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Z Holdings Corporation

## Z Holdings to Issue JPY 20 Billion Green Bond in July

### - Aimed to accelerate carbon neutral initiatives, including the construction of energy-efficient data centers

Based on the framework<sup>\*1</sup> for issuing green bonds announced in June 2021<sup>\*2</sup>, Z Holdings Corporation (hereinafter "ZHD") has decided to issue a JPY 20 billion green bond (unsecured straight bond) in the Japanese market in July 2021 (scheduled) in the form of public offering. ZHD hereby announces that it has today submitted an amended shelf registration document related to the issuance of the said green bond to the Director-General of the Kanto Local Finance Bureau in Japan.

#### Outline of the green bond

Issuer	Z Holdings Corporation
Term	7 years (Scheduled)
Amount	JPY 20 billion (Scheduled)
Time of issuance	July 2021 (Scheduled)
Lead-managing underwriters	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.; Mizuho Securities Co. Ltd.; Nomura Securities Co., Ltd.; SMBC Nikko Securities Inc.; SBI SECURITIES, Co. Ltd.; and Daiwa Securities Co., Ltd.
Structuring agent <sup>*3</sup>	Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and Mizuho Securities Co. Ltd.

With the aim of accelerating its carbon neutral initiatives, ZHD will issue the Group's first green bonds, as a means of raising funds for projects that contribute to solving environmental issues. This is the first issuance of green bonds in the Internet sector.

The funds procured from the issuance of this green bond will be allocated to expenditures for constructing, refurbishing, acquiring and operating energy-efficient data centers with a PUE (Power Usage Effectiveness)<sup>\*4</sup> value of below 1.5, as well as to the procurement of renewable energy-based electricity to be used at data centers. For details, please refer to the ZHD Green Bond Framework<sup>\*1</sup>. Please note that ZHD Green Bond Framework has acquired a second-party opinion from Sustainalytics, a global ESG ratings and analytics firm, on its alignment with the Green Bond Principles 2018 (ICMA) and Green Bond Guidelines 2020 developed by the Ministry of the Environment of Japan<sup>\*5</sup>.

<sup>\*1</sup> For the outline of the green bond framework (use of proceeds, eligible projects), please refer to the press release announced on June 15, 2021, "Z Holdings to Issue the Group's First Green Bonds Within Fiscal 2021"

URL:<https://www.z-holdings.co.jp/en/pr/press-release/2021/0615>

<sup>\*2</sup> Green bonds are bonds issued to raise funds specifically for initiatives in the environmental field.

<sup>\*3</sup> Structuring agents support the issuance of green bonds through formulation of a Green Bond Framework and advices on the acquisition of second-party opinions.

\*<sup>4</sup> One of the indicators used to measure the energy efficiency of data centers, etc. A value closer to 1.0 is considered to be more efficient in terms of electricity use.

\*<sup>5</sup> For more details, please refer to the following:

<https://www.z-holdings.co.jp/wp-content/uploads/2021/06/ZHoldingsCorporationGreenBondSecond-Party-Opinion-1.pdf>

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