Colt Data Centre Services Recognized as the

2021

Company of the Year

Japan Data Center Services Industry
Excellence in Best Practices

colt
Data Centre Services

FROST & SULLIVAN

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Colt Data Centre Services excels in many of the criteria in the data center services space.

AWARD CRITERIA

Visionary Innovation & Performance	Customer Impact
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Strategic and Innovative

Founded in 1992, Colt Data Center Services (Colt DCS) is a key data center service provider with more than 25 years of experience in designing, building, and operating data centers and colocation services. Frost & Sullivan research finds increased investment by data center operators, as well as the proliferation of the Internet of Things (IoT) and Big Data, drive hyperscale cloud investments; however, challenges such as the COVID-19 pandemic's impact on construction activities and operations, as well as the increased demand for sustainability best practices, continue to restrain market adoption.

Colt DCS demonstrated its agility, adaptability, and keen innovation in 2020. COVID-19 presented little resistance to the company's momentum, as it opened its Japan-based Inzai 3 hyperscale data center in November 2020. The 27 megawatt (MW) data center sits east of Tokyo with around 90% space leased. The campus offers a total of 50 MW of information technology (IT) power available, with 1,000 square meters (10,700 square feet) of data halls and an average energy consumption of roughly 3.375 kilowatts per square meter. Moreover, Inzai 3's built-in seismic isolation mechanisms move the building as one, as opposed to swaying, enabling strong earthquake resistance. Frost & Sullivan applauds Colt DCS for its new facilities and finds the new expansions in Japan and India represent a commitment to digital transformation. Carrier neutral, Colt DCS empowers customers through nearly unlimited scalability, growing with the client as their business changes, as well as providing keen efficiency and reliability.

Colt DCS innovative designs are also aligned with the industry best practices, thus addressing the customer's high and low density requirements along with the flexible SLA's which match the power and cooling requirements of the customers. Colt DCS deploys standardized yet scalable designs which allow the customer to select from a range of UPS requirements and cooling solutions across Colt's data center portfolio. Modular 2.0 is the new repetition of the standardized approach as it eliminates the dependency on on-site teams for construction and decreases the implementation time. Colt DCS deploys innovative and sustainable data center designs which keeps the efficiency high and reduces the total cost of ownership.

Best Sustainable Practices

Concerns regarding climate change and its impact on the environment continue to influence industries to create energy-efficient, green solutions. In approaching the topic of sustainability and green energy for data centers, Colt DCS's leadership knew a fundamental shift was necessary to achieve environmental responsibility while remaining competitive. To this end, Colt DCS launched its energy strategy in 2020 with plans to move all of its data centers to 100% green energy. As of 2021, the company continues to plan feasibility and assess key markets (Europe, Japan, and India) for corporate power purchase agreements that drive additional renewable energy power in the market and set science-based emissions reduction targets. Simultaneously, Colt DCS launched workstream changes designed to reduce its carbon footprint, including zero-waste-to-landfill, renewable power supplies, green energy, as well as green vehicles, travel policies, and commutes.

To ensure ongoing quality and reliability, Colt DCS structures its work processes and best practices around the IT Internet Library (ITIL) standards, enabling it to create a robust and controlled environment. The tiered structure of ITIL qualifications offers flexibility for varying disciplines and allows the Colt DCS team to provide customers with keen service. Additionally, Colt DCS announced in February 2021 that its Inzai 1 data center received Management and Operations certification from the Uptime Institute following document and site verification assessments. This achievement demonstrates Colt DCS's commitment to delivering best-in-class service and empowering Japan's digital transformation goals.

Expanding Excellence

"Frost & Sullivan applauds Colt DCS for its new facilities and finds the new expansions in Japan and India represent a commitment to digital transformation. Carrier neutral, Colt DCS empowers customers through nearly unlimited scalability, growing with the client as their business changes, as well as providing keen efficiency and reliability."

- Samantha Fisher, Best Practices Research Analyst

Colt DCS' leadership's aim to become one of the key hyperscale colocation service providers drives many of its initiatives, with the company developing and leveraging hyperscale strategies and campaigns in 2020. November 2020 saw the Inzai 3 data center launch, with additional planning to invest further in the Japanese market to address the growing hyperscale demand in the country. Frost & Sullivan observes resistance to the migration from on-premise contact center deployments toward the cloud, and concerns regarding reliability, network security, and customer

data privacy are key restraints. Colt DCS takes security seriously, providing around-the-clock manned environments, as well as a portfolio of security options tailored for its clients' specific needs. On the physical security approach, Colt DCS offers solutions such as fenced and manned gate entry, alarm management, and biometric rack access.

