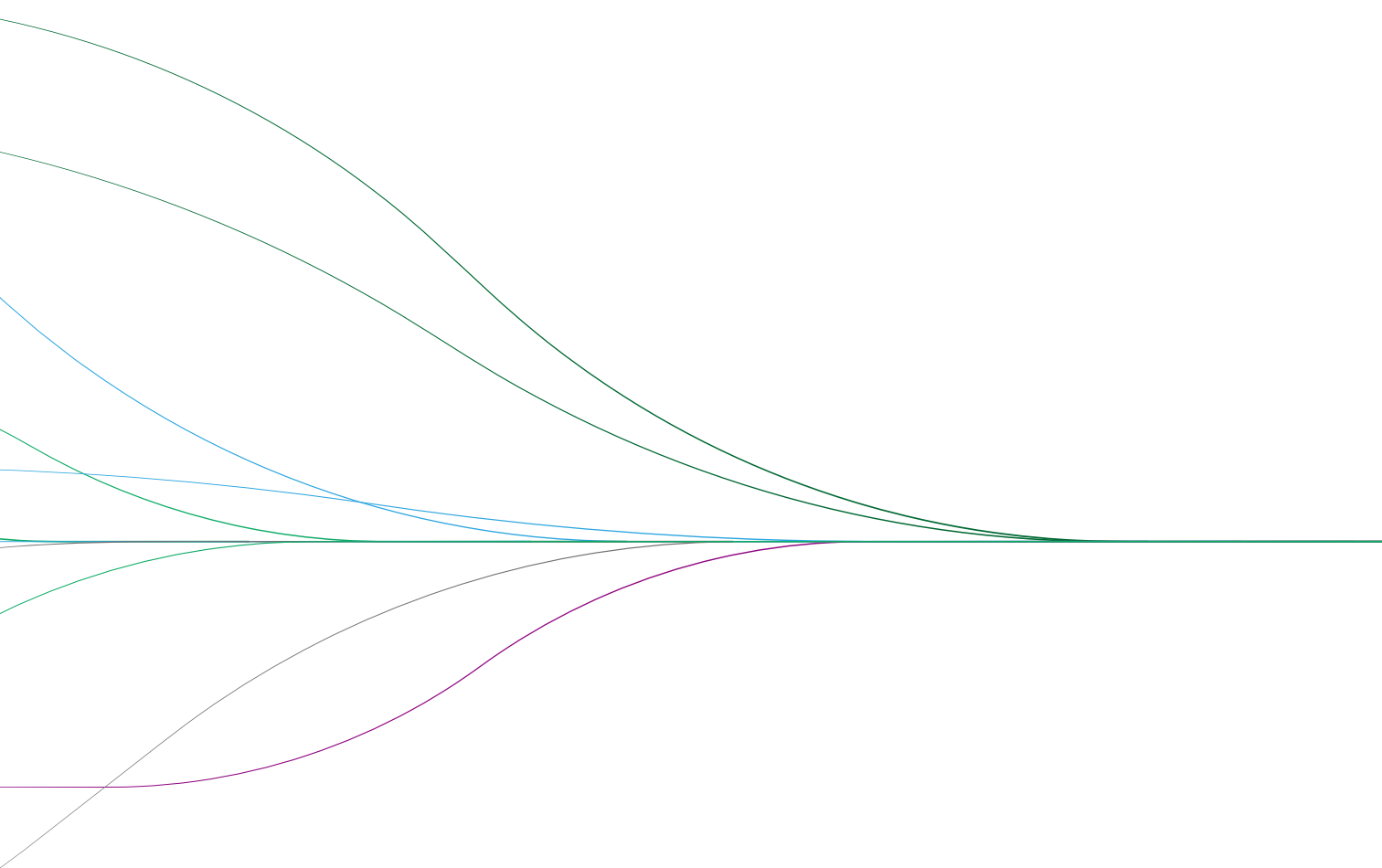


DECARBONIZATION FOR A SUSTAINABLE FUTURE



2021

CHINDATA GROUP ENVIRONMENTAL
SOCIAL AND GOVERNANCE REPORT



ABOUT THIS REPORT



REPORTING PERIOD

This annual report is the third Environmental, Social and Governance (ESG) report issued by Chindata Group Holdings Limited ("Chindata Group"), covering the period from January 1, 2021 to December 31, 2021 (the last report issued covers the period from January 1, 2020 to December 31, 2020). For the purpose of comprehensiveness, some information included herein is outside of the aforementioned period.

REPORTING SCOPE

The report relates to Chindata Group and all its subsidiaries. For ease of expression, all references in the report to "Group", "Company", "Chindata", or "we", refer to "Chindata Group."

DATA EXPLANATION

All information and case studies presented in this report are taken from official records and statistics published by Chindata Group.

CONTENT EXPLANATION

This report does not contain false or misleading statements. Chindata Group warrants the truthfulness, accuracy and completeness of the contents of the report. Unless otherwise stated, the amounts disclosed in the report are in renminbi (RMB).

REFERENCE GUIDELINES

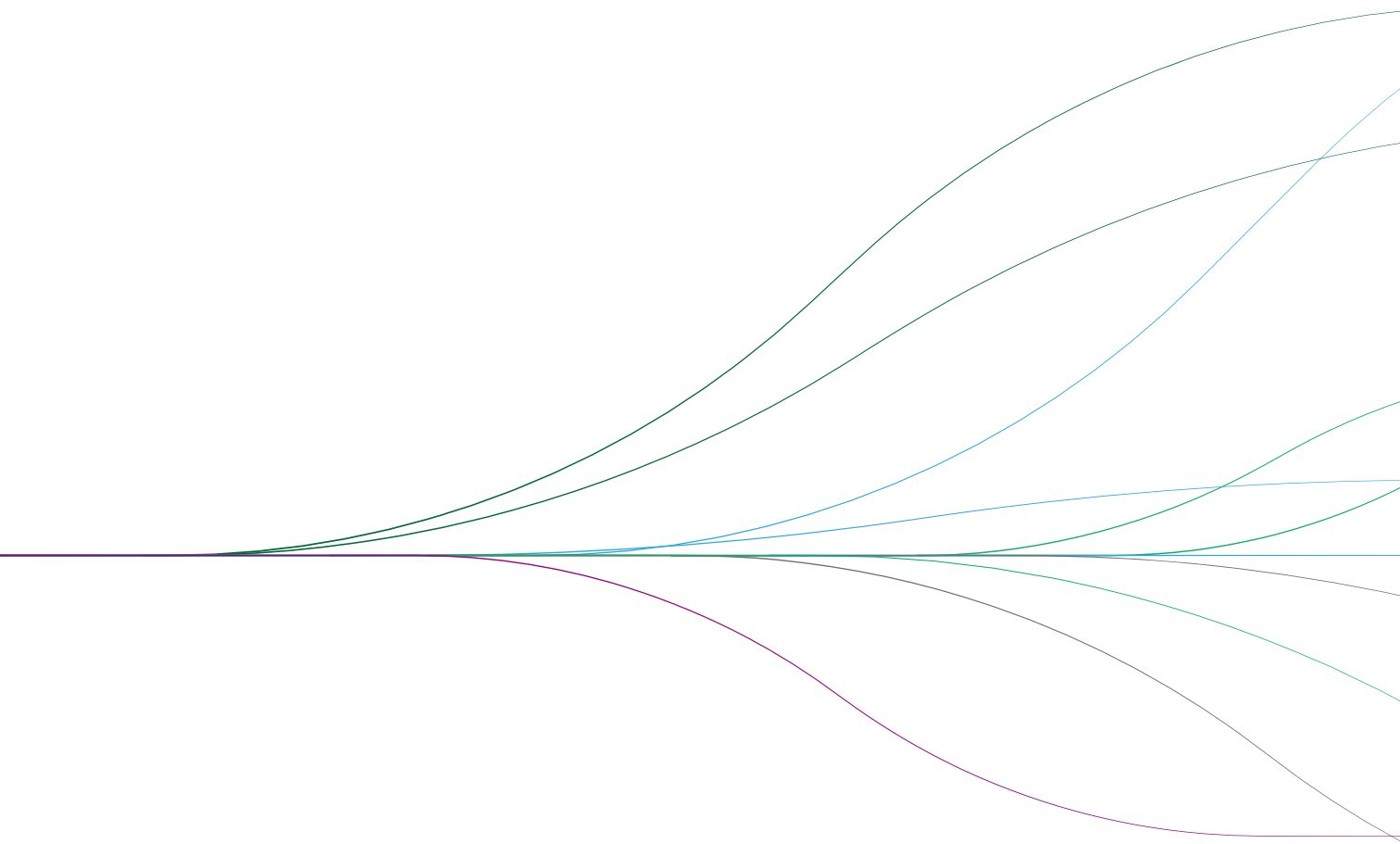
This report is prepared in accordance with the core option of the Global Reporting Initiative (GRI) Standard. The disclosure of indicators in this report can be found in the Content Index on pages X. This report also refers to the NASDAQ ESG Reporting Guide 2.0, the sustainable accounting standards of Sustainable Accounting Standards Board (SASB), the Ten Principles of United Nations Global Compact (UNGC), and the United Nations Sustainable Development Goals (SDGs).

REPORTING ASSURANCE

SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD provided independent external review and assurance for Chindata Group's 2021 ESG Report. Further information on the assurance statement can be found on pages 70-72.

AVAILABILITY

This report is available in print and electronic version. The electronic version can be viewed or downloaded on the Chindata Group website at <https://www.chindatagroup.com/>. If you have further comments or suggestions, or if you would like to obtain the print version of the report, please email us at marketing@chindatagroup.com.



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A LETTER FROM OUR CEO



“EXPLORE AND HARNESS LEADING COMPUTING TECHNOLOGIES TO DO OUR PART FOR A BRIGHTER SUSTAINABLE FUTURE.”

2021 was an extraordinary year.

The COVID-19 pandemic and rising anti-globalization sentiments remain a threat to global economic recovery. Meanwhile, climate change has caused extreme weather and natural disasters to occur more frequently in many countries and regions.

Consensus on taking a green low-carbon approach to advancing industrial upgrading, exploring independent innovation in the digital economy era, attaining harmony between economic activity and the natural environment, and promoting sustainable development has been growing.

At Chinadata, empowering the green low-carbon development of our business and creating a better life with computing are our two intrinsic goals. We were one of the first in the industry to set out a 100% renewable energy target and a Carbon Neutrality Roadmap, which we have incorporated into our whole life cycle green development strategy, underpinned by the enablers of: green site selection, green design, green procurement, green manufacturing, and green operation. We are also working closely with partners on both the upstream and downstream of the industrial chain in pursuit of sustainable growth; while making significant cuts in our energy consumption, and increasing our green energy utilization ration to do our part to attain China's national goal of carbon peak and carbon neutrality, and meet the net zero emission targets set out in the Paris Agreement.

As the leading carrier-neutral hyperscale data center solution provider in Asia Pacific, we have become a forerunner in the industry, and addressing the concerns of our stakeholders is one of the key ways in which we fulfill our social responsibilities. In line with the “zero carbon emission” concept, we have set forth our DATA ESG Strategy built on decarbonization leadership (Decarbonization), alignment with ecosystem (Alignment), driven by technology (Technology)

and advanced attitude (Advanced), so as to promote the development and progress of the data center industry. Leveraging our technological innovation capability and wealth of application scenarios, we have launched the Panshi data center modular architecture with optimized cooling, streamlined power supply, and smart monitoring, to lead the industry's development.

We are guided by the principles of “diversity, equality, openness, and inclusiveness” to grow together with our employees. We give back to society by being a responsible supply chain participant, boosting employment and promoting the development of the local industrial clusters. We have adopted a whole life cycle cooperation strategy to support our partners in achieving better development. We will leverage our technical strength to do our part for rural revitalization along with our supply chain partners in line with China's national policy.

In 2021, Chindata Group achieved an annual average PUE of 1.21, among the best in the industry. We were the first Chinese internet technology company to join the RE100 initiative, we also signed up to the United Nations Global Compact (UNGC) and will continue to act as a responsible Chinese enterprise globally.

Just as the road is long, so is our commitment to being a responsible member of the computing power industry.

As a young and vibrant business, Chindata Group will continue exploring advanced technologies, doing our part for China's “East-West Computing Transfer” strategy, and building a more sustainable and brighter future.

*CEO of Chindata Group
HUAPENG WU*



01.

