attero**

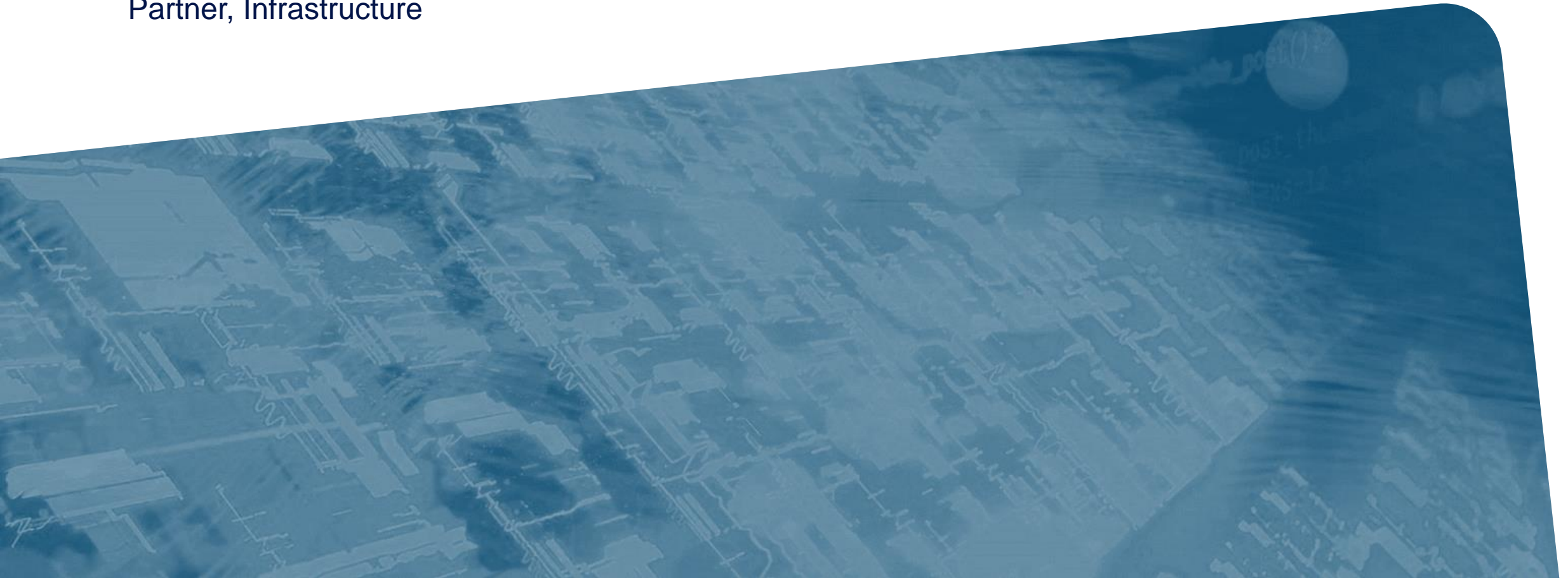




Future Biogas

Tim Short

Partner, Infrastructure



Introducing Future Biogas



- A leading developer and operator of anaerobic digestion (“AD”) plants across the UK
- Biomethane from AD is the most economical solution for hard to decarbonise industrial sectors – essential in supporting energy transition
- Highly experienced management team with a strong track record in the sector
- Exciting pipeline and potential to accelerate growth of business through follow-on investment in new AD plants at attractive returns



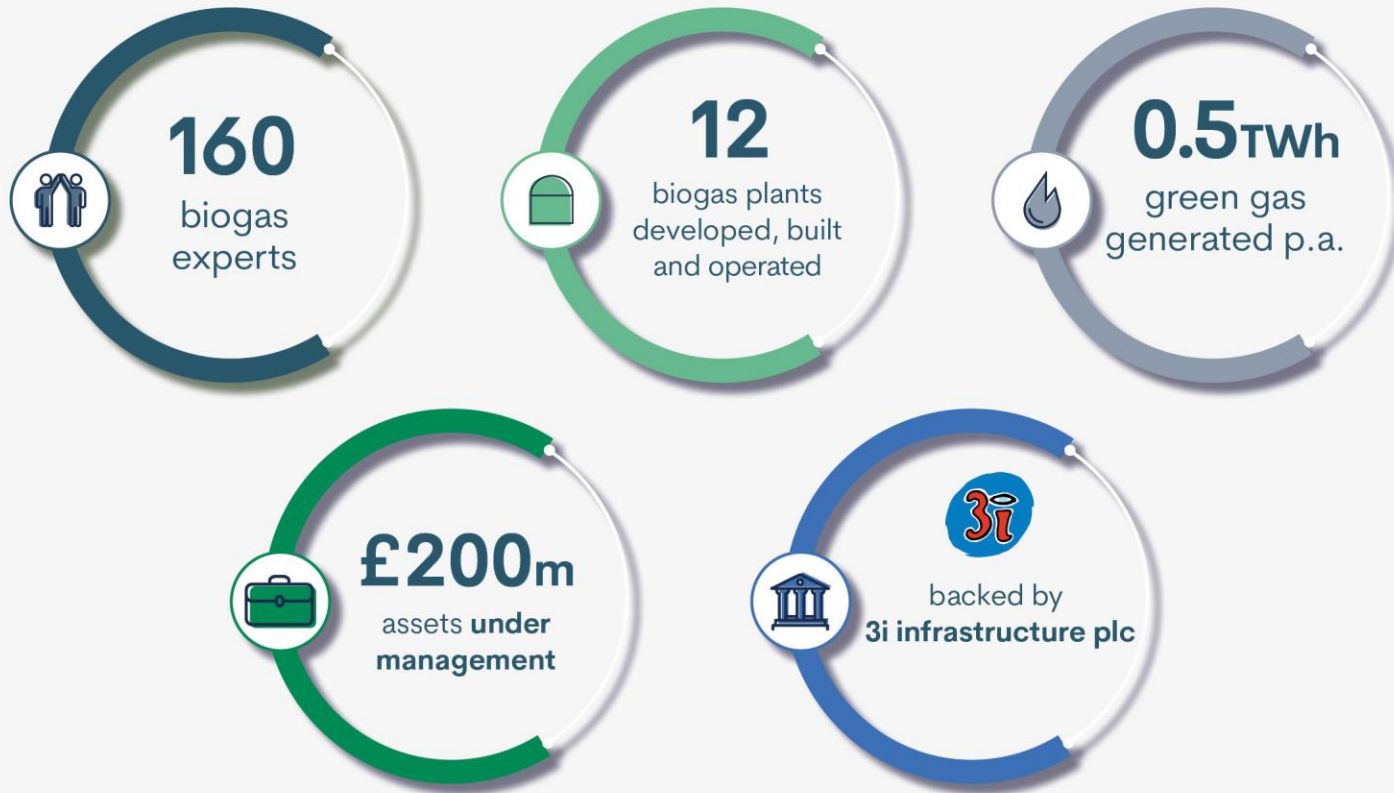
Decarbonising industry and farming without subsidy

3i Infrastructure Plc, Capital Markets Day

October 2023

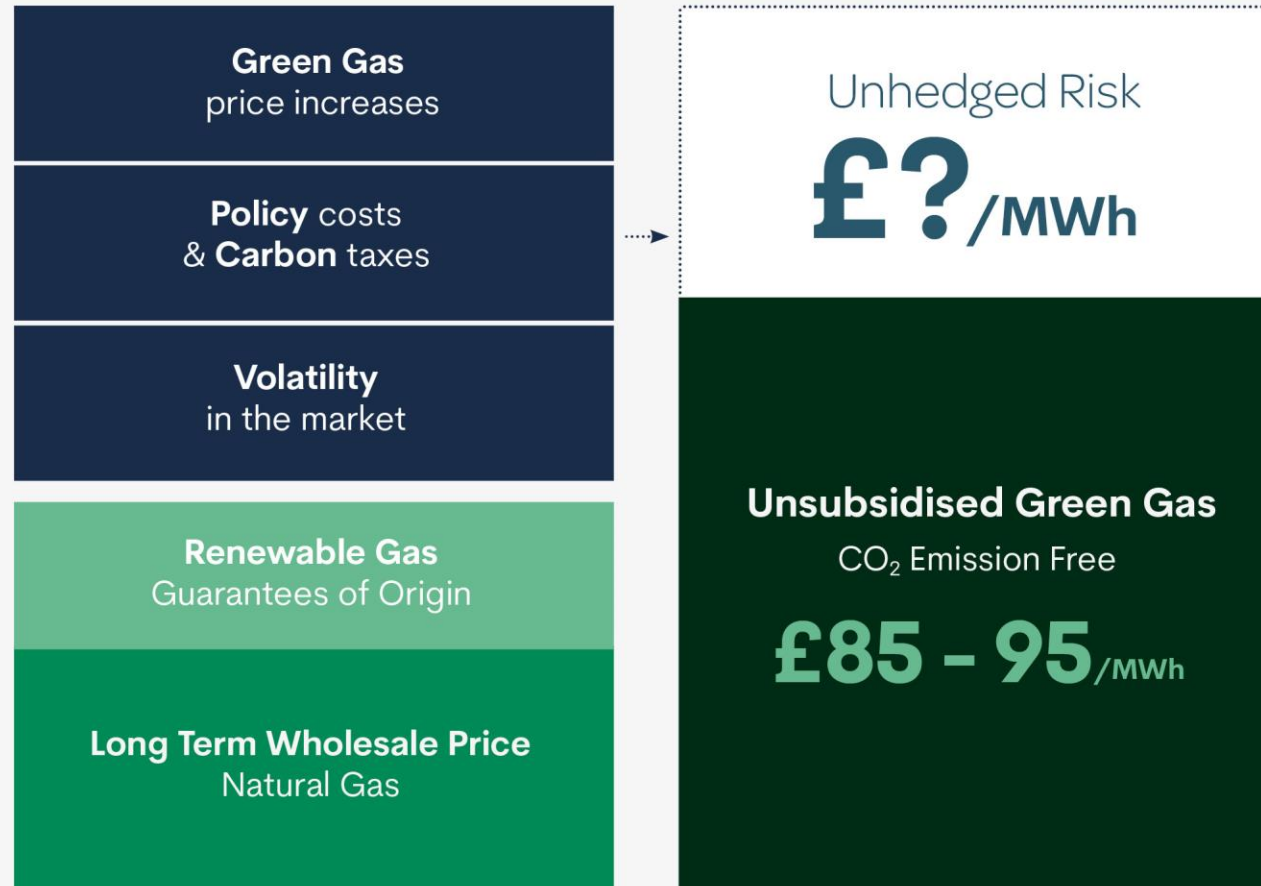
UK Leader in Anaerobic Digestion

Development and Operations



Green Gas Market

Volatility in the gas market, policy costs and carbon taxes and green gas price increases are key commercial drivers for long-term unsubsidised green gas agreements



