

22.07.15

Z Holdings Corporation



Allocations of Z Holdings Corporation's Green Bond

Z Holdings Corporation (hereinafter "ZHD") hereby announces the allocation of proceeds and environmental benefits derived from the unsecured corporate bond (green bond) maturing in 2028, issued in July 2021. Details are as follows.

1. Allocation reporting (As of March 31, 2022)

The procured funds have been allocated to the eligible projects as follows.

Eligible projects

- 1) Construction, refurbishment, acquisition, or operation of data centers that achieve a Power Usage Effectiveness (PUE) of less than 1.5 (Project category: energy efficiency)
 - i. Shirakawa Data Center: capital expenditure (Refinancing)
 - ii. Actapio Data Center: capital expenditure (Refinancing)
 - iii. Kitakyushu Data Center: capital expenditure (Construction of a new building)
- 2) Sourcing of electricity to be used for data center operation from renewable energy (Project category: renewable energy)

	(JPY billion)
Item	Amount
Procured amount	20
Allocated amount	16
Unallocated amount ^{*1,2}	4

^{*1} Unallocated proceeds are managed as cash and cash equivalents.

^{*2} The remaining proceeds are scheduled to be completely allocated by the end of fiscal 2022 (fiscal year ending on March 31, 2023).

2. Impact reporting

The quantitative indicators of environmental improvement are as follows.

- 1) PUE values of data centers
- 2) Amount of electricity procured from renewable energy sources (kWh)

Item	FY2021
PUE values	1.36
Amount of electricity procured	134,432,291kWh

3. Annual review by a third-party organization

An annual review by Sustainalytics has confirmed that the projects funded with the proceeds met the use of proceeds and eligibility criteria outlined in the ZHD Green Bond Framework. Please refer to the following for details on the results of the annual review.

https://www.z-holdings.co.jp/en/news/2022/07/Sustainalytics-Annualreview_EN.pdf

With the aim of accelerating its carbon neutral initiatives, ZHD issued this green bond, as a means of raising funds for projects that contribute to solving environmental issues. Under the mission, 'UPDATE THE WORLD - unleashing the infinite potential of all people with the power of information technology,' ZHD will continue to work more closely with a wide range of stakeholders and contribute to the realization of a sustainable society.

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