ABOUT CHINDATA

Chindata Group (NASDAQ: CD) is the leading carrier-neutral hyperscale data center solution provider in Asia Pacific, and a pioneer in building next-generation hyperscale data centers, focusing on the China, India, and Southeast Asia markets in the areas of IT infrastructure planning, investment, design, construction, and operation. We specialize in providing our key customers with service deployment solutions in key countries and regions, including but not limited to providing industry bases, data centers, network service, and other asset-heavy ecosystem chain services.

A LEADING HYPERSCALE COMPUTING INFRASTRUCTURE SOLUTION PROVIDER IN ASIA PACIFIC EMERGING MARKETS

Chindata Group has two independently-operated brands: Chindata and Bridge Data Centres. Chindata operates next-generation hyperscale data center clusters in the Pan-Beijing Area, the Yangtze River Delta, and the Greater Bay Area, serving Beijing, Shanghai, and Shenzhen respectively, and has become an engine driving the development of the digital economy in various regions. Bridge Data Centres is run by an outstanding international R&D and management team, and operates fast, deployable data center clusters in Malaysia, India, and Thailand. It is also seeking further business development opportunities in other pan-Asia Pacific emerging markets.

As of the second quarter of 2022, Chindata Group's network includes 30 data centers in operation or under construction in Asia Pacific, with a total IT capacity of 776 MW. Chindata's revenue for the fiscal year of 2021 (from January 1, 2021 to December 31, 2021) was RMB 2.85 billion, a 55.8% increase year on year..

2021 KEY OPERATING METRICS

Revenue	RMB 28.5 billion
Total IT capacity	673 MW
Total electricity consumption of the Group's data centers	17.9 billion kWh
Average annual PUE of the Group's data centers	1.21
Approved and pending patents	280





02.

STRATEGY AND MANAGEMENT



Chindata Group joined the United Nations Global Compact (UNGC) in 2021, adheres to the Ten Principles of the UNGC, and aligns our actions with the UN's Sustainable Development Goals (SDGs). Chindata considers ESG an important part of its corporate strategy and has established an ESG strategy management system that integrates the needs of both the company and the industry, to provide clear direction for the efficient and consistent accomplishment of our ESG goals.



The digital economy has become a part of all facets of our lives. Data centers, which form the foundation of the digital economy, are developing in tandem with the digital economy. The advent of 5G and the Internet of Things (IoT), the internet of everything (IoE) and cloud computing is leading to the exponential growth of data, creating a massive need for data centers and propelling the growth of the data center business; and large scale data centers with efficient computing power in particular are favored for their superior performance. Several policies have been introduced by the central and local governments in China in recent years to promote low-carbon standardized development for data centers, creating new opportunities and providing clear direction for the industry:



GOVERNMENT POLICY

China's 14th Five-Year Plan states that "effort should be made to accelerate the development of the digital economy, digital society and digital government" and "to unlock the potential of data elements."

The *Working Guidance for Carbon Dioxide Peaking and Carbon Neutrality in Full and Faithful Implementation of the New Development Philosophy*, and the *Action Plan for Carbon Dioxide Peaking Before 2030*, both released by China's State Council, state that "by 2030, the share of non-fossil energy consumption will have reached around 25%," and that "energy conservation and carbon emission reduction should be encouraged in new infrastructure."

The *Implementation Plan of the Computing Power Hub of the National Integrated Big Data Center Collaborative Innovation System* issued by the National Development and Reform Commission (NDRC) provided guidance for the development of the data center industry, to promote "the development of a new computing power network system that integrates data centers, cloud computing, and big data to facilitate the circulation and application of data elements and realize the green and high-quality development of data centers."

The *Three-year Action Plan for the Development of New Data Centers (2021-2023)* unveiled by China's Ministry of Industry and Information Technology (MIIT) sets out the requirements and guidance for the development of data centers, such as encouraging the development of overseas business, and reducing PUE to under 1.3 (less than 1.25 in severe cold and cold regions) for new large-scale and hyperscale data centers by the end of 2023.

In line with China's national policies, Chindata Group set out the DATA ESG Strategy Ecosystem based on a forward-looking development concept and social responsibility. The strategy heralds Chindata's pursuit of a sustainable future through the power of digital technology. "Decarbonization" represents Chindata's aspiration for industry-leading low-carbon development, "Alignment" symbolizes Chindata's mutually beneficial collaboration within the ecosystem, while "Technology" reflects Chindata's dedication to industry innovation. The three key terms makes up the core ESG focus of Chinadata Group. Chindata takes an "Advanced" attitude to proactively drive sustainable development in the data center industry.

DECARBONIZATION

Adopt green energy strategy for net-zero emissions, lead the industry towards a zero-carbon future.

- 100% renewable energy target
- China's target of attaining carbon neutrality by 2030
- Global target of carbon neutrality by 2040

ALIGNMENT

Aligned development with the value chain, to grow and thrive together with our partners in the ecosystem.

- Leverage on our strength in resource integration
- Aligned strategic cooperation throughout full lifecycle

ADVANCED

Take an advanced attitude in driving sustainable development of data center industry in the core ESG areas of Decarbonization, Alignment, and Technology.

TECHNOLOGY

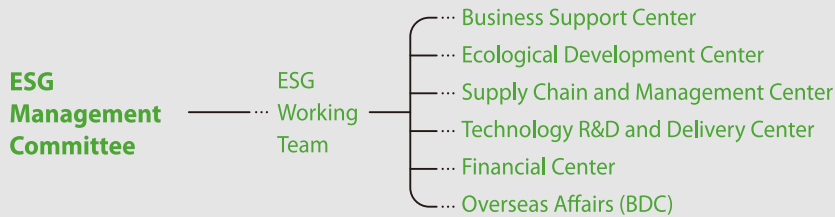
Lead and drive development in the data center industry, through advanced technology.

- Optimized power supply system
- Optimized cooling system
- Smart monitoring system

ESG MANAGEMENT COMMITTEE



To implement the DATA ESG strategy system, Chindata Group has been improving its governance framework continually. We have set up an ESG Management Committee with senior management as core members, and an ESG Working Team responsible for the implementation of ESG targets in daily operations.



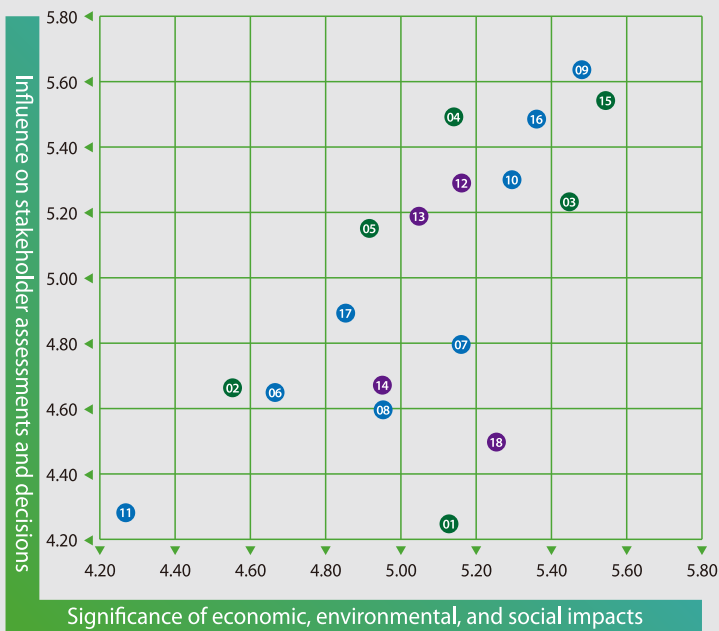
Responsibilities of ESG Management Committee

- Responsible for formulating ESG strategy and identifying climate change risks, and overseeing strategy implementation;
- Coordinate the establishment, implementation and continuous improvement of the ESG management system;
- Guide and conduct effective communication with key stakeholders with regards to ESG.

MATERIALITY ASSESSMENT



Key internal and external stakeholders such as employees, industry partners, NGOs and suppliers were invited to assess ESG materiality from two dimensions: influence on stakeholders' assessments and decisions, and the significance of the Company's economic, environmental, and social impact. A materiality assessment matrix was generated from the results and used as an important reference for managing sustainability issues as well as information disclosure.



ENVIRONMENTAL MATERIALITY

- 01 Water resource management
- 02 Waste and pollutant discharge
- 03 Energy management
- 04 Carbon emission
- 05 Response to climate change
- 15 Renewable energy

SOCIAL MATERIALITY

- 06 Diversity and inclusion
- 07 Employee health and safety
- 08 ... Employee development and training
- 09 ... Data security and privacy protection
- 10 Customer experience
- 11 Community engagement
- 16 Innovation and development
- 17 Respect for human rights

GOVERNANCE MATERIALITY

- 12 Operation compliance
- 13 Business ethics
- 14 Supply chain management
- 18 Corporate governance

STAKEHOLDER ENGAGEMENT




Maintaining communication with stakeholders and responding to their diverse demands is crucial for Chindata’s management of ESG issues. Chindata Group values the opinions and feedback of its key stakeholders; through dialogue and collaboration, we communicate regularly with stakeholders including employees, partners, clients, investors, governments and regulators, and communities where we operate, and respond to their expectations and demands in a timely manner.

STAKEHOLDERS	KEY CONCERNS	OUR RESPONSE
INVESTOR	<ul style="list-style-type: none"> Corporate governance Energy management Carbon emission Renewable energy 	<ul style="list-style-type: none"> Improve corporate governance structure and policy Maintain regular communication Disclose carbon emission performance Increase the use of renewable energy and explore renewable energy technologies
CLIENT	<ul style="list-style-type: none"> Customer experience Data security and privacy protection 	<ul style="list-style-type: none"> Deliver better services to clients through advanced technologies and models Ensure safe operation of data centers to safeguard customers’ data and privacy
GOVERNMENT AND REGULATOR	<ul style="list-style-type: none"> Compliance Business ethics Carbon emission Response to climate change 	<ul style="list-style-type: none"> Pay the right amount of taxes and actively promote compliance Fight corruption and uphold business ethics Increase the use of renewable energy Develop strategies to respond to climate change
EMPLOYEE	<ul style="list-style-type: none"> Employee training and development Respect for human rights Diversity and inclusion Employee health and safety 	<ul style="list-style-type: none"> Provide employees with wider career development opportunities Protect the rights and interests of employees and respect individual freedom and value Implement a diverse and inclusive corporate culture Ensure the occupational health and safety of employees
VALUE CHAIN PARTNER	<ul style="list-style-type: none"> Supply chain management Respect for human rights innovation and development 	<ul style="list-style-type: none"> Improve the supplier management system, protect the rights of suppliers, and ensure fair bidding and procurement process Respect for human rights along the supply chain and safeguard the rights and interests of suppliers’ employees Explore new technologies, and introduce more efficient, environmentally-friendly and economical solutions for clients
COMMUNITY	<ul style="list-style-type: none"> Community engagement Waste and pollutant discharge Water resource management 	<ul style="list-style-type: none"> Encourage local employment and procurement to boost regional development Reduce waste and pollutant discharge Lessen the negative impact on water in the locality where data centers are located

03.

DECARBONIZATION





Going green has become a key theme in the high-quality development stage of China, and carbon peaking and carbon neutrality targets serve as a guide in the systematic transformation of the economy and society in China. Chindata Group has boldly stepped up to launch the “DATA” ESG Strategy Ecosystem, proposing the strategic concept of “Decarbonization” in line with national development. We are exploring zero-carbon solutions for hyperscale data centers that will set an excellent example for low carbon development in the industry; while striving to achieve a comprehensive reduction of carbon emissions and endeavoring to be an industry pioneer in tackling climate change.

LEADER IN FULL LIFE CYCLE DECARBONIZATION



Data centers provide data storage, computing power, and applications that are powering the digital transformation of all industries. With growing business demand comes greater challenges to the green development of data center industry. Chindata's DATA ESG Strategy System addresses these challenges, and propels us to the forefront of the industry in zero-carbon development. Through green site selection, green construction, and green operation, we are advancing the low-carbon transformation of data centers, creating green data centers with the capacity to convert electric power into computing power in the most efficient way possible.