Decarbonising Farming

Farming is central to everything we do



Benefit to farmer:

- Long-term offtake
- Transparent, stable pricing
- Lower income volatility
- Farm diversification
- Healthy soils for future farming
- Rewarded under the SFI

Benefit to AD Plant:

- Feedstock security
- Predictable pricing
- High biogas yields
- Low-carbon biomass
- Optimise BECCS delivery

Benefit to Environment:

- Restore soil health
- Enhance biodiversity
- Improve water retention in soils
- Minimal artificial inputs
- Reduce GHG emissions

Benefit to UK:

- Deliver Net Zero by 2050
- Enhance food security
- Enhance energy security
- Create jobs in rural economies
- Facilitate delivery of agri-enviro policies

Building Resilience with Crop Rotations

Long and diverse crop rotations offer numerous environmental and agronomic benefits:



Improve soil
fertility



Protect
topsoil



Maximise
crop yields



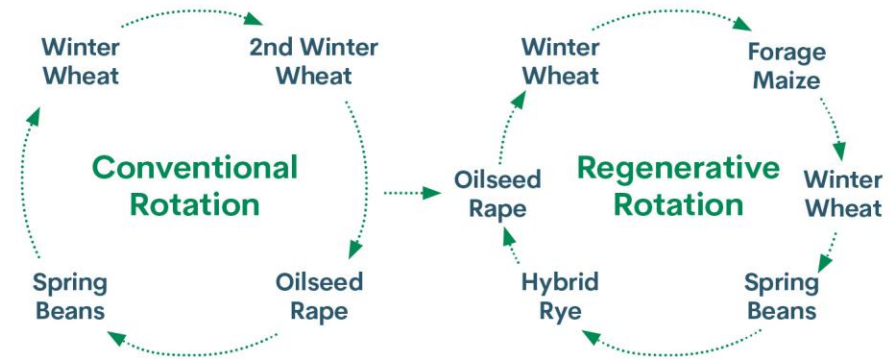
Increase soil
carbon



Controls pests
and disease

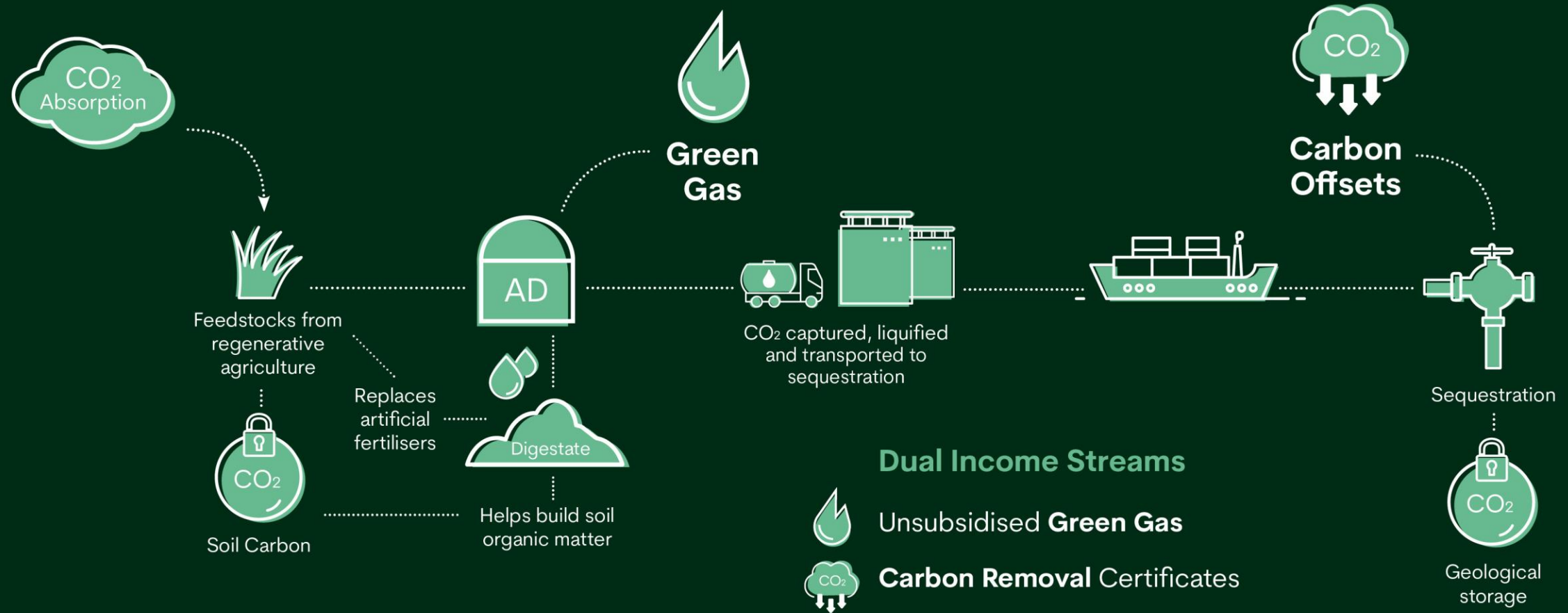


Diversify
agricultural income



Project Carbon Harvest

Future Biogas is developing the UK's first subsidy-free renewable gas from sustainable and regenerative agriculture, combining the power of AD and BECCS



AstraZeneca

A blueprint for decarbonising industry

- 100% Emission Reduction by 2025
- 15-year partnership:
 - Up to 125GW unsubsidised gas
 - Sleeved through the gas network
 - Plant already in construction
 - Supporting transition of around 12,000ha to sustainable farming
 - Building up to 5,000t of soil carbon every year



AstraZeneca inks £100m deal to source biomethane from Lincolnshire BECCS project

Michael Muller
14 September 2023 • 6 min read



Image Credit: Future Biogas





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Global Cloud Xchange (“GCX”)

Scott Moseley

Managing Partner & Co-Head of European Infrastructure



Introducing Global Cloud Xchange (“GCX”)



Carl Grivner, CEO



SUBSEA CONNECTIVITY & MANAGED SERVICES

AGENDA



1

Carl Grivner - Who am I ?

Who / What is GCX ?

Why is Subsea important?

What's next for GCX?

Summary

BACKGROUND

US Marine Corp
Officer

IBM

AFC

Took public in
1997, had greater
market cap than
General Motors
on Day 1

Worldport

Sold for \$625M
cash to Energis
(\$100M initial
investment)

XO
Communications

Owned by Carl
Icahn, sold to
Verizon for \$2B

Pacnet

Sold to Telstra
\$750M

Colt

Owned by Fidelity
for 30 years

GCX

Another great
opportunity for
value creation



WHO WE ARE

GCX is a **GLOBAL SUBSEA NETWORK & SECURE GLOBAL MANAGED SERVICE PROVIDER**

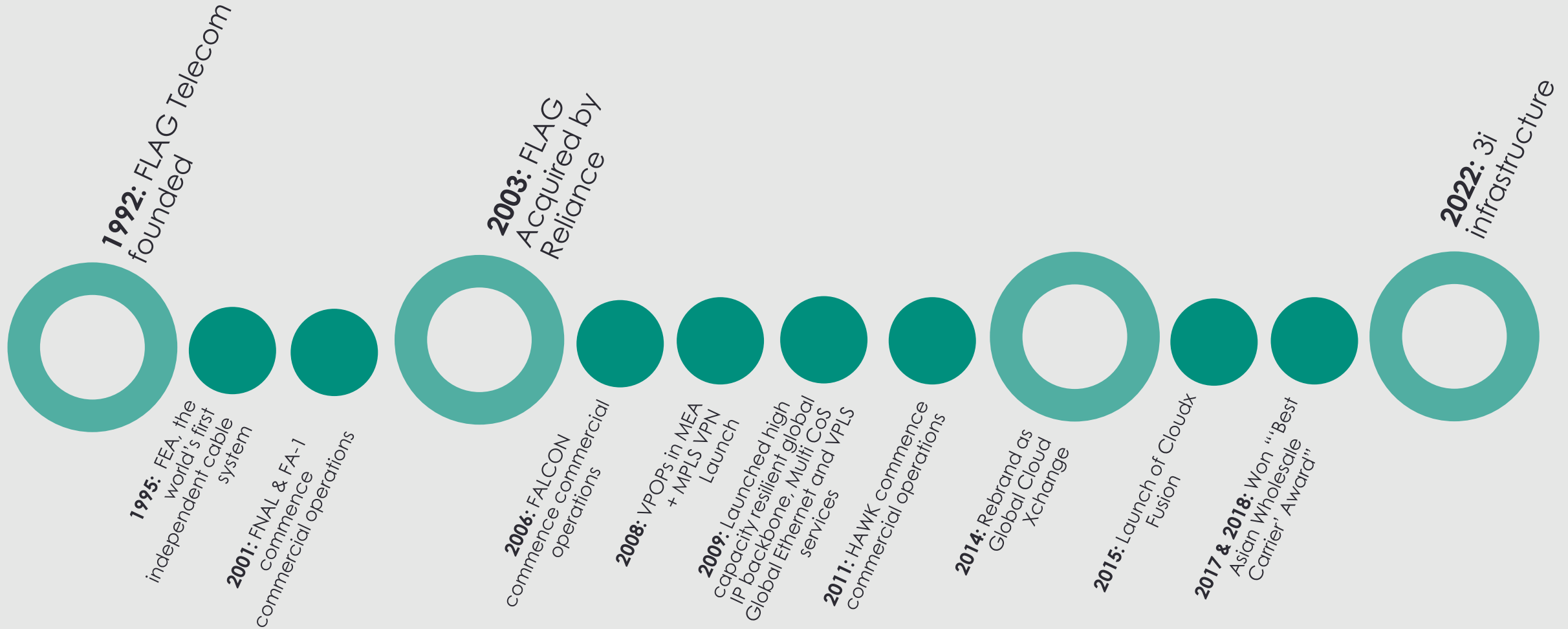
Our goal is to make our customers world of data more scalable, resilient and secure

Our global presence is underpinned by our network – **the world's largest private submarine network**

Our rapidly expanding portfolio covers a broad range of managed services all designed around improving customer security, ease of data access and control

