



Sines 4.0[®]: Investment of up to €3.5 billion in Portugal to build large-scale global green data centres

American-European investors to put Portugal on the map of international mega data centres. Project will directly create up to 1,200 high-qualification professional jobs.

Sines, Friday 23rd April 2021 - start campus, a company owned by US-based Davidson Kempner Capital Management LP (Davidson Kempner) and UK-based Pioneer Point Partners, announces the development of a Hyperscale Data Centre¹ campus of up to 450MW, to be located in Sines, Portugal, a project with an ultimate investment size of up to €3.5 billion. The project will directly create up to 1,200 high-qualification professional jobs and over 8,000 indirect jobs by 2025. Sines 4.0[®] will be one of the largest data centre campus projects in Europe and will address the exploding demand of large international technology companies that provide services such as streaming, social media, eCommerce, gaming, online education, video-conferencing, cloud computing and other data processing and business applications.

The mega data centres² will be state-of-the-art core infrastructure at the heart of the Sines 4.0[®] project. This will combine the needs of the new age of digital transition with the unique geographical position of Portugal and Sines, whilst also significantly contributing to Portugal's energy transition. start campus aims for Sines 4.0[®] to have a

¹ A data centre is a special purpose building designed and optimised to host multiple racks of servers to process, store and manage data flows in computer networks and the internet. Hyperscaler is the term commonly used for technology companies whose business models are dependent on the management of very large quantities of data, such as streaming, social media and networks, eCommerce, gaming, online education, video-conferencing, cloud computing and other data-intensive processing applications.

² Defined by the Data Centre Institute as > 9,000 racks.



net zero carbon footprint while guaranteeing globally competitive energy prices, security, stability and data safety compliance.

The project envisages the construction of 5 modern buildings of 90 MW each with the capacity to deliver up to 450 MW of power to the computer servers. Sines 4.0[®] will be located on land adjacent to the recently decommissioned coal power plant in Sines and will benefit from all the strategic advantages of this location such as sea-water cooling systems, high-voltage power grid access, data connectivity via high-capacity international fibre optic cables to North America, Africa, and Latin America as well as the potential use of 100% green and environmentally-sustainable energy creating highly efficient PUE (Power Usage Effectiveness) and water consumption ratios.

In March 2021, Sines 4.0[®] was classified by the Portuguese Government as a Project of National Interest (PIN), thus benefiting from material advantages that this special status provides in accelerating and implementing planning and construction.

Sines 4.0[®] will contribute to Portugal's revival as a key player in the international data and connectivity scene and to building the next stage of the country's 150-year history as a European landing point for global telecommunications. The project will leverage Sines and Portugal's strategic geographical position at the edge of Europe with the help of new submarine cables now entering operation, in construction or under development. These include EllaLink (connecting mainland Portugal to Madeira and South America) and Equiano and 2Africa (connecting the entire African continent to Europe via Portugal). Portugal can once again become the major data hub between Europe, the Americas, Africa and beyond, and become the gateway for an explosion of transatlantic connectivity. Sines possesses at least five powerful advantages which make it a unique location and give it the potential to host one of Europe's leading data centre campuses. The Sines 4.0[®] site brings together critical success factors including:

- Availability of low-priced energy from **renewable sources**, through very good connectivity to the national power grid and easy access to competitive green energy including solar, wind, hydro and (in the future) hydrogen;
- **Scalability** via land options and significant expansion potential to grow to 450MW and beyond;



- **Connectivity** through intercontinental subsea cables currently under construction and excellent hinterland connectivity to the rest of Europe;
- **Cooling** that is low-cost, high-efficiency and environmentally-friendly via existing cooling facilities that use ocean water, which will keep servers at optimal temperatures, and the potential to re-use waste heat from Sines 4.0[®] for neighbouring industrial customers;
- **A unique seabed topology** of the continental shelf at Sines, making it an excellent location to safely and cost effectively land subsea cables in the future.

The Sines 4.0[®] project has been developed in partnership with AICEP (Agency for Investment and Foreign Trade of Portugal), the Municipality of Sines and the Portuguese Government. The active involvement and support of the Portuguese national government, via the Ministry of Economy and Digital Transition, the Ministry of Environment and Energy Transition, the Ministry of Foreign Affairs and Internationalisation and the Ministry of Infrastructure and Housing, has been important to the development of Sines 4.0[®].

Construction of Sines 4.0[®] is expected to start by next year and will involve more than 900 workers on site in its first stage. The inauguration of the first building is scheduled for the end of 2023. During construction, the workforce should peak at up to 2,700 people.

Sines 4.0[®] is a project promoted by start campus with the support of Davidson Kempner and Pioneer Point Partners. Further background on these international investment firms is included in the notes below.

Afonso Salema, Managing Director of start campus, said: "We thank Pioneer Point Partners and Davidson Kempner for their support on this important project and welcome them to Sines. We are excited about the new jobs and beneficial impact their involvement will make on our local community and are looking forward to a long and rewarding partnership."

Sam Abboud, a Founding Partner at Pioneer Point Partners, said: "Sines 4.0[®] is a large-scale 100% green data centre that responds to the needs of the global market. The availability of cheap local green energy combined with geographical proximity to



three other continents with fast connections using new high-speed subsea cables make Sines an ideal location that will propel Portugal onto the international data traffic and data centre stage. Data has been identified as the new 'oil' of the digital economy, and Portugal will benefit from this large investment in Sines that will place the country at the core of the transatlantic and global data network. We look forward to announcing further and synergistic investments in Portugal very soon."



NOTES:

About Davidson Kempner Capital Management LP:

Davidson Kempner Capital Management LP ("Davidson Kempner") is a U.S.-registered global institutional investment management firm with more than 37 years of experience and a focus on fundamental investing with a multi-strategy approach. Davidson Kempner has over \$36 billion in assets under management with over 400 professionals in five offices, including New York, Philadelphia, London, Hong Kong and Dublin.

About Pioneer Point Partners LLP:

European specialist investment firm Pioneer Point Partners was founded in 2008 and focuses on the energy transition, communications infrastructure and environment sectors. Pioneer has provided more than €3 billion of capital to 9 platform investments since its inception. Pioneer has almost €1 billion of assets under management including capital available for new investments. Through its investments, Pioneer aims to contribute to the transition to a carbon neutral economy.

Selected Pioneer/Davidson Kempner Portfolio Companies:

Echelon Data Centres is developing up to 180MW of data centres across three sites in Ireland. Capital being invested is to focus on energy infrastructure, power delivery and renewable energy projects connected to Echelon's data centre sites.

Nature Energy, based in Denmark, is a global leader in biomethane (green gas), derived from agricultural and livestock waste. Nature Energy has 12 plants in operation, 2 in construction and 10 under development and currently transforms 4 million tons of waste per year.

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