

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ [See attached statement](#)

Blank lines for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ [See attached statement](#)

Blank lines for providing information regarding resulting loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ [See attached statement](#)

Blank lines for providing other information necessary to implement the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶

TH

Date ▶

3/6/2022

Print your name ▶

Title ▶

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
JOSEPH SEGORIA	<i>JS</i>	3/3/2022		P00858035
Firm's name ▶	Firm's EIN ▶		Firm's address ▶	
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Core Scientific Holding Co.
Attachment to IRS Form 8937
Date of Organizational Action: January 19, 2022

Disclosure regarding tax advice: The information contained herein does not constitute tax advice and does not purport to be complete or describe the consequences that may apply to all categories of stockholders of Core Scientific Holding Co. equity. Each stockholder is advised to consult his or her tax advisor regarding the tax treatment of the transaction.

Part II, Line 14: Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action

Pursuant to the Agreement and Plan of Merger and Reorganization, dated as of July 20, 2021, as amended on October 1, 2021 and December 29, 2021 (collectively, the "Agreement"), by and among Power & Digital Infrastructure Acquisition Corp., a Delaware corporation ("XPDI"), XPDI Merger Sub, Inc., a Delaware corporation and a direct, wholly owned subsidiary of XPDI ("Merger Sub"), and Core Scientific Holding Co., a Delaware corporation ("Core Scientific"), on January 19, 2022, Merger Sub merged with and into Core Scientific, with Core Scientific surviving the merger as a direct, wholly owned subsidiary of XPDI (the "First Merger"). On January 20, 2022, Core Scientific merged with and into XPDI, with XPDI surviving the merger (together with the First Merger, the "Mergers").

Part II, Line 15: Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis

The Mergers, taken together, were intended to constitute a single integrated transaction that qualifies as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code").

As a result of the First Merger, each share of Core Scientific common stock issued and outstanding immediately prior to the First Merger (other than dissenting shares and shares held by Core Scientific or any direct or indirect wholly owned subsidiary of Core Scientific) was exchanged for 1.6 shares of XPDI common stock.

No fractional shares of Core Scientific common stock were issued, and no cash in lieu of fractional shares of Core Scientific common stock was paid in connection with the First Merger. Instead, the number of shares of Core Scientific common stock each former Core Scientific stockholder was entitled to receive in connection with the First Merger was rounded down to the nearest whole share and computed after aggregating all shares of Core Scientific common stock held by each Core Scientific stockholder.

Assuming that the Mergers, taken together, constitute a "reorganization" within the meaning of Section 368(a) of the Code, a stockholder's aggregate adjusted tax basis in the XPDI common stock received in the Mergers will be equal to the aggregate adjusted tax basis in the Core Scientific common stock surrendered in the Mergers.

Certain convertible debt instruments issued by Core Scientific were outstanding immediately prior to the First Merger, which convertible debt instruments might qualify as "securities" under Section 354 of the Code, or the exchange or deemed exchange of which in the Mergers, if any, might otherwise qualify for tax-free treatment. In connection with the Mergers, XPDI assumed Core Scientific's obligations under

the convertible debt instruments, the terms of which generally remained the same, with the exception of the conversion feature, which was adjusted based on the exchange ratio in the Mergers to provide for receipt of shares of XPDI common stock upon conversion. Assuming that the convertible debt instruments qualify as "securities" under Section 354 of the Code, or that their exchange or deemed exchange, if any, in the Mergers otherwise qualifies for tax-free treatment, the holder's basis in the convertible debt instruments would carry over upon the assumption of the convertible debt instruments by XPDI. Holders of the convertible debt instruments should consult their tax advisors as to the appropriate tax treatment of this assumption.

Part II, Line 16: Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates

To the extent shares of Core Scientific common stock were acquired at different times or for different prices, Core Scientific stockholders should allocate the tax basis in such shares to the shares of XPDI common stock received in a manner that reflects, to the greatest extent possible, blocks of Core Scientific common stock that were acquired on the same date and at the same price. To the extent this is not possible, the tax basis in the Core Scientific common stock should be allocated to the XPDI common stock in a manner that minimizes the disparity in the holding periods of the Core Scientific common stock whose tax basis is allocated to any particular share of XPDI common stock. This may result in some shares of XPDI common stock having split tax basis and holding period segments.

Core Scientific stockholders should consult their tax advisors as to the tax consequences of the adjustments described herein and the resulting impact to tax basis.

Part II, Line 17: List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based

Sections 354(a), 358(a) and (b), and 368(a).

Part II, Line 18: Can any resulting loss be recognized

No loss shall be recognized as a result of the Mergers.

Part II, Line 19: Provide any other information necessary to implement the adjustment, such as the reportable tax year

The First Merger occurred on January 19, 2022. For a Core Scientific stockholder whose tax year is the calendar year, the reportable tax year is 2022.