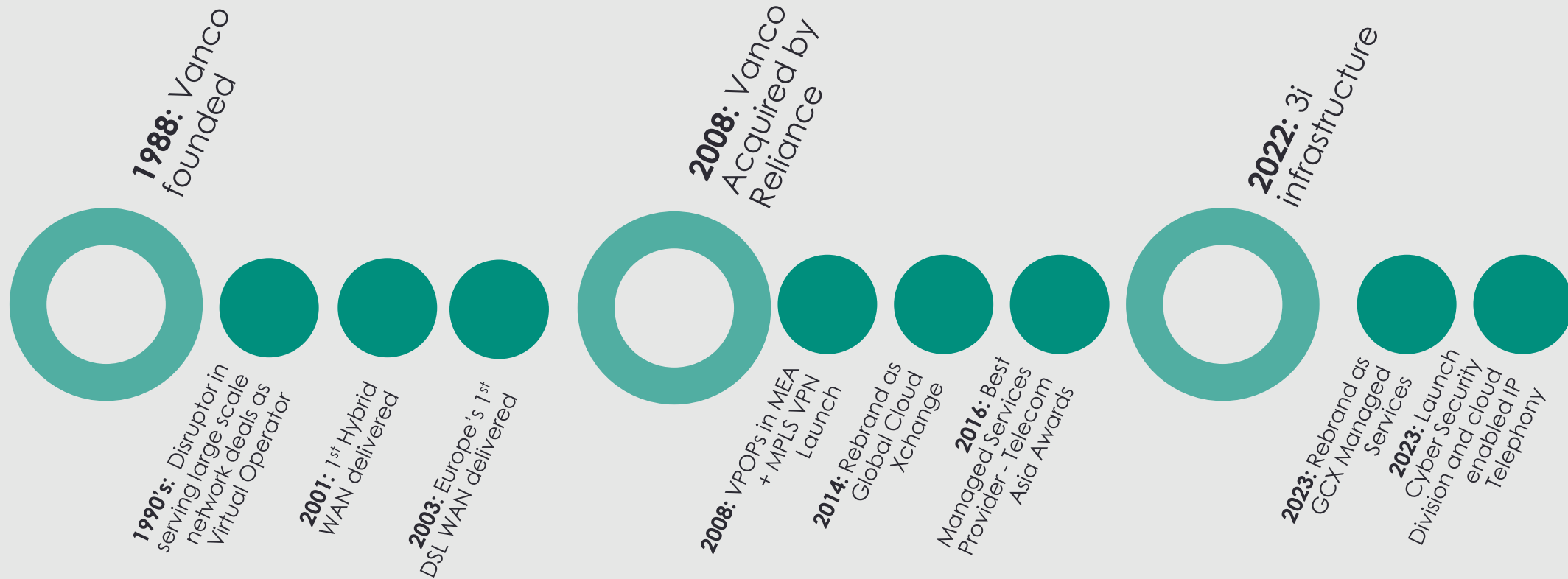
OUR HISTORY: FLAG (SUBSEA)

Over 31 years of heritage



OUR HISTORY: MANAGED SERVICES

Over 35 years of experience delivering cutting edge solutions



3i ADVANTAGES

- Global recognition
 - Customers loved the announcement
- Synergies within portfolio
 - Tampnet
 - Possible new customer opportunities
- Capital raising
 - Recently added new funding for new investments
- Environmental, Social and Governance (ESG)
 - ESG strategy program in progress
 - Our customers demand it and 3i is fully engaged
 - All employees are aware and involved

12 PRIORITIZED ESG KPIs

Climate change mitigation (energy efficiency & renewable energy)	Diversity, equity & inclusion
Climate change risk (physical & transition)	Equal pay, fair wages & social benefits
Waste & hazardous waste materials	Resilient & reliable infrastructure
Employee health & safety	Cybersecurity
Responsible supply chain management	Data protection
Human rights	Bribery, fraud & corruption

WHO WE ARE: MANAGED SERVICES

Customer First

>35

Years managing private networks

> 500 customers

+60% customers with 15+ years of relationships

>100,000

Internet circuits (xDSL etc.) delivered

Technical Expertise

>50

Network technologies currently under management

250

NNIs with 3rd party providers

150

Connectivity from ISPs & carriers in a single solution

Delivery Record

15,000

Customer sites under management

>60,000

Tickets resolved annually

164

Countries with active customer Hybrid WAN sites

Supply Chain

>125

Countries with certified connectivity options

>450

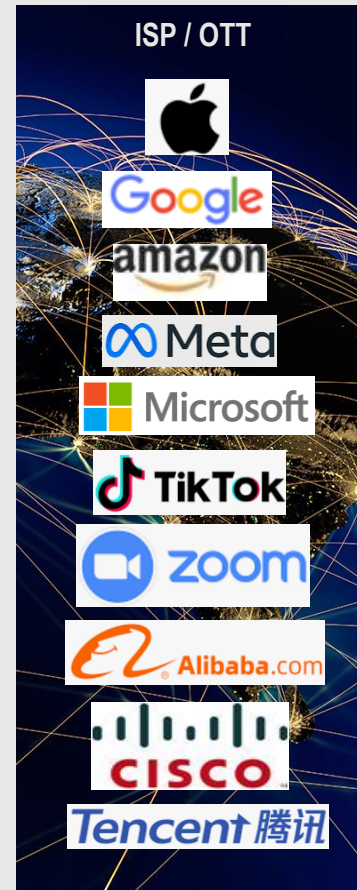
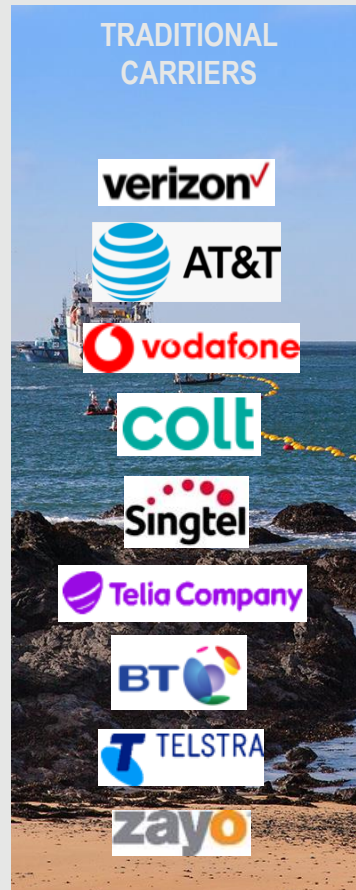
Active purchasing relationships with ISPs and carriers worldwide

>2,000

Different carrier/ISP connectivity products under management

CUSTOMER VERTICAL SNAPSHOT

WHOLESALE CARRIER / OTTS



FINANCE AND ENTERPRISE

WHO WE ARE: GLOBAL SUBSEA NETWORK

Our global presence is underpinned by our network - the world's largest private network footprint.

66,000KM

Submarine Cables

46 Landing Stations

In 27 Countries

164 Countries

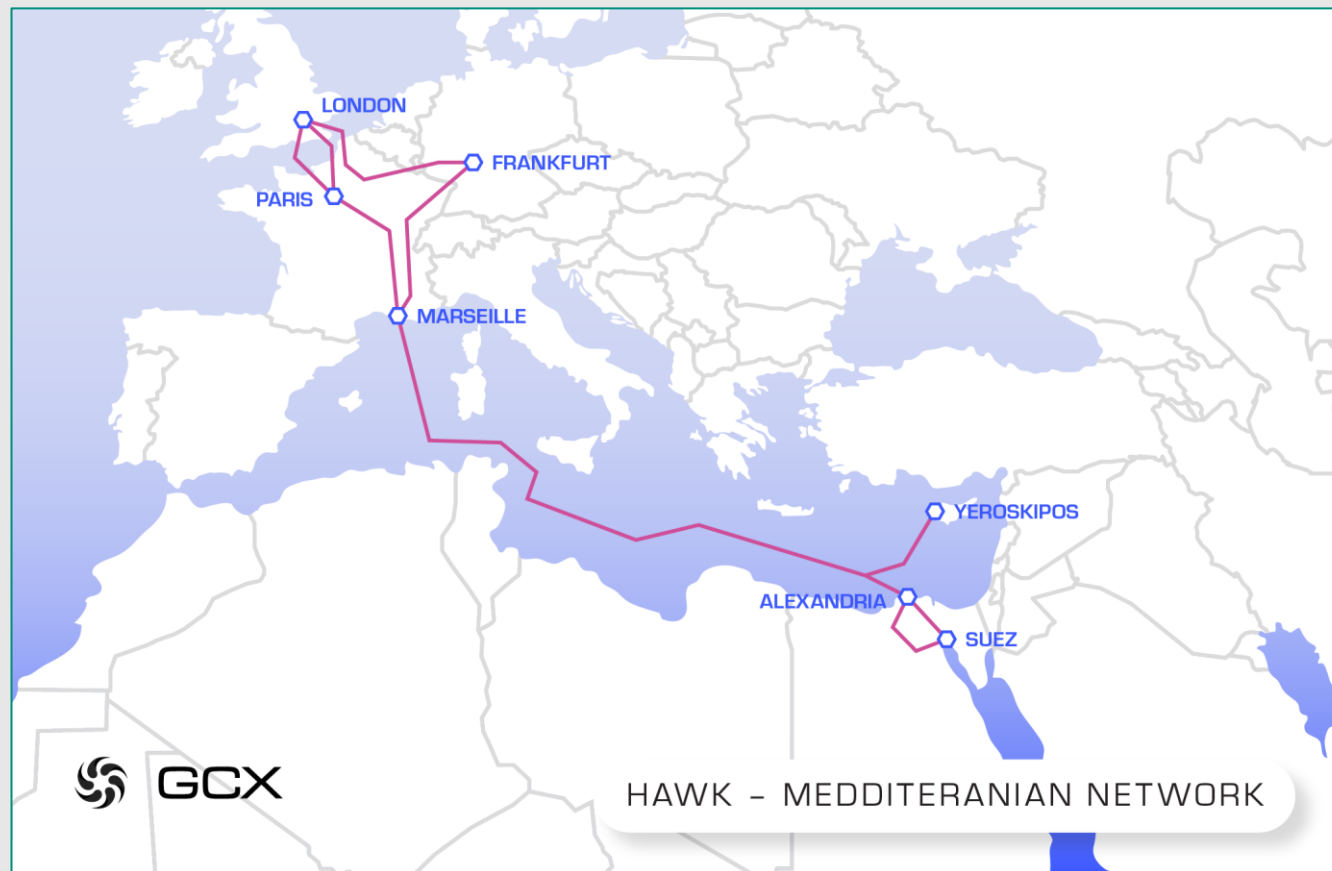
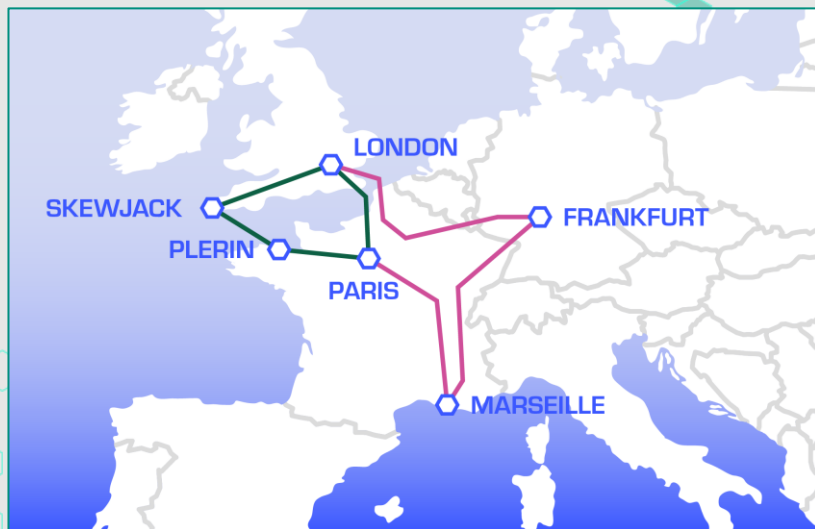
Terminating Services

