

# Global Switch Holdings Limited

**Type of Engagement:** Annual Review

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## Introduction

In October 2020, Global Switch Holdings Limited (GSHL) issued green bonds aimed at financing projects that have positive environmental impacts, with a goal of reducing the energy intensity and carbon footprint of its operations. In September 2021, GSHL engaged Sustainalytics to review the projects funded through the issued 2021 green bonds and provide an assessment as to whether the projects met the Use of Proceeds criteria and the Reporting commitments outlined in the Global Switch Holdings Limited Green Bond Framework.

Between the period of 7 October 2020 to 30 September 2021, GSHL committed a total of Euro 693 million to five projects. These projects fall into the Green Building category of the Framework.

## Evaluation Criteria

Sustainalytics evaluated the projects and assets funded with proceeds from the 2021 green based on whether the projects and programmes:

1. Met the Use of Proceeds and Eligibility Criteria outlined in the Global Switch Holdings Limited Green Bond Framework; and
2. Reported on at least one of the Key Performance Indicators (KPIs) for each Use of Proceeds criteria outlined in the Global Switch Holdings Limited Green Bond Framework.

Table 1 lists the Use of Proceeds, Eligibility Criteria, and associated KPIs.

**Table 1: Use of Proceeds, Eligibility Criteria, and associated KPIs**

Use of Proceeds	Eligibility Criteria	Key performance indicators (KPIs)
<b>Green Buildings</b>	Investments in the construction and operation of buildings that have received or will be: <ul style="list-style-type: none"> <li>• LEED: Gold or above</li> <li>• BREEM: Very Good or above or equivalent local certifications</li> </ul> Construction, refurbishment, or operation of eco-efficient data centers with a PUE of less than 1.2 in Europe and due to climate conditions, 1.4 in Asia-Pacific	<ul style="list-style-type: none"> <li>• Energy performance and percentage of energy use reduced compared to a local baseline.</li> <li>• Proportion of energy use from renewable sources; and/or</li> <li>• Annual analysis of carbon emissions.</li> </ul>
<b>Energy Efficiency</b>	Investments in the re-development of existing data centers to improve energy efficiencies such as: <ul style="list-style-type: none"> <li>• installing free cooling</li> <li>• replacing the internal cooling delivery units and the centralized cooling generation plant</li> <li>• where we are power densifying existing space, replacing UPS equipment with newer more energy efficient models</li> </ul>	

## Issuing Entity's Responsibility

GSHL is responsible for providing accurate information and documentation relating to the details of the projects that have been funded, including description of projects, amounts allocated, and project impact.

## Independence and Quality Control

Sustainalytics, a leading provider of ESG and corporate governance research and ratings to investors, conducted the verification of GSHL's Green Bond Use of Proceeds. The work undertaken as part of this engagement included collection of documentation from GSHL employees and review of documentation to confirm the conformance with the Global Switch Holdings Limited Green Bond Framework.

Sustainalytics has relied on the information and the facts presented by GSHL with respect to the Nominated Projects. Sustainalytics is not responsible, nor shall it be held liable if any of the opinions, findings, or conclusions it has set forth herein are not correct due to incorrect or incomplete data provided by GSHL.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight over the assessment of the review.

## Conclusion

Based on the limited assurance procedures conducted,<sup>1</sup> nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the reviewed bond projects, funded through proceeds of GSHL's Green Bond, are not in conformance with the Use of Proceeds and Reporting Criteria outlined in the Global Switch Holdings Limited Green Bond Framework. GSHL has disclosed to Sustainalytics that the proceeds of the green bond were fully allocated as of 30 September 2021. Detailed Findings are provided in Table 2.

**Table 2: Detailed Findings**

<b>Eligibility Criteria</b>	<b>Procedure Performed</b>	<b>Factual Findings</b>	<b>Error or Exceptions Identified</b>
<b>Use of Proceeds Criteria</b>	Verification of the projects funded by the green bond in 2021 to determine if projects aligned with the Use of Proceeds Criteria outlined in the Global Switch Holdings Limited Green Bond Framework and above in Table 1.	All projects reviewed complied with the Use of Proceeds criteria.	None
<b>Reporting Criteria</b>	Verification of the projects funded by the green bond in 2021 to determine if impact of projects was reported in line with the KPIs outlined in the Global Switch Holdings Limited Green Bond Framework and above in Table 1. For a list of KPIs reported please refer to Appendix 1.	All projects reviewed reported on at least one KPI per Use of Proceeds criteria.	Impact Reporting is currently being undertaken by GSHL as part of the Company's ESG report. This report is expected to be published in 2022 and KPIs from financed projects will be provided at that time.

<sup>1</sup> Sustainalytics limited assurance process includes reviewing the documentation relating to the details of the projects that have been funded, including description of projects, estimated and realized costs of projects, and project impact, which were provided by the Issuer. The Issuer is responsible for providing accurate information. Sustainalytics has not conducted on-site visits to projects.

## Appendix

### Appendix 1: Allocation and Impact Reporting by Eligibility Criteria

Use of Proceeds Category	Environmental Impact Reported by Eligibility Criteria	Net Bond Proceeds Allocation (million Euro)	Percentage of total Net Bond Proceeds (%)
<b>Green Buildings</b>	Global Switch Hongkong Building, stage 1 LEED Platinum Certified having gross floor space of 750,000 sq feet over five buildings	576	66.58
	Global Switch second data centre Singapore Woodlands, LEED Gold certified having gross floor space of 270,788 sq feet over six floors	144	16.64
	Global Switch Frankfurt campus, targeting BREEAM very good and performance validated by CBRE Romonet for PUE of 1.11 at full load. The facility covers 127,628 sq feet gross floor space over three floors	100	11.56
	Global Switch Amsterdam East data centre facility is targeting for PUE < 1.2 having gross floor space of 345,000 sq feet	17	1.96
	Global Switch London North data centre campus is targeting PUE < 1.2 having gross floor space of 252,295 sq feet	28	3.23
<b>Total Funds Raised</b>		865	
<b>Total Funds Allocated (till 30 September 2021)</b>		693	80.11
<b>Total Funds Unallocated</b>		172	19.89

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