



Second-Party Opinion

Chindata Group Holdings Limited

Green Bond Framework

Evaluation Summary

Sustainalytics is of the opinion that the Chindata Group Holdings Limited Green Bond Framework is credible and impactful and aligns to the four core components of the Green Bond Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Green Buildings, Renewable Energy, Energy Efficiency, Clean Transportation – are aligned with those recognized by the Green Bond Principles 2021. Sustainalytics considers that activities in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 6, 7, 9, 11, and 12.



PROJECT EVALUATION / SELECTION Chindata’s Green Finance Committee (“the Committee”) will oversee the project evaluation and selection process. The projects will be evaluated and selected based on compliance with the eligibility criteria set in the Framework. Sustainalytics considers the project selection process in line with market practice.



MANAGEMENT OF PROCEEDS The Committee will manage the net proceeds following a portfolio approach. Chindata has established a look back period of two years and intends to achieve full allocation within three years after issuance. Pending allocation, unallocated proceeds will be invested in short term liquid instruments or cash and cash equivalents in accordance with the Company’s treasury management policy. This is in line with market practice.



REPORTING Chindata intends to report on allocation of proceeds and impact on its website, on an annual basis, until full allocation. Allocation reporting will include the total amount of proceeds allocated, the balance of unallocated proceeds, and the share of financing vs. refinancing. In addition, Chindata is committed to reporting on relevant impact metrics, such as energy savings (MWh/year or over project lifetime), or GHG emissions avoided (MtCO_{2e}). Sustainalytics views Chindata’s allocation and impact reporting as aligned with market practice.

Evaluation Date	June 18, 2021
Issuer Location	Beijing, China

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Introduction

Chindata Group Holdings Limited (“Chindata”, or the “Company”) is a hyperscale data center solution provider in Asia-Pacific emerging markets, focusing on China, India and Southeast Asia. Headquartered in Beijing, the Company has approximately 981 employees, as of December 31, 2020.

Chindata has developed the Chindata Group Holdings Limited Green Bond Framework (the “Framework”) under which it intends to issue green bonds and use the proceeds to finance and refinance, in whole or in part, existing and future projects that are expected to improve the sustainability of Chindata’s operations by reducing energy use and associated GHG emissions. The Framework defines eligibility criteria in four areas:

1. Green Buildings
2. Renewable Energy
3. Energy Efficiency
4. Clean Transportation

Chindata engaged Sustainalytics to review the Chindata Group Holdings Limited Green Bond Framework, dated June 2021, and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Bond Principles 2021 (GBP).¹ This Framework has been published in a separate document.²

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent³ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Bond Principles 2021, as administered by ICMA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the issuer’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.8.1, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of Chindata’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. Chindata representatives have confirmed (1) they understand it is the sole responsibility of Chindata to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and Chindata.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market standards. Furthermore, Sustainalytics’ Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with bond proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner.

¹ The Green Bond Principles are administered by the International Capital Market Association and are available at <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>.

² The Chindata Group Holdings Limited Green Bond Framework is available on Chindata Group Holdings Limited’s website at: www.chindatagroup.com

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the bond proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that Chindata has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the Chindata Group Holdings Limited Green Bond Framework

Sustainalytics is of the opinion that the Chindata Group Holdings Limited Green Bond Framework is credible and impactful, and aligns to the four core components of the GBP. Sustainalytics highlights the following elements of Chindata's Green Bond Framework:

- Use of Proceeds:
 - The eligible categories – Green Buildings, Renewable Energy, Energy Efficiency, Clean Transportation – are aligned with those recognized by the GBP. Sustainalytics notes that the activities financed under the Framework are expected to improve the sustainability of Chindata's operations by reducing energy use and associated GHG emissions.
 - Chindata has established a look-back period of two years, which is in line with market practice.
 - Within the Green Buildings category, Chindata may finance the design, construction, and maintenance⁴ of buildings, including data centers ("DCs") and offices.
 - Buildings must meet one of the following certification schemes, with the minimum certification levels: LEED "Gold", and BREEAM "Very Good". Sustainalytics considers BREEAM Excellent to be aligned with market practice and encourages Chindata to select BREEAM-certified buildings that score 70 in the Energy category (which Sustainalytics regards as the most important one) to fulfill the requirements for BREEAM Excellent in that category. For Sustainalytics' assessment of these building certification schemes, please refer to Appendix 1.
 - DCs using one of the two following criteria: (i) DCs with Power Usage Effectiveness ("PUE") below 1.3, (ii) DCs with PUE below 1.5 and that comply with the AAAAA Green Data Center Classification scheme.⁵ Sustainalytics considers the financing of DCs with PUE < 1.5 to be market practice, and views positively the inclusion of a complementary scheme that evaluates the environmental performance of DCs focusing on the energy efficiency, energy saving technology green management aspects. Sustainalytics notes that Chindata's DCs in operations achieved an average annual PUE of 1.22 in 2020, while any investment going into a new data center is planned with a PUE below 1.5.
 - Under the Renewable Energy and Energy Efficient categories, the Company intends to finance indirect CAPEX and private equity investment in companies that derive 90% of their revenue from activities that are described below. Sustainalytics recognizes that the GBP prefer project-based lending and financing, and that there is, in general, less transparency with non-project financing. Sustainalytics notes the high threshold that Chindata has established to deem equity costs eligible for the inclusion of companies. In addition, the Company confirmed that the intended expenditures will be limited to private companies.
 - In the Renewable Energy category, Chindata may finance the generation and procurement of solar and wind power. Intended projects include the following:
 - On-site renewable energy generation from solar and wind sources.
 - Procurement of renewable power from wind and/or solar sources through a trading mechanism set by regional authorities in China.⁶ The Company currently sources 51% of its data centers' power consumption from renewable energy and targets to reach

⁴ Maintenance expenditures aim at extending the value and life of underlying green assets and exclude the Group's offices.

⁵ The certification scheme solely applies to data centers and not to the building envelope.

⁶ Electricity generated by nuclear and natural gas facilities is excluded from the purchase agreement.

- 100% by 2030.⁷ The Company confirmed that one-time and short-term purchases are specifically excluded, in conjunction with the mentioned long-term target. However, Chindata could not specify the specific duration of the power purchase agreements. Sustainalytics considers market practice to favor the purchase of medium and/or long-term PPAs (> 5 years). Given Chindata long-term target and current sourcing of 51% renewable power, Sustainalytics considers the projects impactful while encouraging Chindata to ensure financing agreements which are longer than five years.
- Within the Energy Efficiency category, the Company may finance projects that seek to increase the energy efficiency of new and existing Chindata data center sites, as followed:
 - As previously mentioned, Chindata's DCs in operations achieved an average annual PUE of 1.22 in 2020. While the PUE values of existing individual DCs vary, energy efficiency improvements intend to push the PUE below 1.5, while any investment going into a new data center is planned with a PUE below 1.5.
 - The development of integrated energy solution and power distribution network architecture, including sub-stations and battery energy storage systems, that follow one of the two following criteria; (i) Activities that aim to support the integration of on-site renewable power production to the Company's data centers that comply with PUE < 1.5, (ii) Activities that are expected to generate energy efficiency gains for data centers with PUE > 1.5. Sustainalytics encourages Chindata to report on the energy efficiency achieved by projects that fall under the second criteria, and provide transparency around the projects financed.
 - The installation of innovative cooling systems such as natural cooling chilled water system. Sustainalytics highlights that Chindata (i) primarily powers the data center through renewables⁸ and (ii) use free cooling technology that takes advantage of cool ambient conditions and reduces the need for mechanical cooling and associated power.
 - The installation of smart lighting control system, and energy efficient lights.
 - Project Evaluation and Selection:
 - Chindata's Green Finance Committee ("the Committee") will oversee the project evaluation and selection process. The committee comprises representatives from the Group's ESG Management Committee, Legal, treasury and Investor Relations functions, as well as other subject matter experts. The projects will be evaluated and selected based on compliance with the eligibility criteria set in the Framework.
 - Based on these elements, Sustainalytics considers this process to be in line with market practice.
 - Management of Proceeds:
 - The Committee will manage the net proceeds following a portfolio approach. Chindata has established a look back period of two years and intends to achieve full allocation within three years after issuance. Pending allocation, the Company will hold the proceeds in short term liquid instruments or cash and cash equivalents.
 - Based on these elements, Sustainalytics considers this process to be in line with market practice.
 - Reporting:
 - Chindata Group Holdings Limited intends to report on allocation of proceeds on its website, on an annual basis, until full allocation. Allocation reporting will include the total amount of proceeds allocated, the balance of unallocated proceeds, and the share of financing vs. refinancing. In addition, Chindata Group Holdings Limited is committed to reporting on relevant impact metrics, such as energy savings (MWh/year or over project lifetime), or GHG emissions avoided (MtCO₂e).
 - Based on these elements, Sustainalytics considers this process to be in line with market practice.