>198,000 Gbps design capacity

100Gbps capable routes globally



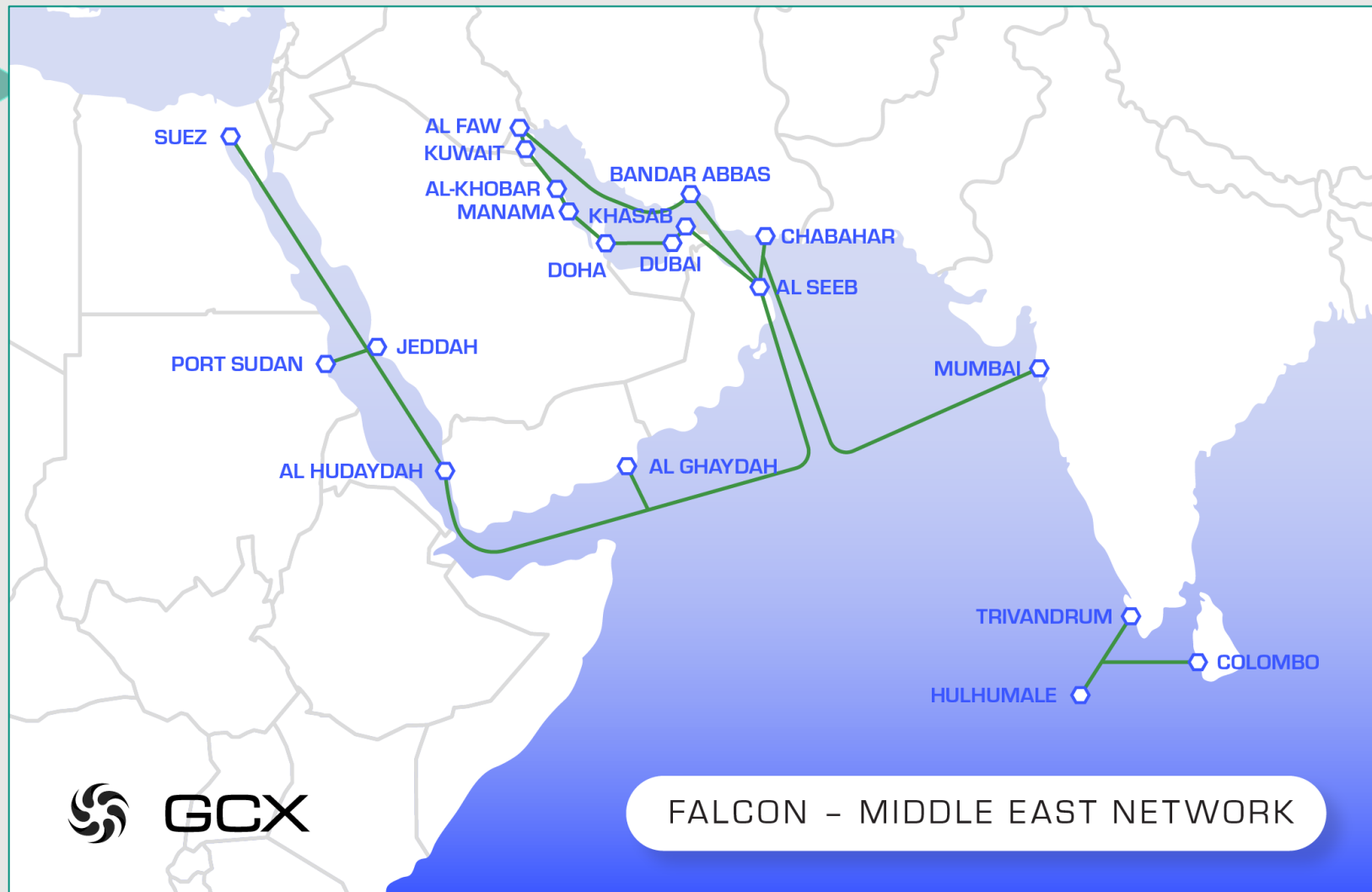
HAWK – MEDITERRANEAN NETWORK



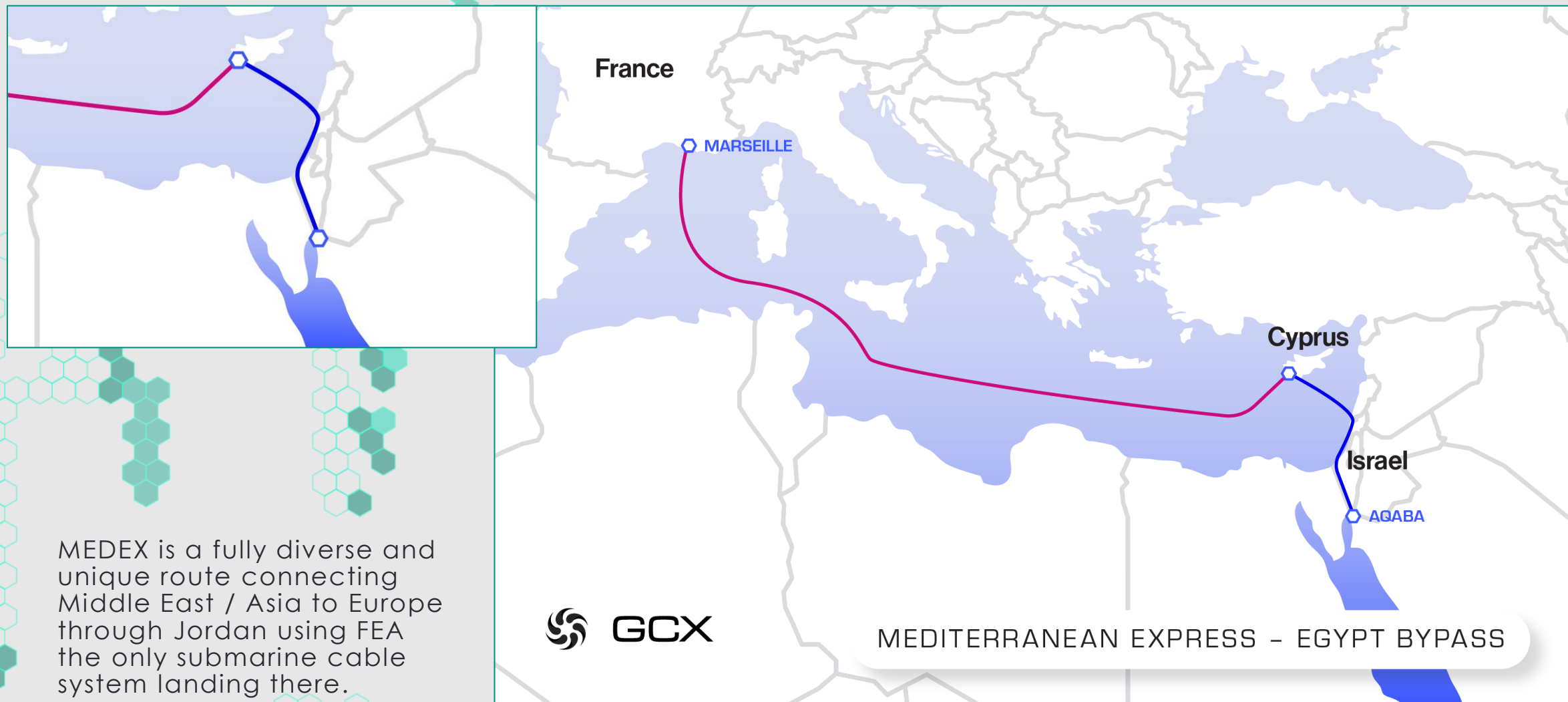
Hawk is an express cable route between Europe and the Middle East with unique diversity across Egypt.

FALCON – MIDDLE EAST NETWORK

Falcon is the only self-healing, optical system in the Middle East landing in more points in the region than any other.



MEDITERRANEAN EXPRESS – EGYPT BYPASS



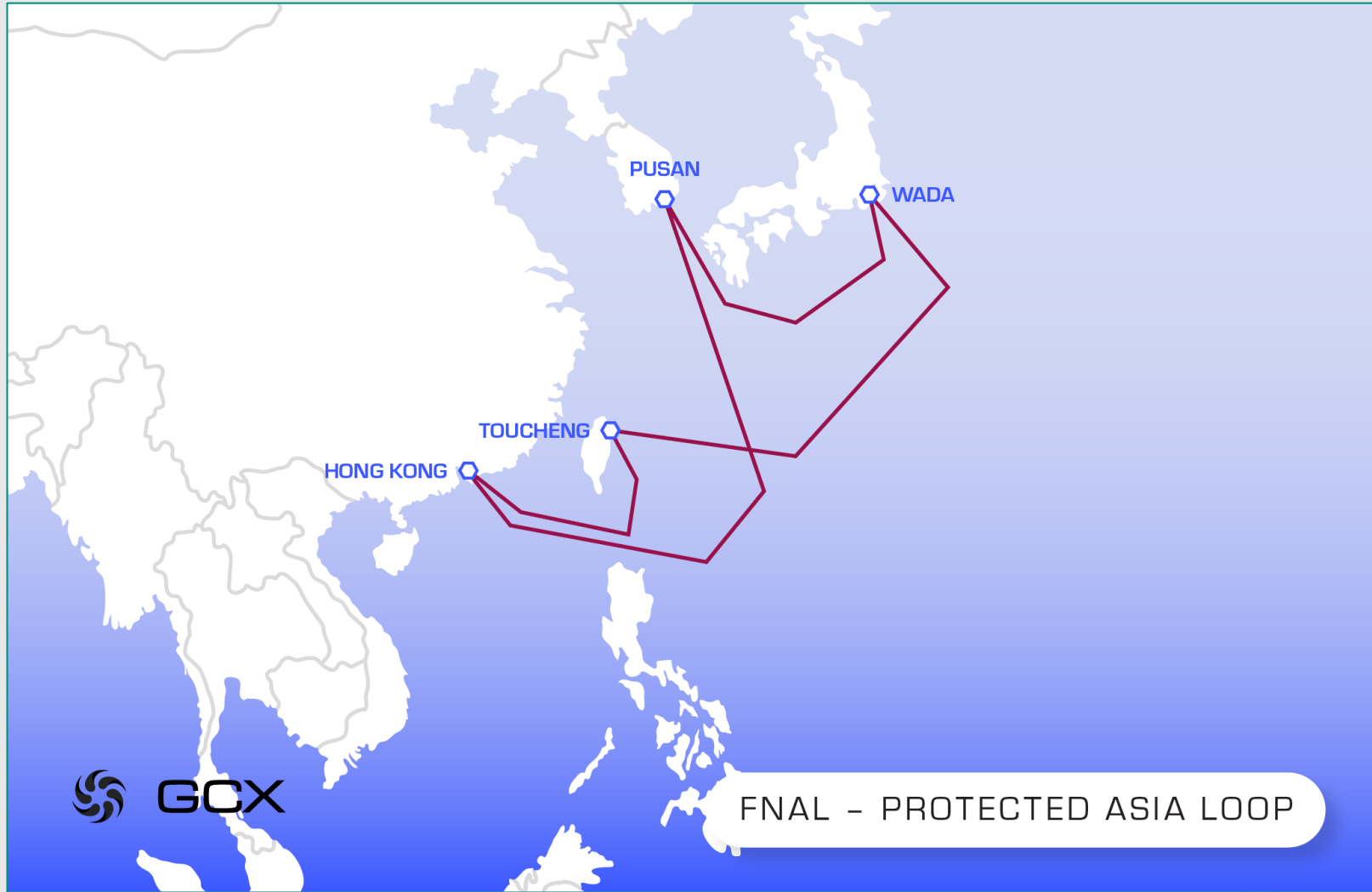
MEDEX is a fully diverse and unique route connecting Middle East / Asia to Europe through Jordan using FEA the only submarine cable system landing there.