Strong Customer Focus

Colt DCS offers comprehensive customer care services designed to meet its clients' needs. Since launching its Customer Experience program to reinforce and realize the company's vision to be a customer-centric operator in the industry, Colt DCS increased its Net Promoter Score by over 300%, with scores of 54 across all of its customers in Europe and Asia. The company offers professional teams in diverse areas, such as solution architecture and service management, to support customers in every country and language. To this end, Colt DCS offers flexible support packages (Gold, Platinum, and Platinum Plus) for varying customer needs. Some benefits from the different tiered service packages include in-life support and reporting, active incident and remedy reporting, and monthly reports on power usage, environment, incidents, changes, and performance. Additionally, Colt DCS continues to gain monthly customer feedback, enabling it to build on its continuous improvement plans. The company also introduced a customer self-service portal, offering around-the-clock human coverage for incoming requests and support. More importantly, Colt DCS's collaborative approach to service operations and sales alleviates client concerns as the customer receives strong support at every step of their journey.

"Frost & Sullivan applauds Colt DCS for its resilience and growth achievements in 2020 and predicts the company will supersede the industry average in the coming years."

- Samantha Fisher, Best Practices Research Analyst

Robust Value Proposition

Colt DCS offers robust features that strengthen its value proposition and reinforce customer loyalty. The company provides services, such as Remote Hands, which help clients with IT staff located far from the data center. Migration Assistance streamlines the deployment journey for customers looking to change physical locations or move to the cloud for the first time. Service Level Agreements ensure the project stays on schedule. Colt DCS also offers office space options with Internet access, conference facilities, and audio-visual equipment. Since the company's data centers are carrier-neutral, Colt DCS provides direct connectivity to carriers, cloud service providers, Internet exchanges (IX), financial trading platforms, and content providers.

The company's Shiohama data center in central Tokyo possesses multiple connectivity solutions for those looking for edge deployment. Customers use the Inazi site for server farms and deploy gateways in Shiohama, leveraging rich connectivity and close location to major Internet service providers. To bring more connectivity choices to Shiohama, Colt DCS provides a support program for carriers, IXs, data center interconnect providers, and other network service providers. Additionally, the company offers competitive cross-connect solutions since edge sites require several cross-connect installations, thus shrinking the required costs.

Colt DCS continues to achieve noteworthy performance, with significant growth in 2020 over 2019, regardless of the challenges associated with COVID-19. The company managed to weather the pandemic as many governments viewed data centers as critical businesses, enabling data center services providers to remain open. While adhering to staffing limits at certain locations, the company's customer service and delivery saw little to no impact. Frost & Sullivan applauds Colt DCS for its resilient spirit and growth achievements in 2020 and predicts the company will supersede the industry average in 2021 and beyond.

Conclusion

Hyperscale data centers continue to gather interest; however, construction and operations challenges, stemming from the COVID-19 pandemic and the demands for sustainability, restrain market adoption. Colt Data Center Services (Colt DCS) alleviates these concerns with its hyperscale data centers, many of which were deemed critical businesses during the pandemic, enabling the company to continue serving its customers with little to no performance impact.

In November 2020, the company announced the launch of its Inazi 3 hyperscale data center east of Tokyo. More importantly, Colt DCS launched its sustainability plan in 2020, with plans to transition all of its data centers to 100% renewable energy. Colt DCS provides true value to its clients through additional features, service packages, security, and consulting. The company's key focus on new markets makes it a strong strategic vendor, and its data centers translate to innovative excellence.

For its customer-centric approach, robust technical insights, firm market presence, leading data centers, and strong overall performance, Colt DSC earns Frost & Sullivan's 2021 Japan Company of the Year in the data center services market.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends: Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first to market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

FROST ⅋ SULLIVAN

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at http://www.frost.com.

The Growth Pipeline Engine™

Frost & Sullivan's proprietary model to systematically create on-going growth opportunities and strategies for our clients is fuelled by the Innovation Generator™. Learn more.

Key Impacts:

■ **Growth Pipeline:** *Continuous flow of Growth opportunities*

■ **Growth Strategies:** *Proven Best Practices*

■ **Innovation Culture:** *Optimized Customer Experience*

■ **ROI & Margin:** *Implementation Excellence*

■ **Transformational Growth:** *Industry Leadership*

The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

■ Mega Trend (MT)

■ Business Model (BM)

■ Technology (TE)

■ Industries (IN)

■ Customer (CU)

■ Geographies (GE)