⁷ Besides PPAs, Chindata plans to install 2GW of added capacity by 2030.

⁸ In 2020, the proportion of renewable energy used in the Group's owned data centers reached 51%.

Alignment with Green Bond Principles 2021

Sustainalytics has determined that the Chindata Group Holdings Limited Green Bond Framework aligns to the four core components of the GBP. For detailed information please refer to Appendix 2: Green Bond/Green Bond Programme External Review Form.

Section 2: Sustainability Performance of Chindata

Contribution of framework to Chindata's sustainability strategy

Chindata prioritizes sustainable development by integrating sustainability within its corporate strategy. Sustainalytics notes that Chindata demonstrates a commitment to sustainability with a focus on two key environmental areas: (i) Power Usage Effectiveness (PUE) Reduction (ii) 100% Renewable Energy Commitment. As stated in the Company's Sustainability Report, Chindata intends to reduce carbon emissions and become carbon-neutral for both Scope 1 and Scope 2 emissions by 2030. The report also introduces Chindata's "Roadmap to Carbon Neutrality by 2030" describing the Company's strategy and past environmental performance.

Regarding the first pillar, the Company aims to achieve better PUE⁹ through a series of measures. The measures include increasing the supply air temperature and humidification, shutting down unoccupied servers, optimizing the AHU (air handling unit) control strategy, raising utilization rate and indirect evaporative natural cooling technology. As a result, Chindata achieved an average PUE of 1.21 in 2019.¹⁰ In 2019, the average PUE worldwide was 1.67.

For its renewable energy commitments, Chindata has set a long-term goal to power its hyperscale¹¹ data centers with 100% renewable energy by 2030. As part of its commitment, Chindata has set up a Renewable Energy Department to coordinate renewable energy development and plans to install 2GW of on-site added capacity. It also prioritizes locations with access to abundant renewable energy supply and surplus clean energy when conducting its site selection. The proportion of renewable energy used in Chindata's data centers is 37% in 2019 and 51% in 2020. The company estimates that it has contributed 392 GWh in energy savings and 368,886 tons of CO₂e in 2020.¹²

Furthermore, Chindata incorporates sustainability into its buildings and equipment. For example, the Company favors environmentally friendly materials during DCs' construction. The Company also implements energy-saving technologies in its IT equipment, cooling systems, power distribution network (PDN), and lighting control systems. Chindata intends to reduce the energy needed for cooling by implementing uses natural cooling chilled water systems to reduce energy for cooling. Sustainalytics notes that the activities will be directly supported by the proceeds obtained under the Framework. Furthermore, the activities financed under the Framework could assist the Company in achieving its overarching sustainability target.

Sustainalytics is of the opinion that the Chindata Group Holdings Limited Green Bond Framework is aligned with the company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities.