GET – GULF TO EUROPE TRANSIT

GET provides dual path across Iraq and provides dual path across Turkey and EU.

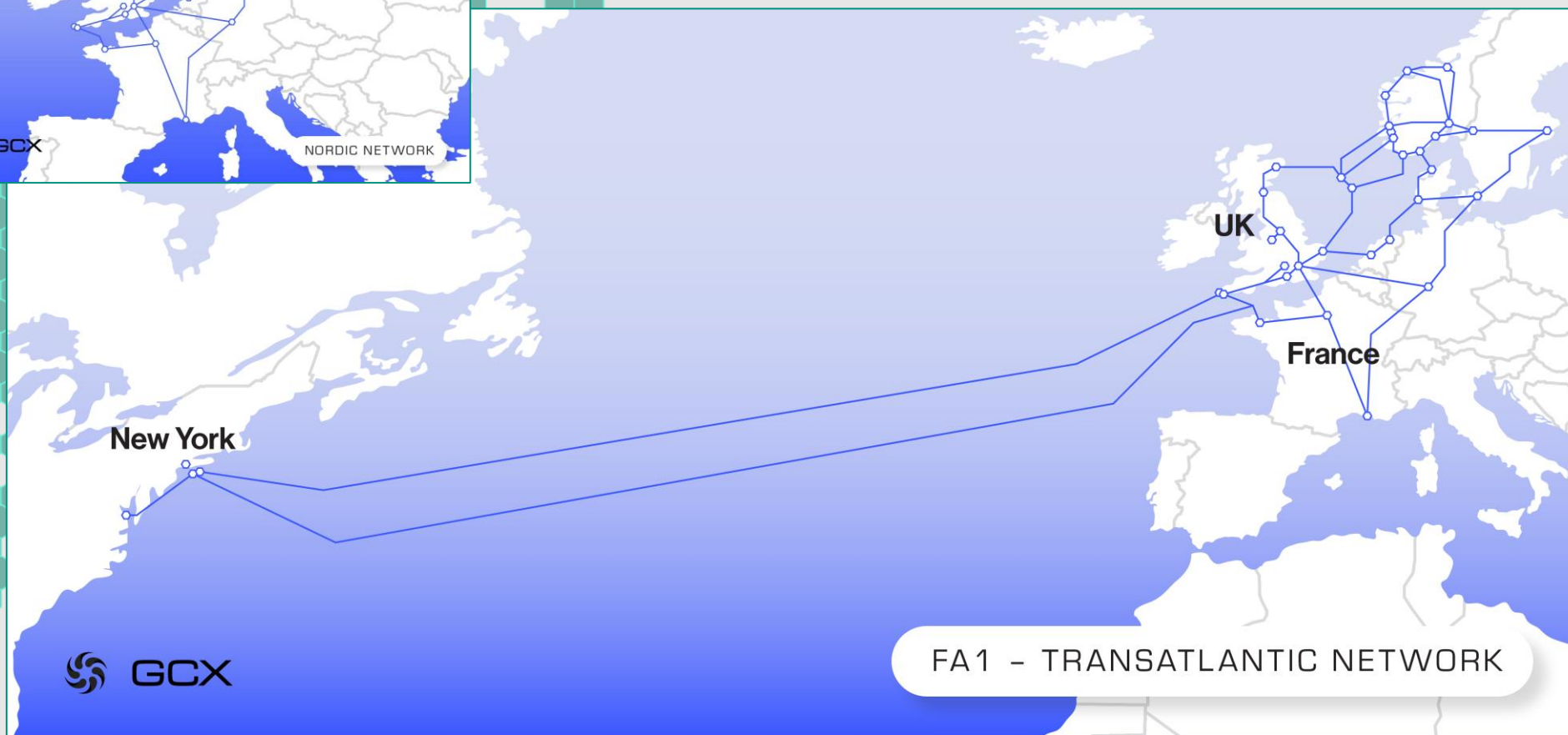


FNAL – PROTECTED ASIA LOOP



FNAL provides fully protected connectivity between HK, Taiwan, S. Korea and Japan. This includes lowest latency path between HK and Korea.

FA1 – TRANSATLANTIC NETWORK



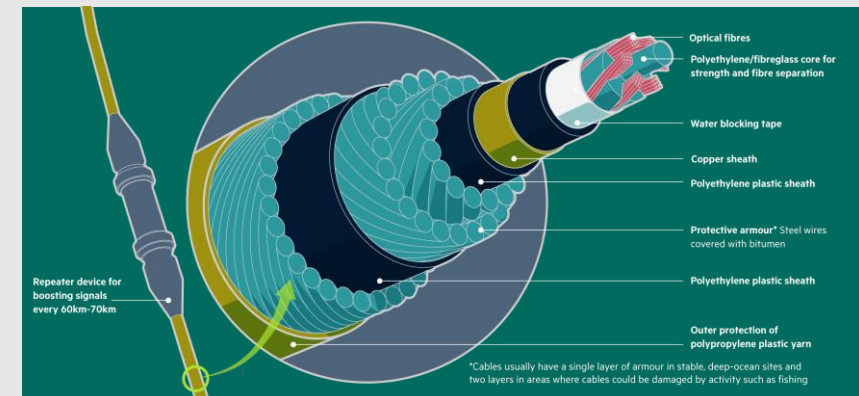
FA1 is a dual fiber loop providing fully-protected services to ensure maximum network uptime.

Dedicated landings in NY, UK and France with the lowest latency between NY and Paris.

Seamlessly integrated with group company Tampnet North Sea and Nordic network.

WHY IS SUBSEA IMPORTANT?

- Carries 99% of all intercontinental data
- A data centre without connectivity is a warehouse
- It is and will be the highest and fastest bandwidth for next 25 years



THE DRIVERS FOR FUTURE GROWTH

CLOUD APPLICATIONS GROWTH

- More data centres
- Crazy Growth in the Middle East and Asia
- Data centres need power, cooling and CONNECTIVITY

ARTIFICIAL INTELLIGENCE (AI)

- Different chips
- Decentralised data centres (edge)
- Infrastructure needs are 10x Cloud

RIGHT GEOGRAPHY

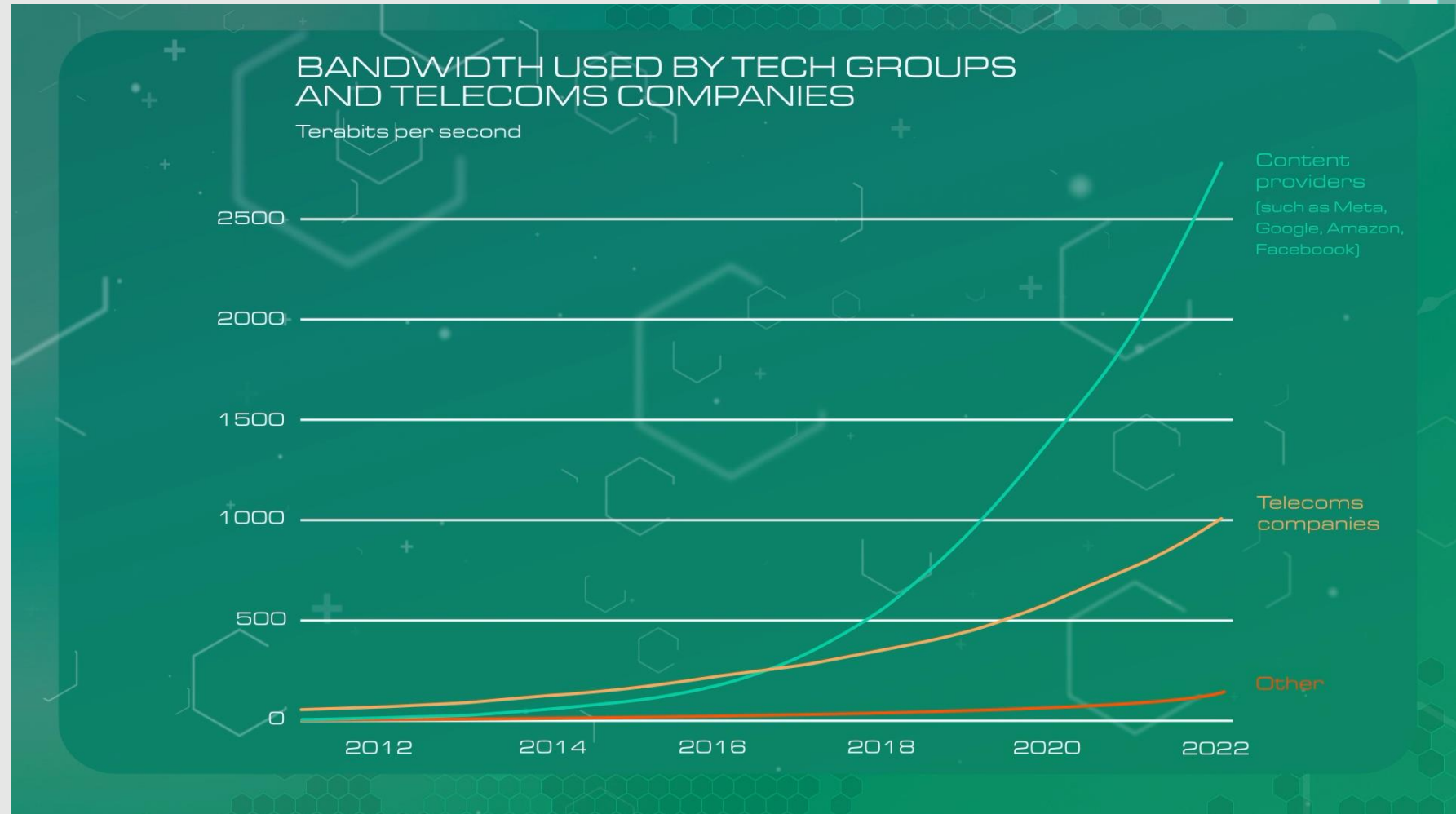
- High population with minimal infrastructure
- GCX has strong relationships throughout

TECH GIANTS ARE FUELING THE GROWTH OF THE SUBSEA CABLE SECTOR

Tech giants like Google, Meta, and Microsoft have already **INVESTED \$2 BILLION IN CABLES FROM 2016 TO 2022**, contributing to 15% of the global total.