2021 ENVIRONMENTAL DATA

● POWER CONSUMPTION

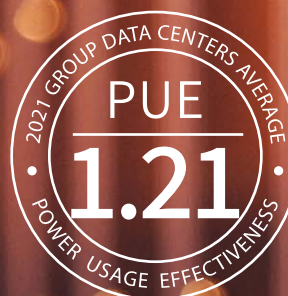
Total power consumption	1,796.45 GWh
Power consumption by data centers	1,791.95 GWh

● ENERGY ¹

Purchased renewable energy volume	188,128.90 MWh
Total renewable energy consumption	188,128.90 MWh
Total energy consumption	1,799,097.26 MWh
Energy consumption - Purchased Power	1,748,662.57 MWh
Energy Consumption - Diesel	47,791.96 MWh
Energy Consumption - Natural Gas	58.37 MWh
Energy Consumption - Coal	2,305.65 MWh
Energy Consumption - Gasoline	283.21 MWh

● WATER RESOURCE ²

Water consumption	1,511,875.72 t
Water consumption intensity	530.48 t/RMB 1 million

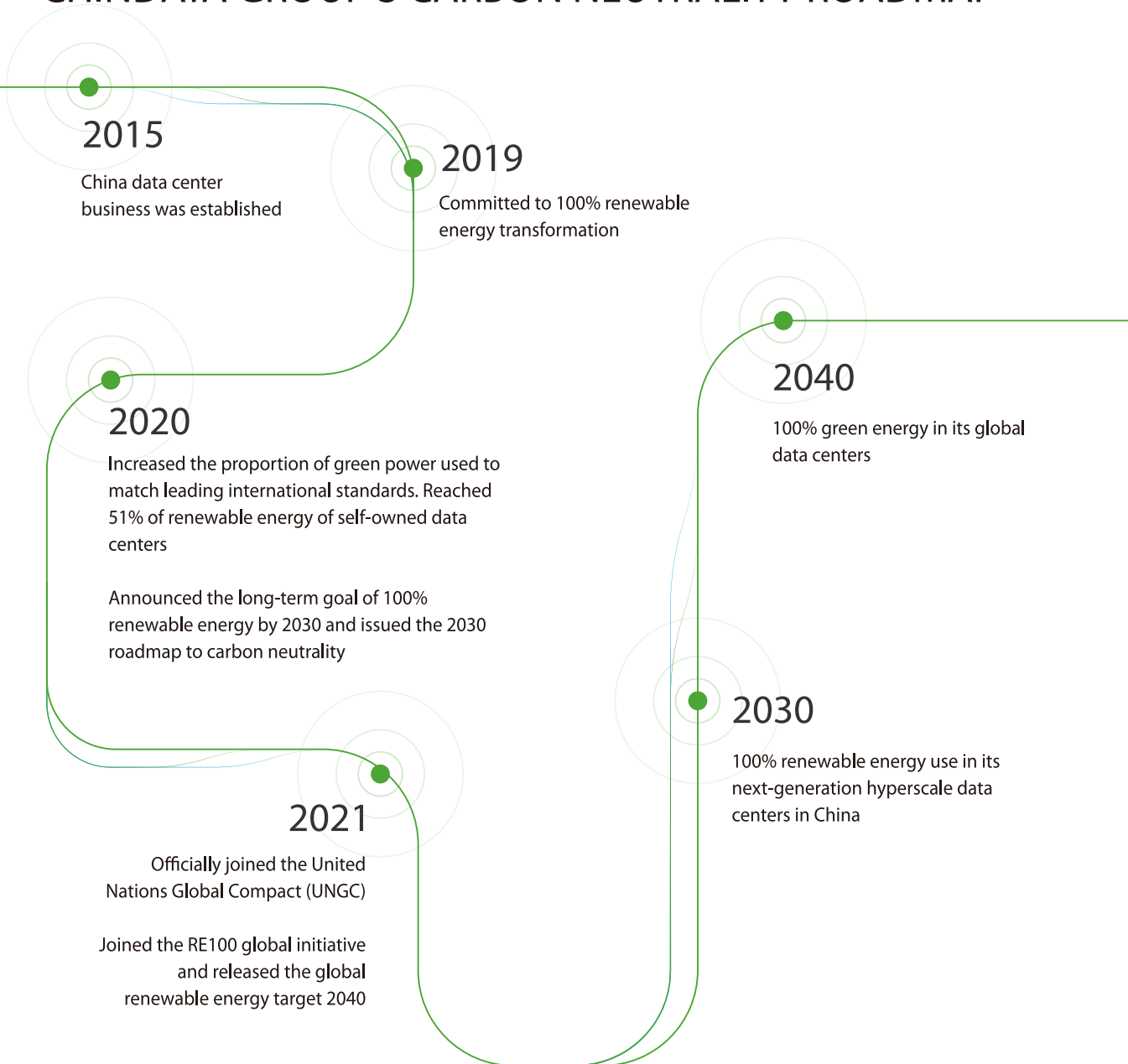


In 2021, the Group's data centers achieved an average PUE (Power Usage Effectiveness) of 1.21, putting it at the top of the industry. Taihang Mountain Energy and Information Technology Industrial Campus of the Pan-Beijing Area was included in the list of the 2020 National Green Data Centers, and named a "2021 Model National New Data Center (Green and Low-Carbon Category)."

1. Energy consumed by Chindata Group covers purchased power, diesel, coal, natural gas, and gasoline. For unit conversion, please refer to the *General Rules for Calculation of Comprehensive Energy Consumption 2020*.
 2. Water consumed by Chindata Group includes groundwater and municipal water supply. Water consumed by properties outside Beijing is beyond the operational control of Chindata Group.

Chindata Group has identified electricity consumption as the primary source of carbon emissions at its data centers, and in 2020, we developed a roadmap to carbon neutrality, aimed at increasing the proportion of renewable energy we use taking into account our needs. In 2021, we upgraded our carbon neutrality goals to achieving 100% clean energy at all the data centers we operate globally by 2040. This heralds the start of zero carbon journey that Chindata’s hyperscale data centers in Malaysia, India, Thailand, and other Asia Pacific emerging markets have embarked on, and demonstrates Chindata’s determination to realize decarbonization in Asia Pacific.

CHINDATA GROUP’S CARBON NEUTRALITY ROADMAP



GREEN SITE SELECTION



Chindata Group believes that green site selection forms the basis of green data centers and the foundation for achieving decarbonization. The right location, resources, environment, and other factors enable more efficient conversion of electricity into computing power. By applying the hyperscale development model and taking advantage of the flexibility of hyperscale site selection, Chindata is able to fully implement “green selection” and set an example for the industry.



“Three-in-One” Strategy for Site Selection >

In site selection, Chindata take factors such as energy distribution, distance from users, business network connectivity into consideration, ensuring they conform to the principles of a “three-in-one” strategy which integrates energy flow, business flow, and data flow. To optimize energy flow, we prioritize areas with easy access to renewable energy and regions with a higher rate of wind power curtailment, which gives our data centers a green advantage. On this basis, data centers are deployed as close as possible to where demand for intensive data processing is concentrated, further reducing energy consumption during data transmission.

> Energy flow

> Business flow

> Data flow

Zero-carbon Site Selection Process >

Multiple aspects of green deployment are taken into consideration during the site selection process. First, Chindata technicians collect data and conduct field investigations and surveys on target sites according to the site selection strategy. At the same time, Chindata appoints third-party agencies to conduct environmental impact assessments on the sites selected in accordance to the Law of the People’s Republic of China on Evaluation of Environmental Effects, the Regulations on the Administration of Construction Project Environmental Protection, and other applicable regulations, to verify that there are no nature reserves, tourist attractions, drinking water sources, and other sensitive sites in the vicinity, to ensure that the construction of data centers will not create any negative impact on the natural environment.



In the future, highly efficient use of renewable energy will become a prerequisite in the construction of our data centers to ensure zero-carbon principles are incorporated right from the start.

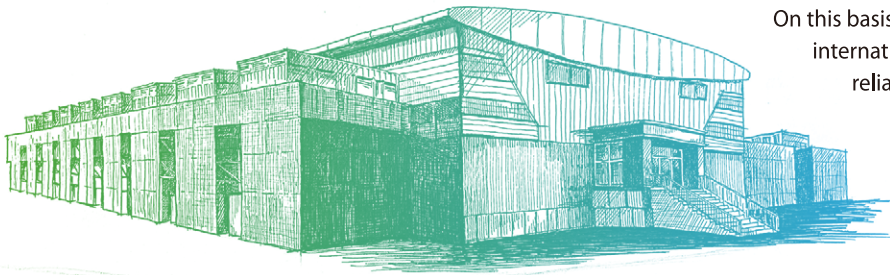
GREEN CONSTRUCTION



We believe green construction is essential in building full life cycle green data centers. In our effort to keep doing better, Chindata incorporates zero carbon principles from the beginning of architectural design to construction, so as to optimize energy efficiency of the building.

Green Building Design >

Chindata Group is committed to staying ahead in green building innovation, and is a pioneer in creating and using prefabricated single-story frame structure solutions for hyperscale data centers. The structure allows optimal airflow that facilitates heat dissipation and requires less on-site construction, making it more environmentally friendly overall. The Group also designed and constructed the first high-rise data center in China based on a multi-story building model, as well as China's first large scale shipping container building model, which does away with building on land, effectively reducing environmental impact and energy consumption during the construction process.



On this basis, Chindata Group has incorporated the international Uptime Tier III-Ready Standard for the reliability and resiliency of data center, and China's national Code for Design of Data Centers (GB-50174), as well as local conditions in its green building design planning, meeting the needs of both function and energy conservation.

In the selection of building materials, durable or recyclable materials are our first choice, and local procurement is prioritized to minimize carbon emissions caused by transportation. Factors such as heat dissipation and ventilation properties are also taken into consideration for the green operation of data centers. For instance, materials with superior insulation are preferred for external walls, doors, and windows to minimize the impact of outdoor temperature indoors, thereby improving energy efficiency. Lightweight energy-saving materials are also preferred, ensuring low-carbon principles are upheld right from the material selection stage.

Chindata Group has designed various customized building models for data centers across different application scenarios and requirements both in China and abroad, made entirely of new green and energy-saving building materials and adopting the large-scale prefabricated building structure and construction mode. The approach enables standardized, modular, and prefabricated building design and construction that is large in scale, flexible, and capable of rapid deployment.

Customized Low-carbon Building Models

- Upon repeated testing, the building models have been shown to maximize the carbon reduction effect of buildings.
- Standardized materials are better for large-scale procurement and intensive production, with carbon emission from the production process more controllable.
- The combination of standardized buildings with lightweight and prefabricated products streamlines the construction process, reduces waste, and exerts less environmental impact during transportation and construction.



Green Construction Process >

Prefabricated Construction Mode

Chindata Group's adoption of modular and prefabricated building structures is an innovation in the industry, and we regard it as key to low-carbon construction. Modular and prefabricated building structures are based on the advantages of centralized production and a streamlined construction process, and bring about production efficiency and reduce resource waste. Chindata also developed a variety of electromechanical module prefabrication models, laying a solid zero-carbon foundation from the beginning of the construction process.

Environmentally-friendly Construction Process

In the entire construction process, Chindata Group adheres strictly to environmental principles, aiming to minimize the negative impact on the environment. The Group has established a sound environmental governance system that covers all details of construction, ensuring the highest standards are kept to. For example, aseismic measures are taken to lessen vibration and noise during equipment installation; and dust-proof screens and dust detection devices are installed on site to prevent dust pollution.

Proper Disposal of Construction Waste

Environmental measures are implemented throughout the construction process, stringent requirements are in place from the commencement of construction to construction waste disposal. When construction is completed, construction waste and auxiliary materials are sorted and disposed of. For waste that cannot be disposed of properly by the company, qualified third parties are entrusted with disposal in accordance to laws and regulations.

GREEN OPERATION

Design and construction are not the only phases that matter in a green data center – operation and maintenance, energy management, and other aspects are also crucial. According to the national Green Data Center Evaluation Index System, factors closely related to the low-carbon development of data centers include: how the use of renewable energy and the efficiency of water resources is increased, and how energy use, water consumption, and waste disposal is managed – all areas that data center enterprises need to keep focusing on for systematic green operation. Taking “decarbonization” as the primary operation principle, Chindata Group has focused on switching to renewable energy, water resource management, and low-carbon campus transformation in order to achieve zero-carbon operation.

To standardize green operation, the Group has formulated green management regulations, including the Management Regulations on Energy Efficiency of Data Centers and the Management Regulations on Water Conservation of Data Centers, in accordance with applicable regulations on green data center certification, so as to attain comprehensive green operational management.

Consumption of Renewable Energy >

Carbon emissions in data centers mainly come from power consumption of the servers, air conditioners, and other equipment. Businesses play an important role in integrating reform on the power supply side with the client-side carbon management. Chindata employs multiple means to increase the proportion of renewable energy used in its operations, such as green power trading and green energy development. We put zero-carbon development into action through innovative measures, and provide our partners upstream and downstream of the industry chain with opportunities to understand the social and market value of renewable energy, to encourage them to switch over too.