Well-positioned to address common environmental and social risks associated with the projects

While Sustainalytics recognizes that the net proceeds from the bonds issued under the Framework will be directed towards eligible projects that are expected to have positive environmental impact, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects, could include occupational health and safety, biodiversity issues associated with large-scale infrastructure development, and information leakage and data privacy violation and operation of data centers. Sustainalytics is of the opinion that Chindata is able to manage and/or mitigate potential risks through implementation of the following:

- Within its Code of Business Conduct and Ethics, Chindata is committed to providing a safe and healthy working environment for its employees. It also requires its employees to comply with all laws, rules and regulations on occupational health and safety.¹³ Chindata has established an EHS

⁹ PUE is an important ratio indicating the energy efficiency level of a data center. The ideal PUE is 1.0, which means that it is 100% efficient. The lower or closer to 1 the PUE of a data center is, the better the efficiency it is.

¹⁰ Chindata Group, "Green Data Centers" at <https://www.chindatagroup.com/upload/portal/20200728/d55ff4cd90205ab5d3bf9a5cf8553572.pdf>

¹¹ A hyperscale data center commonly refers to a data center with a scale of more than 5,000 servers.

¹² Chindata Group, "2020 Chindata Group ESG Report", 2021, at

<https://www.chindatagroup.com/upload/admin/20210401/1228afcd8ef6de2dc5c1128b74bca2b2.pdf>

¹³ Chindata Group, "Code of Business Conduct and Ethics" at <https://investor.chindatagroup.com/static-files/51fd1f5a-9ffc-402a-bedb-cf35308c0af3>

management system in accordance with OHSAS 18001 (Health and Safety Management) and its EHS Department is designated to optimize and implement the system. In 2020, Chindata has conducted 20 sessions of safety training and six emergency drills to ensure the health and safety of stakeholders.¹²

- On preserving biodiversity, the Company prevents from constructing data centers where it may negatively impact the ecosystem. Chindata surveys and hires third-party assessors to determine the potential impact of the targeted site to ensure that there are no sensitive features that require protection as per China's environmental protection laws.¹² Chindata is also in accordance with GRI Standards 304-1, where it reports its impact on biodiversity at its operational sites.
- Chindata's "Code of Business Conduct and Ethics" delineates responsibilities to all its employees to comply with all laws, rules and regulations applicable to the Chindata Group's operations, including information privacy.¹³ Chindata pledges to not interfere with or access customer data and provides 24/7 physical security for server rooms, facilities, and its campuses. Many of Chindata's business entities have acquired the Information Security Management certification, ISO27001 and level three of the data center cybersecurity certification issued by the Standardization Administration of PRC. In addition, Chindata is to acquire ISO27701 certificate for Privacy Information Management.
- As part of China's Environmental Impact Assessment Act, all projects related to construction, reconstruction, expansion and/or refurbishing are obliged to conduct an environmental risk assessment during the initial phase of project design and feasibility analysis. The act stipulates that the evaluation must include the identification of key risk factors related to air, water, soil pollution or human health. According to Chinese law, all companies are required to undergo an assessment by an independent and certified environmental impact assessment agency in order to avoid any conflict of interest.¹⁴

Based on these policies, standards and assessments, Sustainalytics is of the opinion that Chindata has implemented adequate measures and is well-positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All six use of proceeds categories are aligned with those recognized by the GBP. Sustainalytics has focused below where the impact is specifically relevant in the local context.

Role of energy efficiency and renewable energy in low carbon transition of data centers in China

The telecom sector accounted for 2-3% of total global energy demand by the end of 2018.¹⁵ While transferring data through the current mobile networks consumes about 15% of energy, the remaining 85% is lost due to the heat loss in power amplifiers, the intermittent operations of the equipment, and inefficient network infrastructure which includes rectifiers, cooling systems and battery units.¹⁶ By 2040, information and communications technology (ICT) is expected to account for 14% of global emissions, up from 1.6% in 2007, with data centers accounting for 45% of this, telecoms networks for 24%, and end-user equipment for 31%.¹⁷

China's hyperscale data center industry is the second largest in the world, comprising 8% of the global market.¹⁸ China's data center industry consumed 161 TWh of electricity in 2018, or 2.35% of the country's total electricity consumption. Researchers found that electricity consumption from the industry is on track to increase by 66% in the next five years, reaching 267 TWh by 2023.¹⁹ China's data centers are heavily reliant on coal power, emitting an estimated 117 million tons of CO₂ in 2018. Data centers' emissions in China are projected to reach 194 million tons by 2023, assuming no changes in the ratio of renewable energy intake.²⁰