Over the next three years, they **PLAN TO INJECT AN ADDITIONAL \$3.9 BILLION**, accounting for a significant 35% of the total investment.

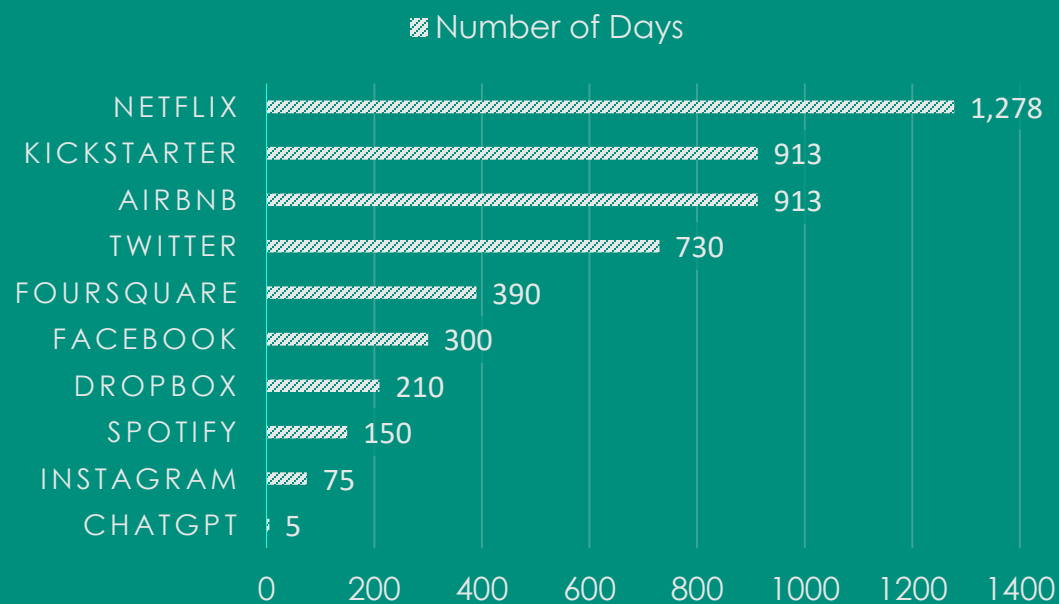
Tech companies will shape the future of subsea connectivity.



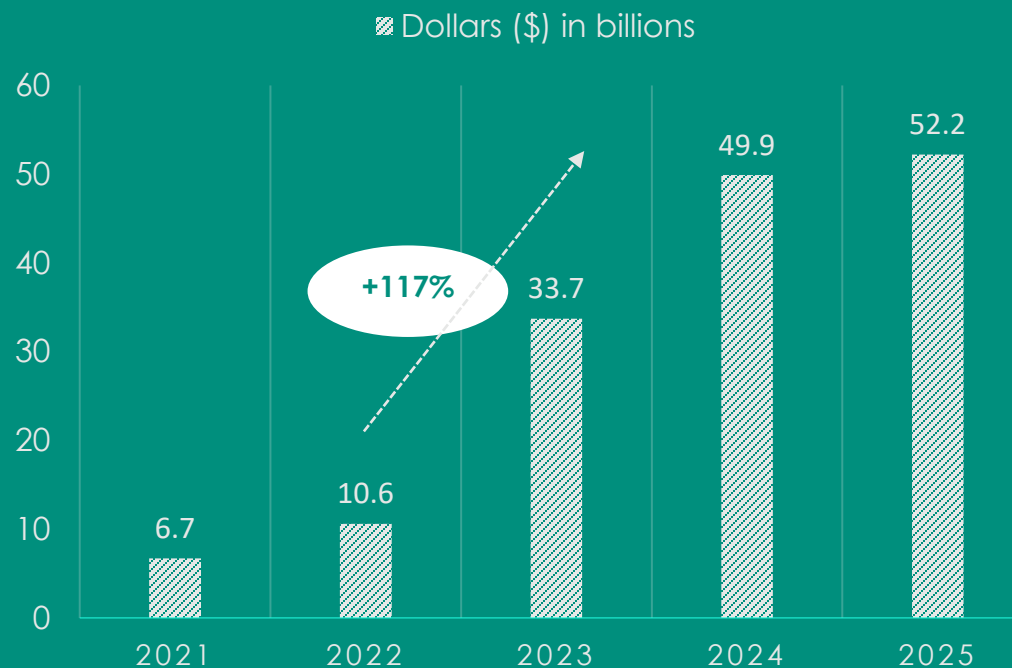
GENERATIVE AI IMPLICATIONS FOR DIGITAL INFRASTRUCTURE

The recent key moments include the (1) rapid adoption of ChatGPT, (2) the impact of generative AI on companies like NVIDIA, and (3) the emergence of its first mainstream use cases.

TIME TO 1 MILLION USERS (IN DAYS)



NVIDIA – DC REVENUES



MICROSOFT CO-PILOT

- Mid-March '23 Microsoft announced Microsoft 365 Copilot
- Copilot is expected to leverage large language models to automate content generation across the Windows 365 and Graph product suites
- For example, product demonstrations show Copilot analysing Excel spreadsheets and for key trends and summary charts

GENERATIVE AI IMPLICATIONS FOR DIGITAL INFRASTRUCTURE

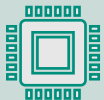
Key infrastructure trends driven by generative AI include increased data centre demand globally, growth of well-suited edge locations and increased bandwidth demand.



Increased data centre demand to train and run generative AI applications



Growth of edge locations that are well-suited for training and running of generative AI solutions



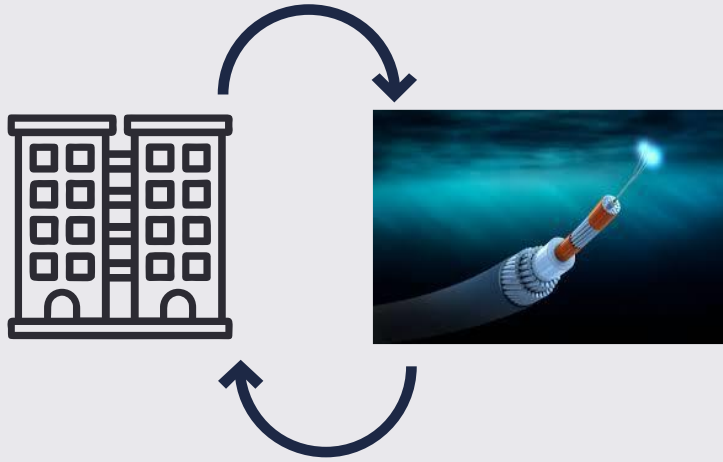
Increased demand for bandwidth driven by adoption of centralised LLMs in the short-term and widespread adoption

INTERNATIONAL CONNECTIVITY – CORRELATION TO DATA CENTRE DEMAND

22

DC's & international connectivity

Diversity & capacity requirements driving connectivity expansion



Presence of connectivity enabling Cloud DC to enter market

- 1 Cost effective, reliable and diverse international connectivity is in many cases a pre-requisite enabling large scale growth in DC requirements
- 2 Cloud providers look for up to 5 fully diverse International routes and drive capacity requirements at multiple times previous country needs

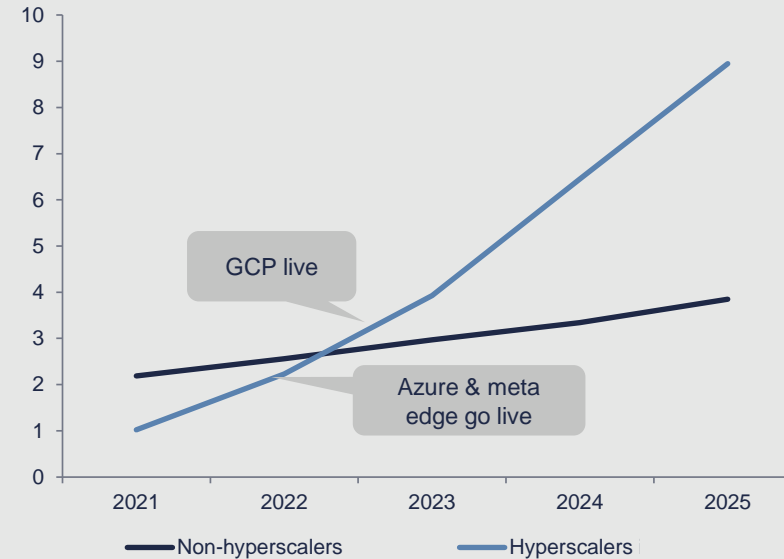
Note:
1.