The National Development and Reform Commission (NDRC) introduced the Implementation Plan on Promoting Green Consumption to promote high-quality green development by expanding the supply and consumption of green and low-carbon products. It prioritizes “further unleashing society’s green power consumption” and encourages industry-leading enterprises to increase their proportion of green power consumption. In 2021, Chindata Group purchased over 188 million kWh of green power in total, doing its part as an industry leader, raising awareness and acceptance of green power trading among stakeholders, shaping the market, and advancing the development of systems and mechanisms.

Green Management Regulations

Energy Efficiency Management Regulations for Data Centers

Water Conservation Management Regulations for Data Centers



Largest among the First Batch of Green Power Trading Entities in the Digital Infrastructure Industry

On September 7, 2021, Chindata Group procured 100 million kWh in green power on the Beijing Power Exchange, accounting for 1.26% - the biggest share - of the inaugural batch of green power transactions in China.. Projections put the direct reduction in emission resulting from this 100 million kWh of green power at the equivalent of approximately 94,000 tons of carbon dioxide, making for a significant contribution to the national goal of “carbon peaking and carbon neutrality.”



Distributed Renewable Energy Construction >

Compared with traditional large-scale photovoltaic power generation, distributed photovoltaic power generation has relatively small output power, but has the advantages of flexible distribution and installation, and outstanding environmental benefits; it also allows for simultaneous power generation and consumption, and is able to alleviate local power shortages somewhat. Distributed photovoltaic power generation is one of the most accessible mode of utilization as well as one of the most advanced utilization technologies for renewable energy. It effectively promotes energy conservation and emission reduction on the power generation side and directly increases the use of renewable energy. Chindata Group has deployed distributed photovoltaic equipment on its campuses and has also built a green energy supply system for data centers.



Distributed Photovoltaic Power Generation System

In 2021, the Group made use of the free space on the roof of the Pan-Beijing Taihang Mountain Energy and Information Technology Industrial Campus Phase V Project to build a distributed photovoltaic power generation system, and continues to promote the construction and use of distributed photovoltaic energy.



Water Resource Management >

Rational use and conservation of water resources will ease the problems of soil erosion, groundwater overuse, and ecological damage, and contribute to ecological balance. At present, most data center cooling systems and equipment consume large amounts of water, so effective water resource management and water consumption reduction are essential for sustainable development.

Through growing investment in innovation, Chindata Group, as a leader in advocating water conservation within the industry, applies advanced technologies to practical use, thus raising its performance in water resource utilization, while striving to reduce water consumption in all aspects of operation. We are looking into waterless cooling technologies and water-saving and waterless solutions suitable for the locales of our data centers. Through recycling water used in our operations, the Group is also reducing water consumption, thereby contributing to realizing the zero carbon goal. Recycled water is used to water the plants on campus, and rainwater or recycled water is also used in the greenbelt irrigation system on campus. Water-saving irrigation methods such as sprinkling irrigation, micro-irrigation, drip irrigation, and weather-adaptive irrigation control systems are also employed to cut greening water consumption.

Waste Water Recycling Solution

Chindata Group introduced an industry-leading wastewater recycling solution that reduces wastewater discharge and water resource waste. The solution adopts an advanced three-stage water recovery and treatment process with RO (reverse osmosis) membrane, ROR (reverse osmosis reject) membrane, and DTRO (disc tube reverse osmosis) membrane, with recovery rates reaching 60%, 80%, and 95% respectively. Final wastewater rate is decreased to only 5%, thus significantly reducing wastewater discharge. In addition to reducing water consumption, water quality in the circulating system is also improved thanks to the desalination treatment, with remarkably lowered LSI (Langlier Saturation Index, which is used to calculate alkalinity, calcium concentration, and water temperature). As a result, the solution minimizes water scaling, improves operation stability, and saves tens of millions of dollars in water bills. The Group will continue to use leading technology to enhance wastewater recycling for better conservation and efficiency.

Waste Water Recycling & Rainwater Collection and Utilization Solution

An industry-leading wastewater recycling and rainwater collection and utilization solution can be found on the campus of Chindata Group's Pan-Beijing Headquarters, where the first wastewater recycling system has been put into use. The main desalination unit in the system using reverse osmosis technology raises the desalination rate above 95%, significantly improving water use efficiency on the campus, resulting in lower total operating costs and effectively reducing wastewater discharge overall, with wastewater recycling rate reaching 50% or higher. The system forms an excellent foundation for the wastewater recycling and rainwater collection on the campus, enabling the Group to make further contribution to reducing water pollution and saving water in the future.



Low-carbon Campus >

As a hyperscale computing infrastructure solution provider, Chindata Group has established several campuses with a strong focus on low-carbon solutions for green and sustainable development.



New Lighting Facilities in Low-carbon Campuses

Chindata Group has installed energy-saving lamps and smart lighting systems that allow automatic adjustment of brightness according to lighting conditions on all its campuses. An increasing number of photovoltaic lighting facilities have also been installed to boost the use of renewable energy.

New Low-carbon Operation in Campuses via Multiple Channels

Energy is consumed in every aspect of campus operations and Chindata Group is exploring various channels by which to achieve low-carbon operation. For energy use, the Group's photovoltaic power generation technical solution is readily available and can be deployed to meet the needs of daily operation. In addition, new energy vehicles are also used to meet the commuting need of employees on campuses.

Waste Heat Recovery: A New Approach to Low-carbon Heating

Waste heat recovery is an advance and mature energy-saving technology which optimizes the recovery of industrial waste heat, and converts low-grade heat energy into high-grade heat energy via air-source and water-source heat pumps to generate power for the heating system. The system decreases coal or natural gas energy consumption and carbon emissions.

Large amounts of waste heat are generated by electricity use in data centers. Not only is this heat of little value, additional energy is also needed to power cooling equipment for its removal. Chindata Group has tapped into waste recovery technology to supply recovered heat to offices, hotels, and agricultural greenhouses, providing low-carbon heating. This technology is being used at the HQ Huailai Campus and the Pan-Beijing Taihang Mountain Energy Information Technology Industry Campus, and will be rolled out on a large scale across other campuses. Studies show waste heat recovered from the data center in Phase I of the HQ Huailai Campus resulted in savings of thousands of tons of standard coal annually, greatly improving energy utilization efficiency.

RESPONSE TO CLIMATE CHANGE >>

Climate change is not only a threat to human survival and development, it also exerts significant impact on corporate assets, operation safety, and business transformation. All energy-intensive industries face the challenge of how to respond to climate change. At Chindata Group, climate change response is a priority and climate change risk management is an essential part of corporate governance. The Group adheres strictly to the requirements of the energy and water resources management system, in reference to the GHG Protocol: Corporate Accounting and Reporting Standard and other applicable standards, and regularly discloses energy, carbon emissions and other environmental data and information.

To mitigate climate risks, Chindata Group follows the disclosure recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) established by the Financial Stability Board (FSB), analyzing its efforts to address climate change risks from four dimensions, namely governance, strategy and risk management, climate change risk identification and management, and climate change opportunity identification.

Governance >

Chindata Group has developed the "DATA" ESG Strategy Ecosystem, in which Decarbonization ("D") represents the Group's goal of achieving net zero emissions by putting its green energy strategy into practice and leading the industry toward a zero-carbon future. To this end, the Group will promote the sustainable development of the data center industry with an Advanced ("A") attitude.

To implement the "DATA" ESG Strategy Ecosystem, Chindata Group has set up the ESG Management Committee, with senior management as its core members, and the ESG Working Team responsible for executing the ESG strategy in daily operations. Climate change risk management is regarded as a priority and the Committee is in charge of ESG and climate change risk identification, strategy formulation, and overseeing strategy implementation.



Strategy and Risk Management >

Chindata Group is the first hyperscale computing infrastructure solution provider in China to include 100% renewable energy in its long-term sustainable development goal. The measures adopted by the Group in response to climate change include increasing the use of renewable energy, optimizing energy and resource management, and promoting energy conservation and emission reduction.

Chindata Group is also exploring the use of mechanisms for global carbon emission offset, cross-regional green supply chain collaboration, and Asia Pacific clean energy collaborative innovation in an effort to give a boost to regional efforts in achieving the goal set in the Paris Agreement of limiting global average temperature increase.

In 2021, Chindata Group joined the Science Based Targets initiative (SBTi) and signed the Business Ambition for 1.5°C jointly initiated by SBTi, UNGC, and the We Mean Business Coalition. As the first data center enterprise on the Chinese mainland to join this initiative, the Group will guide the Company's technological innovation, business development and emission reduction actions by setting scientific carbon targets, so as to help keep global warming within 1.5°C, and contribute to efforts to curb the severe impacts of climate change.

Physical Risks

Acute risks: Extreme weather incidents caused by climate change, such as thunderstorms, floods, typhoons, and droughts, are likely to damage the equipment, infrastructure, and power supply systems of data centers, and consequently threaten operational stability, which may result in direct or indirect economic losses. Due to increasing extreme weather incidents in recent years, the acute risks we face are growing.

Chronic risks: Chronic risks caused by climate change include sustained high temperature, drought, and rise in sea level. These risks may cause higher operating costs (such as water and power costs) or impair the operating stability of data centers in climate-sensitive areas (such as data center clusters in Southeast Asia), which will result in continuous economic losses.

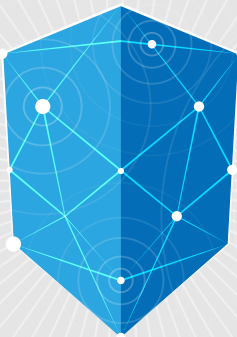
Chindata Group controls the abovementioned risks to minimize their impact in the following ways:

Keeping a close eye on climate change issues and assessing the potential impact of climate change on the business of the Group and our clients under the TCFD framework;

Incorporating climate change risk management into site selection, planning, design, construction, and operation of data centers, maximize the climate resilience of services, and invest more in technology R&D;

Assessing the impact of climate risks on business continuity during operation, improving emergency response capabilities, and preparing emergency plans and conducting drills;

Assessing potential climate risks to assets, and purchasing property insurance to offset financial risks as needed.



Policy and Law Risks

Ongoing refinement on the green standards relating to data centers and laws and regulations on carbon emissions means we face increasing scrutiny in climate information disclosure, resulting in higher governance costs. We pay close attention to policies, identify and correct potential operational issues, ensure the environmental friendliness of data centers from site selection to operation, and lower PUE through various technologies to in response to more stringent supervision.

Main policies relating to data centers in 2021:

Action Plan for Carbon Dioxide Peaking Before 2030
Enhance energy conservation and carbon emission reduction in new infrastructure. Optimize spatial layout and overall planning for new infrastructure such as data centers. Prevent repeated low-standard construction.

Three-year Action Plan for the Development of New Data Centers (2021-2023)
Lower PUE to under 1.3 (below 1.25 in severe cold and cold regions) in new large-scale and hyperscale data centers by the end of 2023.

Implementation Plan for Fulfilling Carbon Peaking and Carbon Neutrality Goals and Promoting the Green and High-quality Development of New Infrastructure such as Data Centers and 5G
Establish an integrated green framework for data centers and 5G by 2025. Raise utilization rate of data centers in western China from 30% to over 50%. Attain more balance in supply and demand of computing power in the eastern and western regions.

Market Risks

Business costs are rising globally due to energy shortages caused by climate change, and the increasing cost of equipment, building materials, and transportation. In response to these risks, Chindata Group is encouraging local procurement, and opting for more lightweight materials to reduce carbon emissions and transportation costs. With supply chain globalization, environmental risks faced by suppliers may be transferred to Chindata Group through the supply chain. In response, we have improved supply chain governance to mitigate these risks, requiring our suppliers to obtain ISO 14001 environmental management certification.

In the future, carbon quota trading platforms and green power trading platforms will expand to cover more industries, which may result in higher operating costs for data center enterprises. In response, we actively participate in green power trading, accumulating trading experience, and strengthening communication with governments on improving the trading platforms.

Technical Risks

In the process of low-carbon transformation, data centers still face uncertainties in technological development. Failure to access core technologies promptly or investment failure in new technologies may impair our core competitiveness, and result in unpredictable economic losses. In order to avoid technology risks, Chindata Group cultivates technology talents systematically, and is focused on talent development. In addition, the Group has increased investment in R&D, and engages in exchanges with our counterparts in the industry more frequently to maintain our lead in technology.