¹⁴ The National People's Congress of the People's Republic of China, Environmental Impact Assessment Law of the People's Republic of China, January 2019, at: <http://www.npc.gov.cn/npc/sjxflfg/201906/5e47c4866d5b44ff8b338997e37ee2cc.shtm>

¹⁵ McKinsey & Company report, "The case for committing to greener telecom networks", at <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/the-case-for-committing-to-greener-telecom-networks#:~:text=Operators%20energy%20costs%20keep%20rising,company%20profits%20and%20the%20environment.>

¹⁶ ¹⁵

¹⁷ China Dialogue, "The climate cost of China's digital infrastructure rush", at: <https://chinadialogue.net/en/cities/11960-the-climate-cost-of-china-s-digital-infrastructure-rush/#:~:text=In%202019%2C%20Shanghai%20decided%20that,a%20subsidy%20of%20over%2040%25;https://www.sciencedirect.com/science/article/abs/pii/S095965261733233X>

¹⁸ Synergy Research. (2019), "Hyperscale Data Center Count Jumps to 430", at: <https://www.srgresearch.com/articles/hyperscale-data-center-count-jumps-430-mark-us-still-accounts-40>

¹⁹ Greenpeace, "Powering the Cloud: How China's Internet Industry Can Shift to Renewable Energy", at: <https://www.greenpeace.org/static/planet4-eastasia-stateless/2019/11/7bfe9069-7bfe9069-powering-the-cloud- -english-briefing.pdf>

²⁰ Data Center Dynamics, "Chinese data centers are dabbling in renewable energy", at: <https://www.datacenterdynamics.com/en/analysis/chinese-data-centers-are-dabbling-renewable-energy/>

The percentage of renewable energy contribution to overall electricity mix of data centers in 2018 was 23% which is below the national average for all industry together of 26.5%.²¹

In 2015, the average PUE of data centers in China was 2.2 whereas advanced data centers can achieve a PUE lower than 1.2. In 2019, Shanghai municipal authorities issued a three-year action plan that limits new data centers to a PUE of 1.3.²² Shenzhen authorities restricted subsidies to data centers with a PUE below 1.4, while those with less than 1.25 can obtain a subsidy of over 40% for new energy consumption.¹⁷ In 2015, three government bodies of China²³ issued a "Guideline for Pilot Projects of Green Data Centers" (GPPGDC) to encourage sustainability in the data center industry that included a pilot of 100 leading green data centers.²⁴ In 2019, after revising the earlier guidelines, the government bodies released a new framework, "Guidelines on Strengthening the Construction of Green Data Centers".²² The latter maps out a more comprehensive concept of a green data center, which includes encouraging the use of renewable energy through direct power purchase agreements and green energy certificates. As per the new framework, the PUE of data centers in China should meet the international standard of 1.4 or less by 2022.²⁵

Based on the above positive trend along with national commitment and encouraging policies, Sustainalytics is of the opinion that Chindata expenditures in making data centers energy efficient along with investment in procurement of renewable energy to run the data centers may generate positive impact and reduce the energy and CO₂ intensity of the sector in China.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs) were set in September 2015 by the United Nations General Assembly and form an agenda for achieving sustainable development by the year 2030. The bond(s) issued under the Chindata Group Holdings Limited Green Bond Framework advances the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Buildings	11. Sustainable Cities and Communities	11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Energy Efficiency	7. Affordable and Clean Energy 9. Industry, Innovation and Infrastructure	7.3 By 2030, double the global rate of improvement in energy efficiency 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities
Clean Transportation	11. Sustainable Cities and Communities	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.