Solon estimates for Middle East region

Hyperscaler requirement driving international growth

Case Study: International capacity demand profile

Capacity TB/S



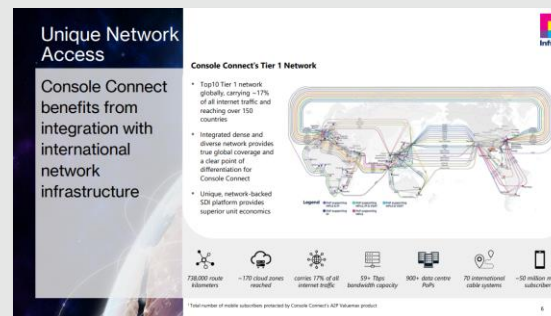
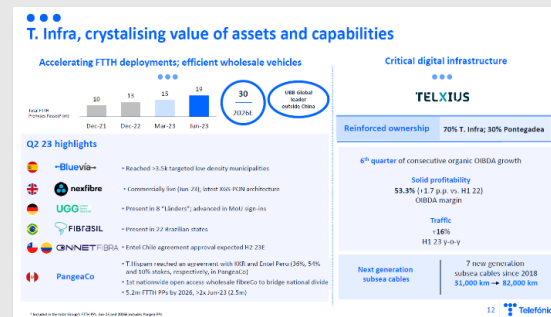
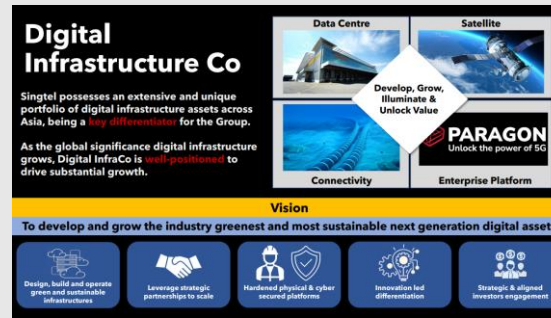
- The launch of cloud has already driven **significant growth**
- **International Internet Traffic Growth** of 21-33% CAGR 2018-24



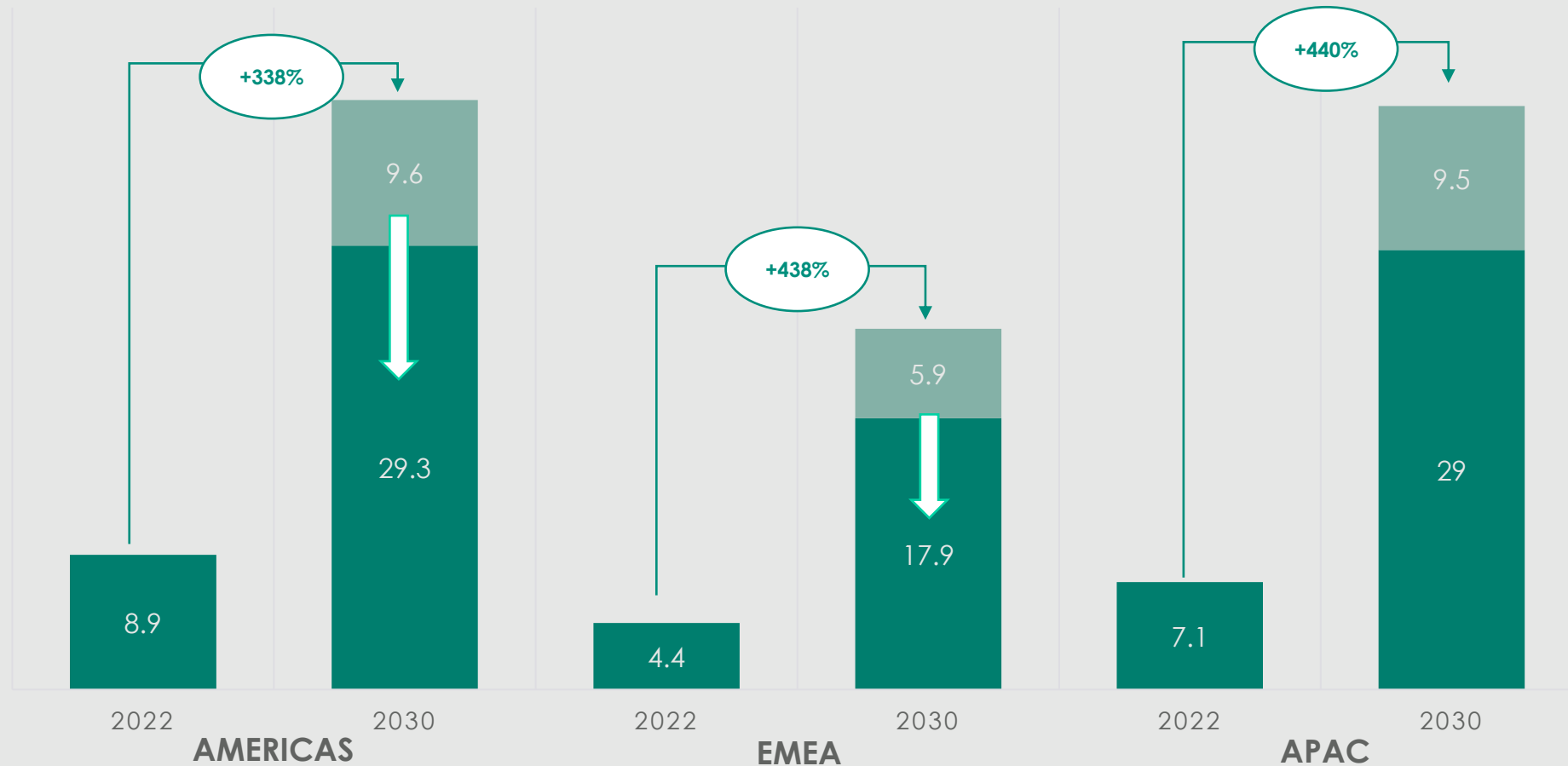
- AI is **expected to accelerate** this further
- Regional demand for hyperscale increasing 10x by 2030E¹

LARGE CAP TELECOM – RECOGNITION OF SUBSEA AS KEY

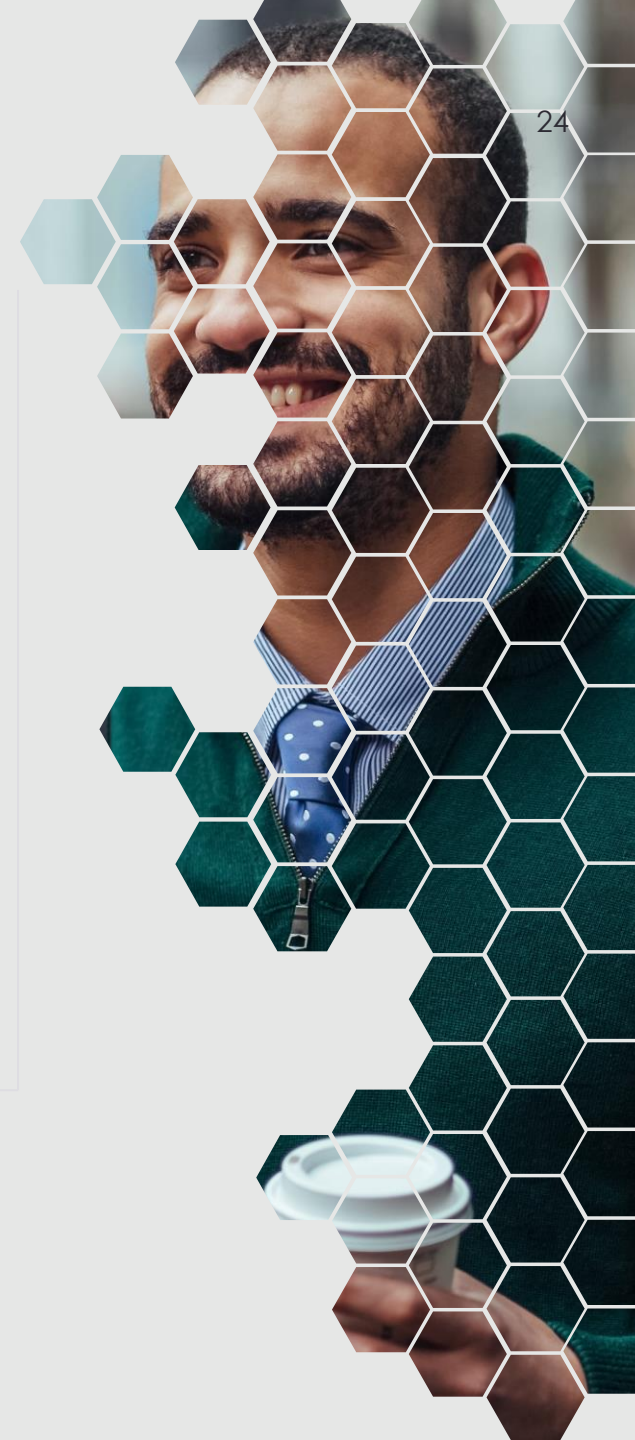
23



HYPERSCALE DATA CENTRE DEMAND (IN GW, 2022 AND 2030)



Across the globe, demand for data centre capacity is expected to grow substantially, with around 30% of growth driven by AI workloads.



WHAT IS AN EDGE / DE-CENTRALISED DATA CENTRE

- Decentralised facility equipped with power and cooling infrastructure
- Provides compute and storage close to the end user

BENEFITS OF AN EDGE / DE-CENTRALISED DATA CENTRE

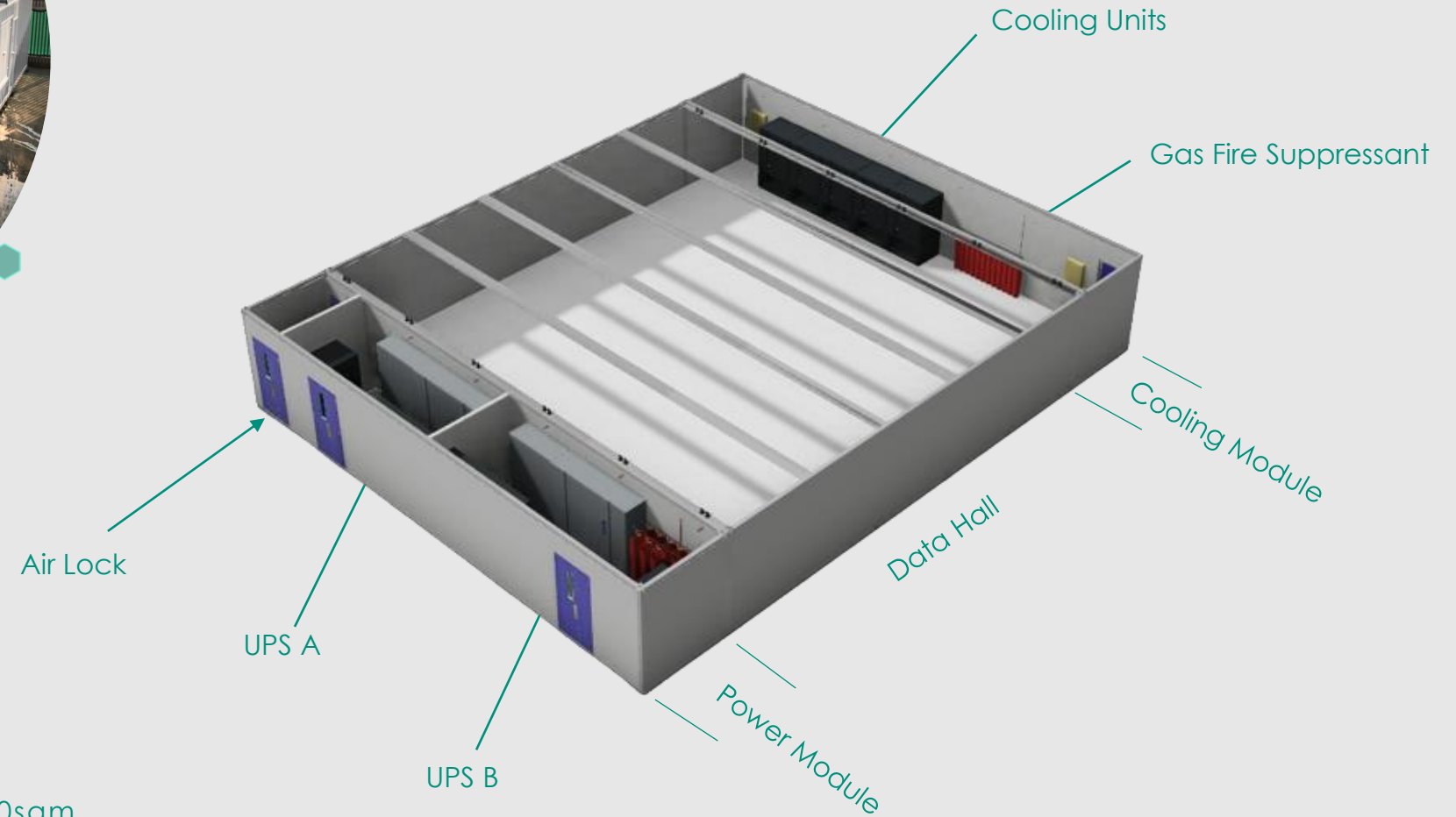
- Low latency
- Greater bandwidth
- Reduced operating costs
- Security
- Data sovereignty