In 2021, Chindata Group became the first Chinese internet technology business to announce its carbon neutrality goal and join the RE100 Initiative. This fully demonstrates the international recognition Chindata Group has received as a leading enterprise in carbon goal and the carbon emission reduction, and the move also laid a solid foundation for the Group for playing a leading role in responding to climate change.

Chindata Group
is joining

RE100

Committing to 100%
renewable power

RE100

CLIMATE GROUP



About the RE100 Initiative

Led by the Climate Group in partnership with Carbon Disclosure Project (CDP), the RE100 Initiative is the world's largest renewable energy initiative which aims to encourage 100% renewable power among the world's most influential businesses. Members shall commit to 100% renewable energy in operation publicly and disclose energy consumption information annually in an open and transparent manner.

Reputation Risks

As stakeholders at home and abroad continue to focus on climate change, Chindata Group may face reputational risks if it falls behind in taking action to respond to climate change. To address the risk, the Group has established the DATA ESG Strategy Ecosystem of "De-carbonization, Alignment with ecosystem, Technology driven and Advanced attitude." Under this strategy, the Group has taken appropriate action to counter climate change, regularly discloses information related to climate change, and continuously improves the quality of information disclosure.



Climate Change Opportunity Identification >

Energy Utilization Efficiency

We expect regulators to tighten environmental performance requirements for internet technology companies and data centers. On this basis, Chindata Group will continue seeking solutions to improve energy utilization efficiency and lower PUE, cut the energy cost of data center operation and decrease dependence on power systems to achieve industry-leading environmental performance.

Renewable Energy

We have long recognized that using and investing in renewable energy not only enhances our ability to respond to climate change but also equips us with stronger integrative competence to meet regulatory requirements and adapt to external market changes. This drives us to continually seek innovative modes and mechanisms for renewable energy in the industry with forward-looking technological concepts and applications; it puts us in an industry-leading position and mitigates risks caused by regulatory changes. In the future, Chindata Group will step up investment in renewable energy and expand its use, integrating it with our services and solutions so that our customers and communities will also benefit.

2021 CHINDATA GROUP GREENHOUSE GAS EMISSION DATA¹

Index	2021
Greenhouse gas emissions (Scope 1 + Scope 2) ²	920,286.06 tCO ₂
Greenhouse gas emissions in Scope 1 ²	13,615.99 tCO ₂
Greenhouse gas emissions in Scope 2 ³	906,670.07 tCO ₂
Greenhouse Gas Emission Intensity	322.91 tCO ₂ /RMB 1 million

1. The greenhouse gas emissions of Chindata Group are calculated according to the GHG Protocol as released by the World Resources Institute. This tool can be used to calculate market-based greenhouse gas emissions. This disclosure only contains biogenic CO₂ emissions generated from biomass burning or biodegradation among total greenhouse gas emissions and excludes biogenic CO₂ emissions generated from other types of greenhouse gases (such as biogenic emissions of CH₄ and N₂O), and non-combustion and biodegradation in the life cycle of biomass (such as greenhouse gas emissions generated from biomass processing or transportation).
2. Sources of greenhouse gas emissions in Scope 1 include diesel, coal, natural gas, and gasoline.
3. Sources of greenhouse gas emissions in Scope 2 only include purchasing power and purchased renewable energy consumption is excluded. The carbon dioxide emission equivalent is calculated according to the 2021 national power grid emission factor.

Products and Solutions

Our services and solutions have taken climate change risks into account. At the site selection stage, Chindata Group will explain potential environmental risks and our solutions to clients. At the design stage, the Group will apply more environmentally-friendly technologies and engineering solutions that also provide for business needs. At the operation stage, the Group will adopt multiple technical channels to ensure green operation. Climate change risks will affect all industries and trades in the future, but with adequate resilience to climate risks, the products and solutions provided by Chindata Group will help clients respond to these risks better. For example, we can help our clients from the internet industry provide more environmentally-friendly and operation-stable services to end users. Our technological and innovation strengths will ensure our products and solutions continue to stay ahead in addressing climate risks.

04.

TECHNOLOGY



China's "carbon peaking and carbon neutrality" goals and "East-West Computing Transfer" strategy is bringing both opportunities and challenges to the data center industry. Solutions for more efficient management of power, water, and carbon to lower PUE (Power Usage Effectiveness), WUE (Water Usage Effectiveness), and CUE (Carbon Usage Effectiveness) of data centers are required for high quality development of the sector.

Chindata believes an industry-leading hyperscale data center enterprise has a duty to use technology for green and low-carbon development. We are committed to exploring and developing cutting-edge technologies in such fields as 5G, AI, and edge computing for the future of the technology ecosystem. In 2021, Chindata increased investment in research and development to RMB 75 million, an 83% growth over the previous year.

We introduced the "Panshi" modular data center structure, including the optimized "X-Cooling" system, the optimized "X-Power" power supply system, and the "X-Monitor" smart monitoring system. These three systems constitute the technological development route of Chindata Group and also provide crucial support for realizing the "Technology driven" aspect of our "DATA" ESG Strategy Ecosystem. The technical solutions supporting the three systems are also providing guidance for the industry's future development.

OPTIMIZED COOLING

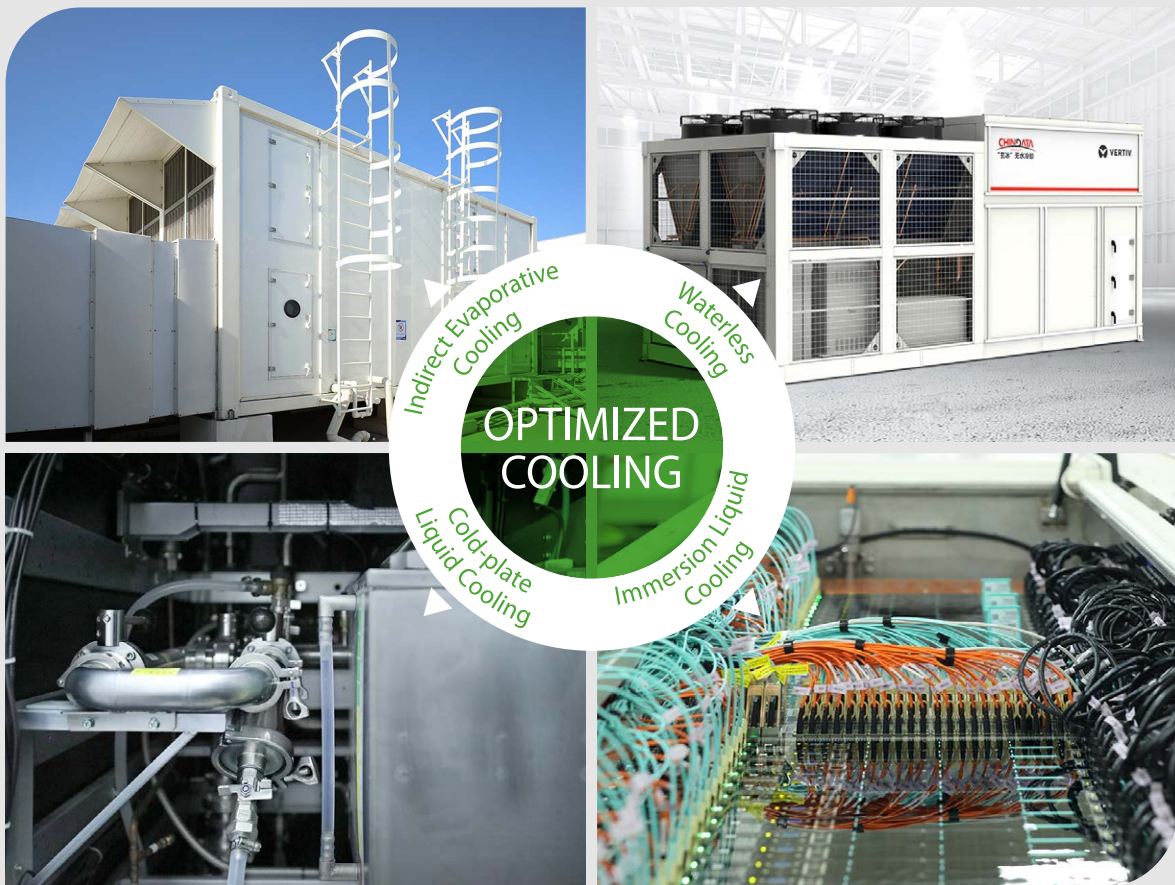


Technological innovation is key in Chindata Group's ongoing efforts to optimize cooling at its data centers. Cooling is a top priority in data center operation as it ensures the stability of operations. Our effort includes constant development and application of advanced cooling technologies, as well as setting up data centers in cooler regions where natural conditions are more favorable. Chindata Group adapts and applies its pool of proprietary cooling technologies to suit the different locales, use scenario and conditions of its data centers, for optimized cooling.

INDIRECT EVAPORATIVE COOLING



Traditionally, data centers rely on water for cooling, using solutions such as chilled water-based cooling, which is water-consuming and increasingly inadequate for the cooling needs of data centers. Chindata Group is the first in the industry to make use of indirect evaporative cooling technology on a large scale. The method works to remove heat generated indirect air-to-air heat exchange enabling data centers to operate at optimal heat dissipation and maximize natural cooling, regardless of the external environment, leading to lower PUE and more water saved. With the use of this technology, together with the "Three-in-One" site selection model, Chindata Group is able to maintain industry-leading PUE performance.





WATERLESS COOLING >>

Leveraging its strong technological innovation capability and sizable application scenarios, Chindata is collaborating with its partners to develop the X-Cooling waterless technology. Compared with the indirect evaporative cooling technology, the X-cooling waterless technology is the first cooling technology capable of attaining WUE of 0 in data centers, overcoming the obstacle of setting up data centers in the arid north of China, and facilitating the implementation of the national “East-West Computing Transfer” strategy in western China.

At present, the X-Cooling waterless technology has been deployed on the Group's HQ Huailai campus, an important hub under national "East-West Computing Transfer" strategy, where it is undergoing comparison testing with the indirect evaporative cooling technology in identical operating environments in real business scenarios. Compared with the water-based cooling unit, each waterless cooling unit will save over 1,000 tons of water. The X-Cooling waterless technology fills a technical gap in the industry and after stress testing under real conditions, large-scale application will be possible in the future.

X-Cooling Waterless Technology

“X-Cooling” is the result of the coordination of control and sensing technology, and integrated software and hardware innovation that uses environment dynamics as a key input for cooling system output. It fully utilizes natural cooling for data centers. Key features of the technology include: fully automatic adjustment to the best energy efficiency mode based on outdoor environment dynamics and indoor load changes; visualized real-time mapping of air /cooling volumes, pre-diagnosis of malfunction; one-click on/off switch under emergencies for stable and consistent data center operation, etc. Our data center with “X-Cooling” in Hebei province has attained an outstanding PUE <1.1 and WUE of 0.

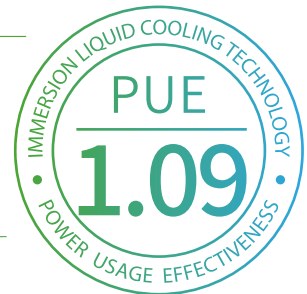




IMMERSION LIQUID COOLING >>

As the industry trend of low carbon and high-intensity development takes hold, cooling technology and its applications are also evolving. Chindata Group has kept up its efforts to explore cutting-edge technologies, primarily immersion liquid cooling, which involves immersing high power density computing, storage, network and other ICT equipment in coolant, directly removing heat through liquid runoff from electronic components or packaging surfaces, and transferring outdoors for natural cooling. Compared with other liquid cooling technologies, immersion liquid cooling technology yields more efficient cooling performance. As the system uses warm water, it enables year-round natural cooling, producing average annual PUE of less than 1.1. Furthermore, the immersion of equipment in liquid reduces damage caused by vibration and dust, which also means higher reliability and availability, thus improving equipment operation stability and reducing running noise. Most importantly, the technology has a smaller footprint compared with the traditional cooling system, enhancing server density per unit space in the data center. When cooling needs are fulfilled, computing efficiency of the data center is greatly enhanced. Overall, immersion liquid cooling technology is the best solution for the next generation of data centers.

The immersion liquid cooling technology developed by Chindata Group has obtained more than 10 patents, and is in use at the Company's Taihang Mountain Energy and Information Technology Industrial Campus in the Pan-Beijing region, yielding a PUE of 1.09.