²¹ China National Energy Administration (2019), "2018 National Renewable Energy Electricity Development and Monitoring Report", at: http://zfxgk.nea.gov.cn/auto87/201906/t20190610_3673.htm

²² Data Center Dynamics, "How China is going green with data centers", at: <https://www.datacenterdynamics.com/en/analysis/how-china-going-green-data-centers/>

²³ China's Ministry of Industry and Information Technology (MIIT), National Government Offices Administration, and National Energy Administration

²⁴ Data Center Dynamics, "Chinese Government calls for green data centers up to international standards", at: <https://www.datacenterdynamics.com/en/news/chinese-government-calls-for-green-data-center-catch-up/>

²⁵ Imbequipment, "Guiding Opinions On Strengthening The Construction Of Green Data Centers", at: <http://www.lmbequipment.com/post-2206.html>

Conclusion

Chindata has developed the Chindata Group Holdings Limited Green Bond Framework under which it may issue green bonds and use the proceeds to finance Chindata's green buildings, renewable energy, energy and clean transportation projects. Sustainalytics considers that the projects funded by the green bond proceeds are expected to improve the sustainability of Chindata's operations by reducing energy use and associated GHG emissions.

The Chindata Group Holdings Limited Green Bond Framework outlines a process by which proceeds will be tracked, allocated, and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the Chindata Group Holdings Limited Green Bond Framework is aligned with the overall sustainability strategy of Chindata and that the green use of proceeds categories will contribute to the advancement of the UN Sustainable Development Goals 7, 9, 11, and 12. Additionally, Sustainalytics is of the opinion that Chindata has adequate measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the use of proceeds.

Based on the above, Sustainalytics is confident that Chindata is well-positioned to issue green bonds and that the Chindata Group Holdings Limited Green Bond Framework is robust, transparent, and in alignment with the four core components of the Green Bond Principles 2021.

Appendices

Appendix 1: Green Buildings' Certification Schemes

	BREEAM	LEED
Background	BREEAM (Building Research Establishment Environmental Assessment Method) was first published by the Building Research Establishment (BRE) in 1990. Based in the UK. Used for new, refurbished and extension of existing buildings.	Leadership in Energy and Environmental Design (LEED) is a US Certification System for residential and commercial buildings used worldwide. LEED was developed by the non-profit U.S. Green Building Council (USGBC) and covers the design, construction, maintenance and operation of buildings.
Certification levels	Pass Good Very Good Excellent Outstanding	Certified Silver Gold Platinum
Areas of Assessment: Environmental Project Management	Management (Man) addresses various aspects: project management, deployment, minimal environmental disturbance worksite and stakeholder engagement.	Integrative process, which requires, from the beginning of the design process, the identification and creation of synergies between the various project stakeholders regarding the construction choices and the technical systems.
Areas of Assessment: Environmental Performance of the Building	Energy Land Use and Ecology Pollution Transport Materials Water Waste Health and Wellbeing Innovation	Energy and atmosphere Sustainable Sites Location and Transportation Materials and resources Water efficiency Indoor environmental quality Innovation in Design Regional Priority
Requirements	Prerequisites depending on the levels of certification + Credits with associated points This number of points is then weighted by item ²⁶ and gives a BREEAM level of certification, which is based on the overall score obtained (expressed as a percentage). Majority of BREEAM issues are flexible, meaning that the client can choose which to comply with to build their BREEAM performance score. BREEAM has two stages/ audit reports: a 'BREEAM Design Stage' and a 'Post Construction Stage', with different assessment criteria.	Prerequisites (independent of level of certification) + Credits with associated points These points are then added together to obtain the LEED level of certification There are several different rating systems within LEED. Each rating system is designed to apply to a specific sector (e.g. New Construction, Major Renovation, Core and Shell Development, Schools-/Retail-/Healthcare New Construction and Major Renovations, Existing Buildings: Operation and Maintenance).
Performance display		

²⁶ BREEAM weighting: Management 12%, Health and wellbeing 15%, Energy 19%, Transport 8%, Water 6%, Materials 12.5%, Waste 7.5%, Land Use and ecology 10%, Pollution 10% and Innovation 10%. One point scored in the Energy item is therefore worth twice as much in the overall score as one point scored in the Pollution item