WHAT IS NEXT FOR GCX?

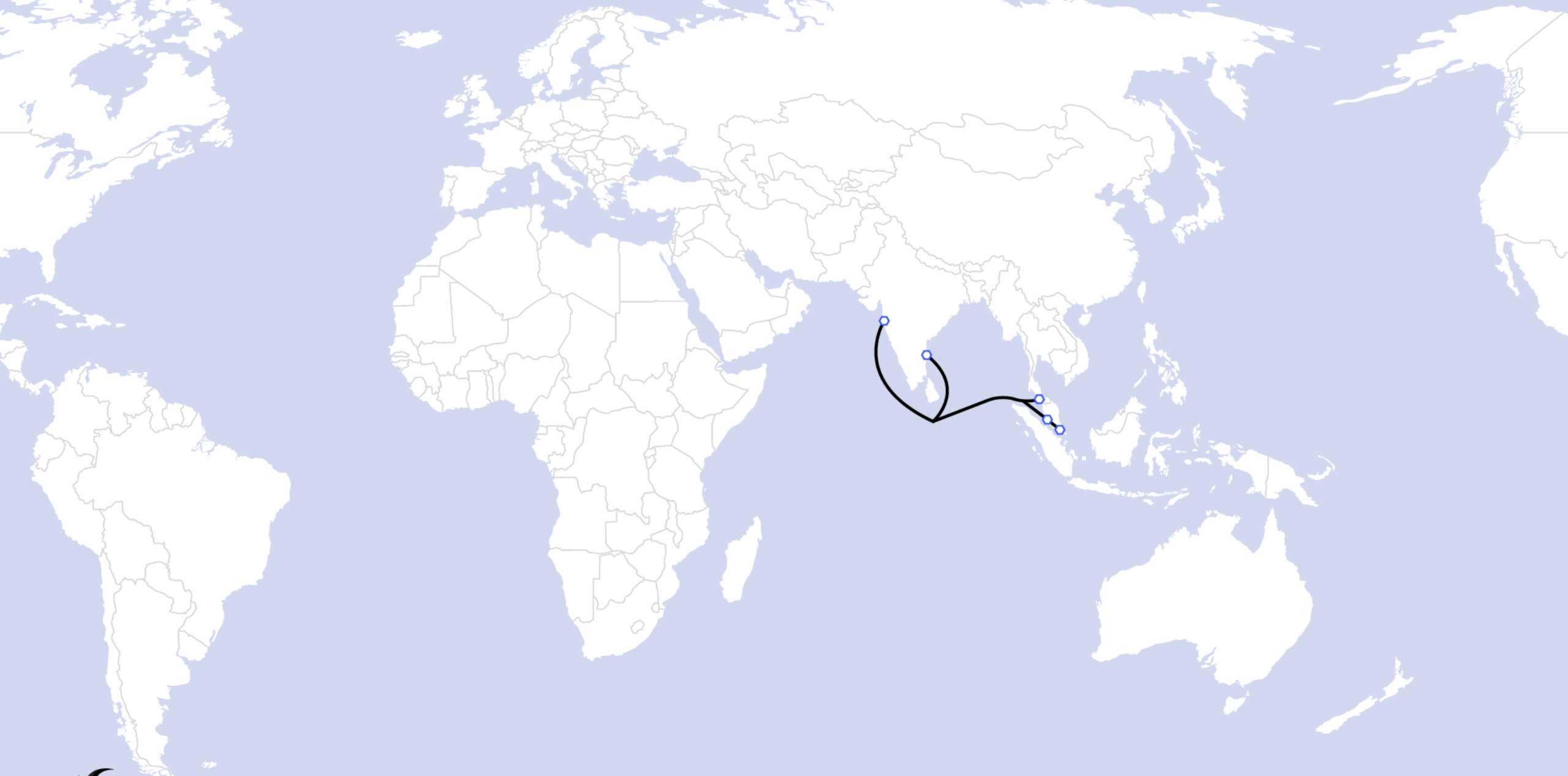
- Network expansion plan
- Why these markets (ME/India/SEA/Transpac) – maintaining high pricing for connectivity and high growth markets etc...
- Edge Datacentres – what, where and why? AI will need edge for the latency critical applications... Largest network presence in the Gulf loop...GCX one stop shop for connectivity and DC services across ME.

PROPOSED EDGE / DE-CENTRALISED DATA CENTRE



Total Footprint : approx. 230sqm

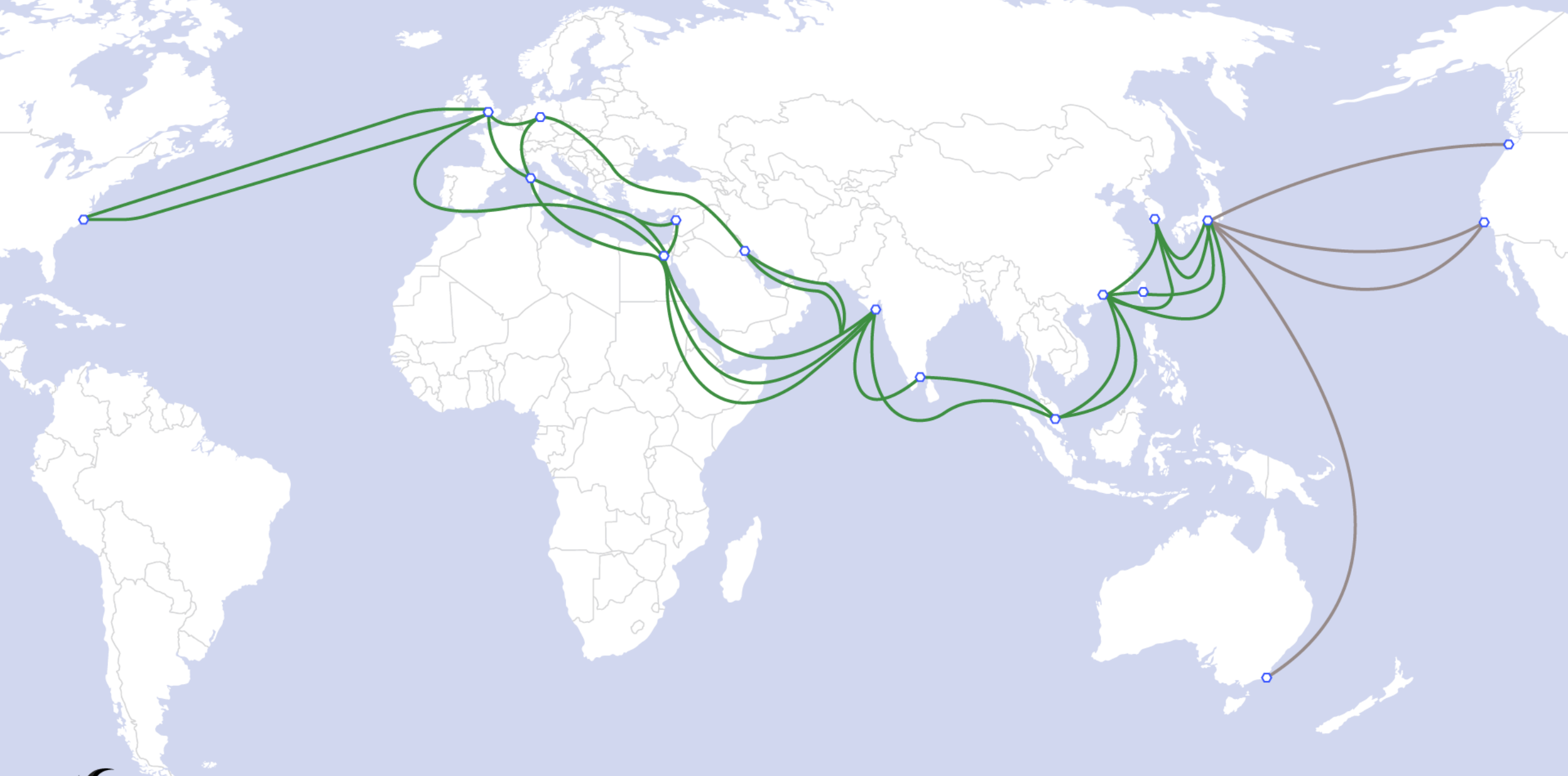




PHOENIX – INDIA TO SINGAPORE



TRANSPACIFIC



SUMMARY

A look at the future for GCX

FUTURE INVESTMENTS

Expand our subsea platform that both extends the economic value of our existing assets as well as investing in the latest cable routes and solutions for our customers:

- Europe to India
- Europe to ME
- India to Singapore
- Transpacific
- Africa to Europe

EDGE DATACENTRE BUSINESS

GCX set to launch Edge Data centres in opportunistic locations that leverage our existing assets, supporting cloud, AI and data sovereignty opportunities

OPTIMIZE EXISTING ASSETS

GCX is partnering with various OTTs and Carriers around the world to repurpose GCX owned facilities enabling faster growth in subsea deployments.



GCX

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3i Infrastructure plc