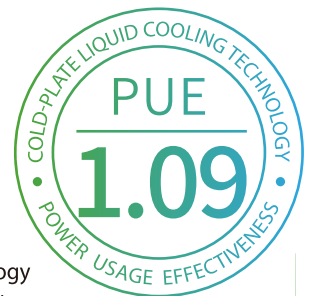


COLD-PLATE LIQUID COOLING >>

As the leading innovator in liquid cooling technology for data centers, our cold-plate liquid cooling technology offers a targeted solution to address the cooling issue of high-power cabinets. Compared with traditional air cooling technology, cold-plate liquid cooling enables greater efficiency in heat dissipation and energy utilization. The continuous iteration of microchips and their ever increasing power consumption means heat dissipation has become an urgent issue for which cold air is an inadequate solution. With Chindata’s cold-plate cooling technology, liquid cold plates are attached to CPU chips, and the water-based coolant in cold plates is used to effectively transfer heat from CPUs to the outdoors, allowing for sufficient cooling of motherboards, making it an ideal cooling solution for high-power cabinets.

Cold-plate Liquid Cooling Technology Applied in Our Data Center in Malaysia

The cold-plate liquid cooling technology is currently in use at our data center in Malaysia, making it the first large-scale application case of this domestic technology in a tropical region. The technology improves energy exchange under hot and humid conditions, leading to lower annual average PUE at 1.15, and 50% improvement in energy utilization efficiency compared with the traditional cooling system.



STREAMLINED POWER SUPPLY



Chindata observed that in addition to raising cooling efficiency, the power supply architecture is also crucial to better energy efficiency performance. Chindata is an advocate for the concept of “streamlined power supply”. Leveraging its technological innovation capability and in-depth understanding of the industry, Chindata is working to build a reliable, streamlined and low-carbon data center power supply architecture, characterized by reduced times for power conversion and streamlined processes, for higher efficiency in the conversion of electric power to computing power.

Integrated Power Module

The integrated power module uses a highly efficient prefabricated design that does away with redundant switches and simplifies the power supply architecture. The integrated power module adopts an efficient UPS (uninterruptible power supply) or HVDC (high-voltage direct current) power supply mode, supporting direct mains supply at the terminal and has a redundant power supply in case of any emergency. It is also highly efficient, highly stable, has high power capacity, and can increase power supply efficiency to 97%.

Lithium Battery Power Supply for Nearby Access

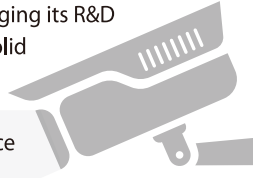
Lithium batteries have higher storage capacity and energy density compared with lead-acid battery, and can save up to 70% installation space under identical stand-by time conditions. They can be installed in a distributed manner in server cabinets, or in a centralized manner in battery cabinets, and have the added advantages of lower energy loss during power transportation and conversion, and enhancing power supply efficiency significantly. Lithium battery also cause significantly less air, water, and soil pollution compared to lead-acid batteries.

SMART MONITORING



Smart operations and digitization are playing a major role in the development of the data center industry, and the trend of “unmanned operations” has become inevitable in next-generation data centers. Chindata is leveraging its R&D strengths to explore the application of smart and digital monitoring technology in data centers, laying a solid foundation for the development of a new generation data centers.

The smart monitoring technology adopted by the Group realizes smart cooling, operation and maintenance optimization, and energy efficiency improvement with artificial intelligence (AI). Advanced technologies and AI is used to monitor the external environment, and the system automatically works out the real-time impact of environmental factors such as temperature and humidity on the computer room, and automatically makes the necessary adjustments. Real-time optimization of operation and maintenance processes via extensive data analysis is carried out, ultimately reaching the goal of carbon emission reduction and improving energy efficiency.



SMART OPERATION



As our business continues to expand, enhanced level of digitalization and intelligence in the data center will be crucial to the stability, safety and efficiency of data center operations and maintenance. Smart operation requires centralized monitoring of business data, key equipment, power supply, environment safety, and security in the data center.

Chindata Group embarked on the systematic construction of smart operations in 2020. We have set up a professional top-level technical team to conduct in-depth research and testing on the most advanced data center operating technologies and platform solutions in the industry. The “Kunpeng IDC Operation Platform” independently developed by the Group, was launched in 2022. It brings together Chindata’s operational and management experience accumulated over the years, improves the efficiency and reliability of operation and maintenance, and provides strong technical support for standardization, process and workflow, digitization and data center management, winning favorable feedback from our partners.

Kunpeng IDC Operation Platform with “Cloud Edge Computing ”: Daily Processing Capacity of Nearly 100 Billion Data Entries

The Kunpeng IDC Operation Platform performs real-time monitoring of the operating status of systems and equipment, collection of security surveillance data, detection of system faults or failure, and automatic optimization based on machine learning, providing data center staff with accurate real-time information and advanced warning. The Platform is deployed under the “cloud edge” architecture, which improves operation efficiency while substantially reducing energy consumption. The flexibility of the architecture also allows convenient upgrade of the platform to match business development dynamics.



Kunpeng IDC Operation Platform

The Kunpeng IDC Operation Platform’s automatic fault response mechanism enables rapid closed-loop fault detection, analysis and processing, thus forming an all-round security defense and raises system availability to 99.999%.

As of July 2022, the Kunpeng Platform has established full access to the monitoring data of all the computer rooms in Chindata’s campuses in China, covering close to 10 million data points in total, and currently processes 100 million bytes of data daily.



05.

ALIGNMENT



Computing power is fundamental to the prosperity of the digital economy. It drives digital transformation in economy and society, and enables the digital governance of cities. "Alignment" is an important part of the DATA ESG Strategy Ecosystem. Chindata's competitive advantage rests on the ecosystem it has built with stakeholders including governments, upstream and downstream partners and clients. As well as staying responsive to the guidance of governments, the Group pays close attention to the needs of our partners, and offers customized and integrated solutions to clients, strengthening synergy along the value chain so as to grow and develop over the long term together with all stakeholders within the ecosystem.





CREATING SHARED VALUE



As a leading hyperscale data center solution provider, we actively assume the role of an integrator bringing together our network of relationships with governments, upstream and downstream partners and clients, to pursue mutually beneficial cooperation with stakeholders.

Beyond the role of an integrator, we also leverage our strengths in technology and scalable business scenarios to empower stakeholders for stronger growth. We collaborate with government on establishing better industrial energy technology standards that support regional development, and share advanced concepts and resources with our partners and assist them in improving management, technology and business. With our hyperscale model and rich experience in computing power services, we deliver safe, reliable, and customized high-quality solutions to our clients.

Under the strategy of diversifying our clientele, locations, and business model, we have fully tapped into the economies of scale generated by industrial clusters to create shared value for society together with our key stakeholders. Chindata highly values commercial activities that bring positive impact to society. By coordinating the resources of different stakeholders, Chindata is contributing to economic growth, talent development and transformation, and industrial development in the regions where it operates, which, in turn, fosters a healthy business ecosystem that further contributes to regional economic prosperity.

With the launch of the national “East-West Computing Transfer” strategy, plans for a national integrated big-data center system consisting of 8 national computing hubs and 10 national data center clusters have been set out. A new wave of data center construction will follow, further optimizing the data center market landscape. The implementation of the strategy involves multiple parties: local governments, data center operators, potential users of data centers, and enterprises in the digital economy value chain. Our “Alignment” concept is in line with the key path set out in the national strategy and we will work with all stakeholders to play an active role under the strategy.



**As an Industry Leader,
We are Driving the Development of the Digital Economy
and Industrial Transformation in Huailai County, Hebei Province.**

With the rollout of the national policy on coordinated development of the Beijing-Tianjin-Hebei region, and the East-West Computing Transfer strategy, Zhangjiakou city in Hebei province, the national hub of the integrated computing network in the Beijing-Tianjin-Hebei region which has to meet the industrial needs of the digital economy in the Beijing-Tianjin-Hebei region, has attracted enormous attention from both the government and the industry.

Chindata is the first data center company to set up operations in Huailai county in Zhangjiakou and has established three campuses in Donghuayuan, Sangyuan, and Cunrui, forming the largest hyperscale data center cluster there. There are currently 11 data center enterprises and 2 leading software enterprises in Huailai, and the number of servers has reached 600,000, 90% of which is operated by Chindata.

Chindata is a pioneer and leading enterprise in the local digital economy, first becoming aware of the geographical and resource potential of Huailai county in Zhangjiakou City for the data center industry back in 2017. The Group embarked rapidly on the phased construction of next-generation hyperscale computing infrastructure clusters to power the development of the Beijing-Tianjin-Hebei region. After five years of rapid development, Chindata is playing a leading role in attracting a large number of businesses to the region, including companies in cloud computing, high-end equipment manufacturing, AI and internet, from both the upstream and downstream. Our efforts have driven the "0 to 1" and "1 to N" transformation of the local data center industry. While enjoying steady business growth, Chindata will keep up its efforts in business development in Zhangjiakou, the core hub of East-West Computing Transfer strategy.

Huailai County has now been tasked with the massive real-time computing needs of the Beijing-Tianjin-Hebei region and seized the opportunity to accelerate the development of the big data industry to support the transformation of the digital economy. Riding on the momentum, Huailai has transformed from a place known for its grape vines to a rapidly growing new hub for the big data industry. Chindata Group, as one of the earliest enterprises to establish itself there, will continue to do its part to support Zhangjiakou's effort in building a world-class hyperscale digital infrastructure cluster and becoming the world-class location of choice for computing centers.

PUTTING CLIENTS FIRST



Chindata has won over clients with premium customized solutions, agile delivery, secure and reliable service. In line with our philosophy of “clients first”, we deliver professional services beyond our clients’ expectations and empower them to grow their business rapidly.

AGILE DELIVERY



With the growing market demand for digital computing power, the key to closing the gap between the supply and demand and adapting to diverse scenarios lies in building high-quality large-scale data centers more quickly. Chindata Group’s ability to meet the diverse needs of clients flexibly with “agile delivery” comes from its customized data center models and prefabricated product models. So far, the Group has delivered high-performance data centers with a total capacity of at least 36 MW within 6 months, a new record in lead time within the industry.

Prefabrication is among the most advanced technologies in the data center industry at present, and product prefabrication is also becoming an industry trend. Prefabrication makes “de-engineering” of data center construction possible and has the advantages of fast delivery, safety and reliability. Since its establishment Chindata Group has been involved in the development and application of prefabrication, and is one of the first in the industry to use prefabrication technology. Our first data center campus adopted prefabrication technology for agile delivery, and we are still one of the few enterprises in the industry that has used prefabrication technology on a large scale.

Customized Data Center Building Model >

Customized data center construction models employ large-scale installations of prefabricated buildings and construction, and have the advantages of scale, flexibility, and speed of deployment, allowing for standardization in campus planning, building design and construction, modularity and prefabrication.

Main Types of Building Models Adopted by Chindata Group



The ventilated design that lets air flow from both sides, and distributed photovoltaic panels on the roof, allow the full use of natural cooling and light, which decreases energy demand in buildings and increases energy efficiency. This model can be prefabricated in stages, allowing flexible delivery and reducing initial investment.



The first high-rise data center in China has a multi-layered layout and uses power modules and air-conditioning unit modules. Construction work is reduced, and the model also allows agile delivery and decreases the environmental impact of on-site construction.



This model features reinforced concrete structures or steel structures in a fully modular design. Smart power modules flexibly support different power density scenarios such as general computing and heterogeneous computing. It is equipped with various technologies such as indirect evaporative cooling, liquid cooling, and lithium batteries that together increase energy utilization efficiency.



China’s first large scale shipping container building model integrates airflow, fire, water, and power products and can be put into immediate service once assembled in place and connected to water, power, and network services. With centralized production moved forward in the process, production energy efficiency is improved and carbon emissions during transportation are also reduced by doing away with decentralized transportation.



Product Prefabrication >

Based on the concept of engineering productization and product prefabrication, we applied standardized design, factory processing, and on-site assembly construction concepts to design a variety of prefabricated models of electromechanical modules including a lifting system, smart piping, business module, power distribution module, and refrigeration station, and integrated closed passages. Product prefabrication enables on-demand construction for high-quality delivery and shortens the construction period to achieve agile delivery.

The Container Data Center: Modular, Prefabricated, and Integrated Data Center

The boom of the Internet of Things and the resulting surge in demand for data analysis and processing has led to the rise of edge computing. Data centers are required to be located as close as possible to data processing without having to offer wide coverage. Edge computing therefore calls for decentralized deployment, localization, and a large number of small scale data centers. The container-type edge computing data center developed by Chindata Group integrates the container structure system, power supply and distribution system, refrigeration system, management system, fire protection system, integrated wiring, and server cabinet, which are prefabricated and assembled on site. The container data center is operational once the network, power supply, and other conditions are connected.