Accreditation	BREEAM International Assessor BREEAM AP BREEAM In Use Assessor	LEED AP BD+C LEED AP O+M
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Appendix 2: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Chindata Group Holdings Limited
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Chindata Group Holdings Limited Green Bond Framework
Review provider's name:	Sustainalytics
Completion date of this form:	June XX, 2021
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- | | |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---|--|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

Section 3. Detailed review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Overall comment on section *(if applicable)*:

The eligible categories for the use of proceeds – Green Buildings, Renewable Energy, Energy Efficiency, Clean Transportation – are aligned with those recognized by the Green Bond Principles 2021. Sustainalytics considers that activities in the eligible categories will lead to positive environmental impacts and advance the UN Sustainable Development Goals, specifically SDG 6, 7, 9, 11, and 12.

Use of proceeds categories as per GBP:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Renewable energy | <input checked="" type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input checked="" type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input checked="" type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP | <input type="checkbox"/> Other <i>(please specify)</i> : |

If applicable please specify the environmental taxonomy, if other than GBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section *(if applicable)*:

Chindata’s Green Finance Committee (“the Committee”) will oversee the project evaluation and selection process. The projects will be evaluated and selected based on compliance with the eligibility criteria set in the Framework. Sustainalytics considers the project selection process in line with market practice.

Evaluation and selection

- | | |
|--|---|
| <input checked="" type="checkbox"/> Credentials on the issuer’s environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |

- Summary criteria for project evaluation and selection publicly available Other (*please specify*):

Information on Responsibilities and Accountability

- Evaluation / Selection criteria subject to external advice or verification In-house assessment
- Other (*please specify*):

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

The Committee will oversee the management of proceeds process, following a portfolio approach. Sustainalytics considers market expectation to be allocation within 36 months and notes that Chindata intends to allocate within 3-5 years. Pending allocation, unallocated proceeds may be held or invested as per the Company's treasury management.

Tracking of proceeds:

- Green Bond proceeds segregated or tracked by the issuer in an appropriate manner
- Disclosure of intended types of temporary investment instruments for unallocated proceeds
- Other (*please specify*):

Additional disclosure:

- Allocations to future investments only Allocations to both existing and future investments
- Allocation to individual disbursements Allocation to a portfolio of disbursements
- Disclosure of portfolio balance of unallocated proceeds Other (*please specify*):

4. REPORTING

Overall comment on section (*if applicable*):

Chindata Group Holdings Limited intends to report on allocation of proceeds and impact on its website, on an annual basis, until full allocation. Allocation reporting will include the total amount of proceeds allocated, the balance of unallocated proceeds, and the share of financing vs. refinancing. In addition, Chindata Group Holdings Limited is committed to reporting on relevant impact metrics, such as energy savings (MWh/year or over project lifetime), or GHG emissions avoided (MtCO₂e). Sustainalytics views Chindata Group Holdings Limited's allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- Project-by-project
 On a project portfolio basis
- Linkage to individual bond(s)
 Other (*please specify*):

Information reported:

- Allocated amounts
 Green Bond financed share of total investment
- Other (*please specify*): balance of unallocated proceeds and share of financing vs. refinancing

Frequency:

- Annual
 Semi-annual
- Other (*please specify*):

Impact reporting:

- Project-by-project
 On a project portfolio basis
- Linkage to individual bond(s)
 Other (*please specify*):

Information reported (expected or ex-post):

- GHG Emissions / Savings
 Energy Savings
- Decrease in water use
 Other ESG indicators (*please specify*):

Frequency

- Annual
 Semi-annual
- Other (*please specify*):

Means of Disclosure

- Information published in financial report
 Information published in sustainability report
- Information published in ad hoc documents
 Other (*please specify*): available via Chindata's Corporate Sustainability Website
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer's documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|--|--|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. **Second-Party Opinion:** An institution with environmental expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. **Verification:** An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. **Certification:** An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. **Green Bond Scoring/Rating:** An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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Named

2015: Best SRI or Green Bond Research or Rating Firm
2017, 2018, 2019: Most Impressive Second Opinion Provider