Phase I of the MY06 Project in Johor, Malaysia, features the container-type data center solution. The container module for the project includes the IT building, indirect evaporative cooling and refrigeration equipment, power chamber, and diesel generator. It allows the simultaneous implementation of basic on-site construction and module prefabrication in the factory. The model lowers construction costs and shortens the construction period by nearly half compared to traditional data center construction.

The MY06 Project features the most cutting-edge data center technologies in China. It is the first full-stack hyperscale data center solution exported overseas by a Chinese enterprise, heralding the start of the export of modular container-type data centers, marking a new milestone.

SAFETY AND RELIABILITY >>

As the digital economy develops, the aggregation and flow of data resources require better computing infrastructure. The safety of data centers - as the computing, storage, and interaction carriers of massive data - is related to the safety and stability of clients' business and overall stability of the digital economy. Chindata Group has established a data protection warranty system, with an improved security system, risk management strategies, reliable backup system for disaster recovery, and supply chain safety management in order to provide our clients with safe and reliable products and services.

In accordance with ISO 22301 Business Continuity Management System and applicable laws and regulations, Chindata Group has formulated the Business Continuity Management Guide and has made business continuity commitment to clients to ensure that their businesses work 24/7 throughout the year. As of the end of 2021, Chindata Group has obtained ISO 20000 IT Service Management System, ISO 27001 Information Security Management System, ISO 22301 Business Continuity Management System, and ISO 27701 Privacy Information Management System certification. In 2021, no major failures occurred at Chindata, and failure-free time of more than 99.99% was recorded. This stellar performance has led to the Group being regarded as a trustworthy business partner, and we have maintained a client retention rate of 100%.

Data privacy and security are equally important to clients. To this end, Chindata Group has developed a code of conduct and standards to guarantee the confidentiality of information, such as the *Management Regulations on Employee Information Security* and the *Management Regulations on Cyber Security*. In 2021, the company received zero complaints on the violation of client privacy or loss of client data.

Refined and Systemized Data Security Management

- Strengthen data backup system, and continuously refine the granularity of the management of enterprise data backup and recovery to effectively prevent data loss.
- The VMware VSAN data center virtual platform offers enhanced reliability and flexibility of IT infrastructure architecture, improving the security and stability of applications, and accelerating risk identification and response, and recovery of data services.
- Network access control system standardizes the use of end-user terminals and network access.
- Upgrading of the corporate terminal security protection system.
- Encrypted transmission between systems through the data interface authorization mechanism, and file management system monitoring the disclosure of confidential information via the data leakage prevention system according to different confidentiality levels.

ISO 20000
IT Service Management
System

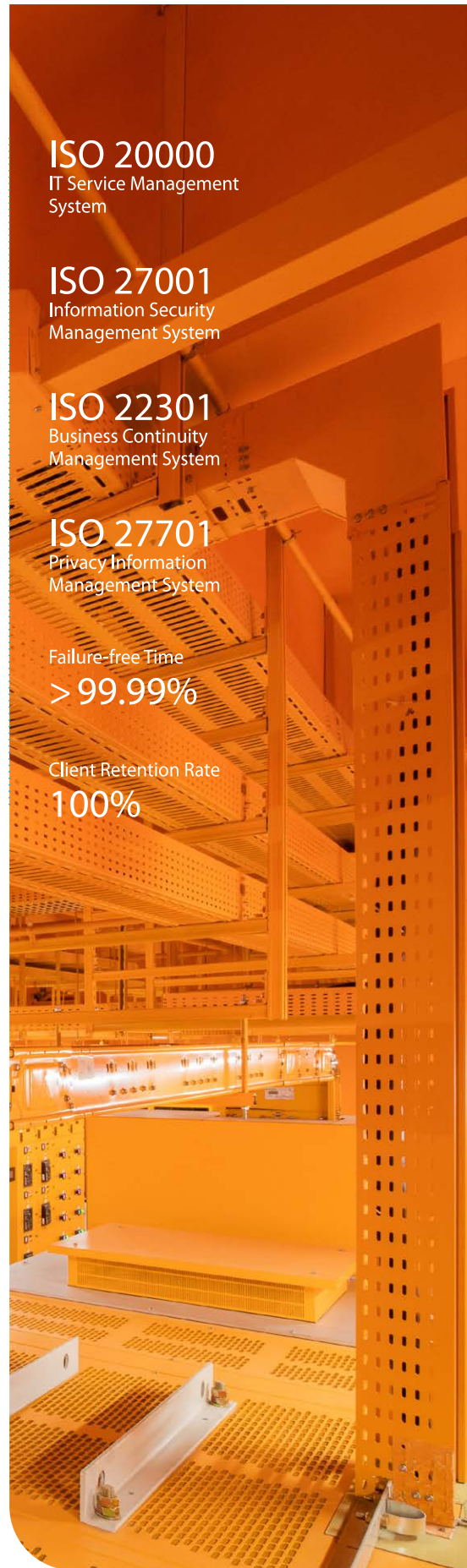
ISO 27001
Information Security
Management System

ISO 22301
Business Continuity
Management System

ISO 27701
Privacy Information
Management System

Failure-free Time
> 99.99%

Client Retention Rate
100%




BEAUTY OF CUSTOMIZATION >>

Apart from delivering industry-leading customized computing infrastructure operation solutions, Chindata Group is the first to provide customization of aesthetic design for clients. We value the harmonious integration of architecture and aesthetics, and on the basis of green, efficient and safe design, we combine our interpretation of "beauty" with our clients' needs, and ecological value in customized designs that complement the design of campuses and buildings.

06.

TALENT DEVELOPMENT





Chindata believes that outstanding talents are the primary force for corporate development over the long term. Based on the principles of diversity, equality, openness, and inclusiveness, Chindata continuously optimizes its talent management system, attracting and retaining talent and designing a talent development mechanism in line with our corporate culture. Chindata nurtures employees' spirit of being proactive, pragmatic and accountable, and provides employees with a competitive international platform for development. Talent is a critical strategic resource and Chindata Group is dedicated to growing and developing together with its people.

RESPECT THE RIGHTS AND INTERESTS OF EMPLOYEES



LEGAL AND EQUAL EMPLOYMENT RELATIONSHIP



Strictly in line with international conventions and local laws and regulations on labor relations, such as the *Labor Law of the People's Republic of China* and the *Provisions on the Prohibition of Using Child Labor*, Chindata Group has set basic principles and requirements of legal employment and protection of the legitimate interests of employees.

The Group regularly reviews and updates recruitment rules, regulations, and measures to ensure that the recruitment process complies with applicable international conventions, and local laws and regulations. Terms and conditions of employment are clearly explained to employees, and identity documents and travel documents of employees are never withheld for any reason or in any form by the company; unreasonable restrictions on the activities of employees in the workplace and their access to the workplace are never imposed.

In the interest of maintaining good employment relationships, and in consultation with employee representatives, Chindata Group issued the *Chindata Group (China) Employee Handbook*. This document details human resource management regulations, employee complaint mechanisms, and employee welfare mechanisms. In 2021, the Group reiterated the prohibition of employment of child labor and forced or compulsory labor. The Group's overseas operating companies actively safeguard the rights and interests of indigenous peoples.



COMPETITIVE COMPENSATION AND BENEFITS



Chindata Group is committed to fostering a caring corporate atmosphere and provides employees with competitive compensation and benefits so they feel motivated and cared for.

Chindata Group has established rigorous standardized job grade scale and compensation system. In addition to base pay, remuneration also consists of performance pay and bonus to incentivize employees. Our compensation system is regularly benchmarked against market standards to ensure optimal compensation level and structure. The Group offers two opportunities for salary adjustment to employees annually, and has put in place a performance-oriented annual option granting plan that rewards employees who have made outstanding contribution, as a way to incentivize high achievers.

Chindata Group believes that by focusing on employees' health and well-being, it will be better equipped to meet their potential needs and ensure they are well-rewarded, enhancing their sense of belonging. The Group has established a diversified welfare system with four modules: statutory benefits, subsidies, health benefits, and holiday benefits to ensure workplace well-being and the work-life balance of employees.



2021 Chindata Group Christmas Party

We encourage employees to “work efficiently, live happily”, and have built a large-scale multi-dimensional employee activity system. The Group holds festive events for employees in different regions for holidays and other occasions, such as themed activities, birthday parties, family activities, outdoor activities, and team-building activities. These fun activities create a warm team atmosphere, enhance cohesiveness, and help employees relax and get exercise outside of work, encouraging them to learn and grow through collaboration and communication.

4 WELFARE MODULES

1. STATUTORY BENEFITS

- Social insurance (pension insurance, medical insurance, unemployment insurance, work injury insurance, and maternity insurance)
- Housing fund
- Paid leave (statutory holidays and festivals, annual leave, marriage leave, maternity leave, and paternity leave)

2. HEALTH BENEFITS

- Annual physical examination
- Supplementary medical and accident insurance
- Medical welfare for family members
- Ergonomic office equipment
- Flexible working hours
- Health EAP courses

3. SUBSIDIES

- Subsidies for communication, transportation, housing, and meal
- Gifts for birthday, marriage, and births
- Subsidies for private vehicles for work purposes, and Didi services for business purposes

4. HOLIDAY BENEFITS

- Themed activities for holidays and festivals
- Holiday gifts

Celebrating our Culture Heritage

To carrying forward the fine traditions of the Chinese culture and create a warm, festive atmosphere, Chindata Group organizes various celebratory events and prepares gifts for employees to commemorate traditional festivals.

The Group celebrated Lantern Festival in 2021 with themed activities in Huailai, Lingqiu, Beijing, and Shenzhen to bring happiness and warmth to employees. For Dragon Boat Festival, employees received exquisite gift boxes with traditional Chinese rice dumplings. For the Mid-Autumn Festival, which celebrates reunion, employees also received festive gifts as a token of our appreciation.

Cherry Blossoms in Spring Development Activity

At Chindata Group, team building activities aim to strengthen cohesiveness, unleash the potential and personal leadership of employees, encourage good work-life balance, and foster a positive working atmosphere. The springtime bloom of cherry blossoms provided an opportunity for outdoor team building activities at our Hebei campus. The level of enthusiasm was high for these well-designed activities. Faced with challenges, everyone brainstormed and worked together, sharing the joy of success. It was an occasion for employees to relax in the green mountains and clear rivers, and also experience the power of trust, teamwork and collaboration.



SUPPORT EMPLOYEE DEVELOPMENT



Chindata has developed abundant training resources and formulated the Chindata Training Management Regulations; and is committed to fostering a culture of lifelong learning, continuously unlocking the potential of employees and improving their professional abilities. As of the end of 2021, the Group has introduced 142 training courses, covering new employee training, professional training, and management training. An instructor team with 121 core members including management executives, department heads, and business experts has been set up to provide talent development support. In addition, we have built an E-Learning platform for employees around the world to learn online without being limited by time or location. In 2021, all of Chindata Group’s employees have received regular performance assessments and career development assessments.

CHINDATA GROUP EMPLOYEE TRAINING PERFORMANCE IN 2021

Employee training index	2021
Training frequency	48 times
Proportion of employees trained	100 %
Training coverage	36,838 employees
Total training hours	62,510 hours
Training hours per person	52 hours/person

The Group makes full and efficient use of quality training resources both internal and external, established a well-structured employee training system, and designs training programs with clear goals and scientific methods for “management elites” and “operation and maintenance talents”.

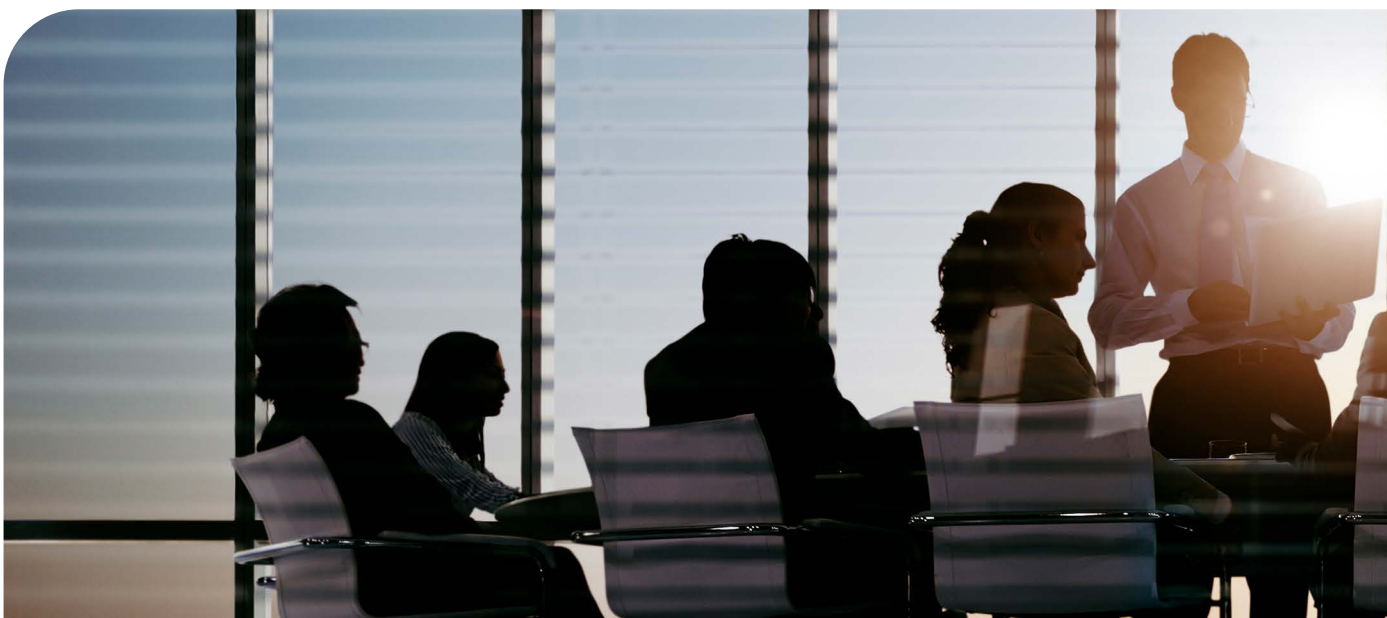
For leadership training, regular workshops based on real business and management scenarios are organized. The 26-day courses consist of training on professionalism, team management, and operation and maintenance management. The course lets employees experience management challenges, and guide them on building management awareness, improving their management abilities, and establishing a common management language.

In addition to cultivating a highly-skilled and efficient management team, the Group prioritizes the training and development of operation and maintenance talents, and is dedicated to build a talent pipeline to ensure the long-term operational stability and efficiency of our data centers. To improve the professional and practical abilities of the operation and maintenance team, training courses dedicated to high/low voltage certification, special equipment certification, fire protection facilities certification, and PMP certification, are organized - with training hours totaling 2,064. In response to rising demand for operation and maintenance talents in the data center industry, the Group has developed an advanced development mechanism for operation and maintenance talents - the Three Eagles training programs provide customized coaching and whole-process guidance for mastering and improving complex skills.

Conducting systematic training has enabled the Group to foster a culture of “pursuing excellence and daring to lead”. The Company is taking the lead in high-quality development of the data center industry, setting a record of delivering a next-generation hyperscale green data center within 6 months. We continue to seek optimal solutions for power and water saving, and carbon emission reduction through technological innovation. The average annual PUE of computer rooms in our Hebei campus has reached 1.146 - the lowest in the industry. Chindata is collaborating with its partners in technological innovation and product R&D to optimize energy and water conservation, gradually approaching the limit values of Power Usage Efficiency (PUE) and Water Utilization Efficiency (WUE). X-cooling waterless technology, the world’s first waterless cooling launched by Chindata recently, enables data centers to achieve zero WUE cooling for the first time, setting a new benchmark for the industry.

Advocate a Pragmatic and Courageous Corporate Culture and Encourage Life-long Learning

In addition to improving our internal training system, Chindata Group supports and encourages employees to improve themselves continuously by reimbursing their external training expenses. The Group has formulated the *Chindata Incentive Measures for Employee Certification and Training* to reimburse examination fees or fees for external certification. In 2021, the Group earmarked RMB 400,000 for the reimbursement of external training expenses, including training in professional fields and personal development.



“Three Eagles” Training Program: Cultivating Industry Talent

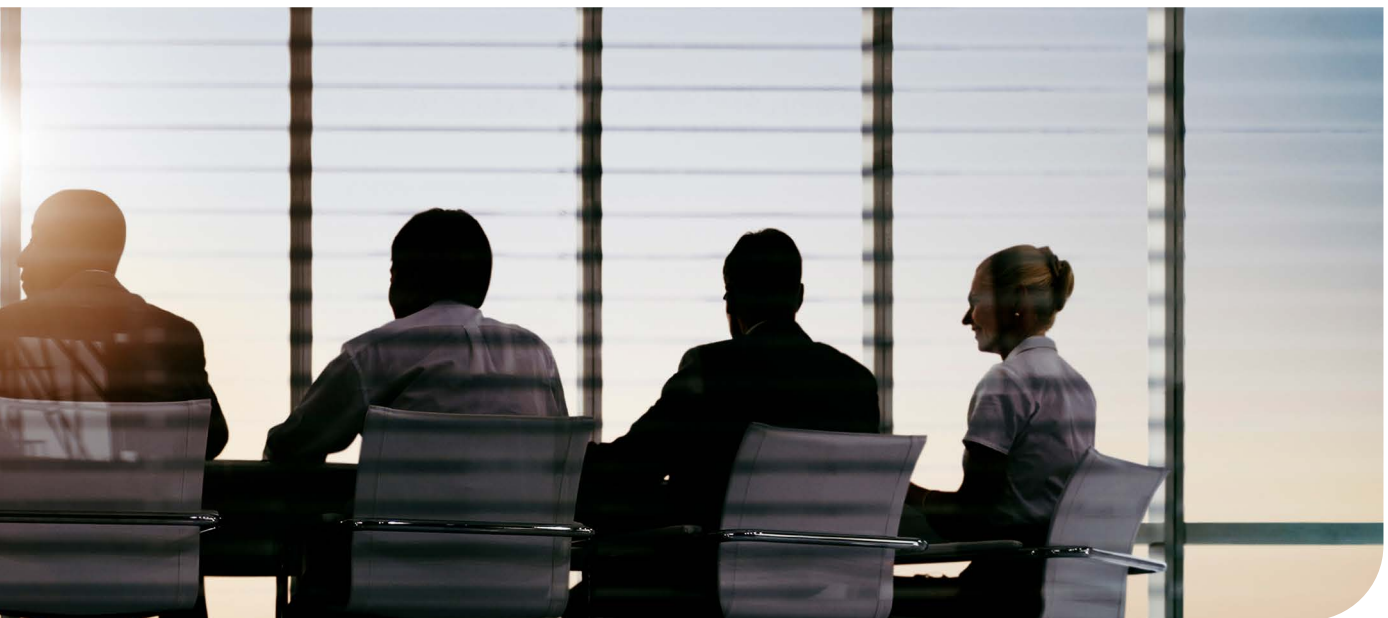
As the digital economy booms, data center industry development is in full swing, with demand for operation and maintenance talents rising in tandem. This makes attracting and training industry professionals and technicians even more important.

As operation and maintenance is the longest phase in the whole life cycle of a data center, it is the key to a safe, efficient, green, low-carbon data center. For the development and improvement of the operation and maintenance team, Chindata Group launched the “Three Eagles” training program in 2021. Combining theoretical courses with practical exercises, the program helps employees put theoretical knowledge and skills into practice quickly.

Chindata has introduced the “Chuying”, “Feiying”, and “Xiongying” training programs for new employees, employees with work experience, and campus managers or above at the core management level respectively. These programs aim to improve capability in terms of professional skills, professional techniques, and operation and maintenance management from multiple dimensions, such as the overall structure of the data center, system characteristics, and equipment complexity, as well as operation and maintenance regulations, system, and goals. The programs show the Group’s commitment to the development of operation and maintenance talent.

As the leading hyperscale computing infrastructure solution provider in Asia Pacific, Chindata has a well-established operation and maintenance talent system, built upon its wealth of practical and industrial experience. The system has provided a large number of operation and maintenance talents with rich theoretical and practical experience in the data center industry.

In response to the national goal of “carbon peaking and carbon neutrality”, Chindata Group offers seminars and training courses in carbon trading and green power trading for employees to build up a talent pipeline for low-carbon development. To help employees understand the corporate culture better and cultivate a sense of belonging and identity, the Group has also launched a corporate culture promotion campaign. In 2021, the participation rate in corporate culture promotion activities was 100%.



EFFICIENT AND PROFESSIONAL EHS MANAGEMENT



At Chindata Group, the health and safety of its employees comes first. We abide by all laws and regulations on occupational health and safety, and have developed a sound health and safety management system to safeguard the health and safety of all employees.

EHS Management System >

Chindata Group's EHS management system was established under the guidance of ISO 45001 Occupational Health and Safety Management System, and has undergone internal and external audits to ensure compliance with laws and regulations in safety, health, and environmental protection for certification. In 2021, no work-related injuries or deaths were reported.

The Group has integrated the EHS management system into its business process, and continues to work on optimizing the EHS Management Plan of Projects and the Emergency Response Plan, clearly defining the EHS responsibilities of project construction and supervising parties. The EHS performance of each project is regularly reviewed by a project safety management committee, which is also in charge of conducting risk assessments for the prevention of environmental pollution, occupational injuries, and occupational diseases. Meetings to review EHS performance and update the work plan are held monthly. In 2021, Chindata Group organized 892 routine safety inspections and 80 regular safety management meetings.

EHS Training >

In order to raise awareness on occupational health and safety among our employees, the Group requires all employees to attend EHS training as their project progress, and holds regular safety emergency drills to boost awareness and emergency response capability. In 2021, Chindata Group conducted 12 emergency drills and 276 EHS training sessions.



2021 Fire Drill in the Headquarters Campus of Chindata Group

ENHANCED COVID-19 RESPONSE MECHANISM

The COVID-19 pandemic is exerting a continuous impact on production and life. Based on prior experience, Chindata Group established a regular pandemic prevention and control mechanism in 2021 to fully safeguard the health and safety of employees and the business stability of the data centers.

The Group has set up a COVID-19 prevention and control team with a core made up of members of the management team, and abides by the COVID-19 prevention and control policies in the cities and provinces it operates in. In case of an outbreak, the Group will take action according to the first-level response mechanism of the municipal and provincial governments, and activate the first-level protection mechanism in our campuses for COVID-19 prevention and control, to safeguard the health and safety of all our employees. For routine prevention measures, the Group has upgraded the environmental safety management of offices, carrying out regular disinfection, maintains a reasonable distance between work stations, and encourages employees to dine at staggered times in the canteen. We also provide employees with disinfectant and personal protection supplies. COVID-19 prevention training for employees was also provided to impart pandemic prevention knowledge, helping employees to stay united and positive in fighting the pandemic together.

Chindata Group follows the local COVID-19 prevention and control policies of global data centers. In India, with a surge of COVID-19 cases, the Group offered free vaccination to its employees. In Malaysia, the Group purchased additional insurance to safeguard the health of employees, including quarantine insurance and isolation insurance. Thanks to the well-established COVID-19 response mechanism, Chindata has had no reported cases of COVID-19 infection from the start of the outbreak up to the end of 2021.





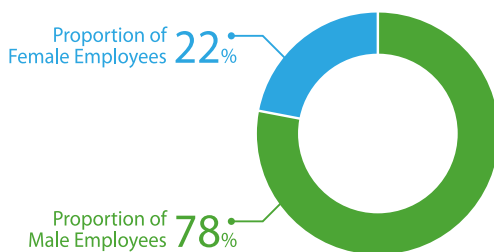
NURTURING DIVERSE AND INCLUSIVE CORPORATE CULTURE



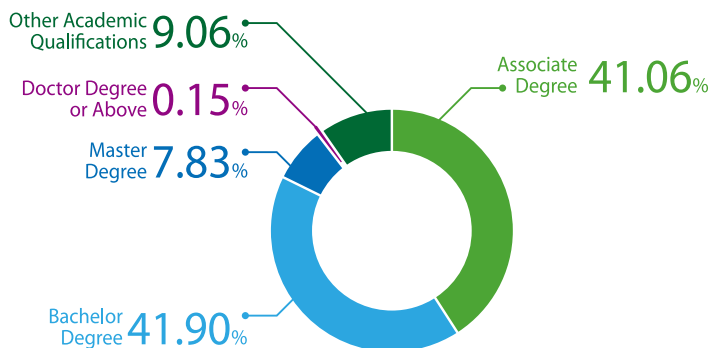
As a leading hyperscale computing infrastructure solution provider in the Asia Pacific, Chindata Group has business teams globally as we continue to expand our network. To foster a work atmosphere of trust and mutual support, the Group fully respects employee diversity and inclusion, and promotes an inclusive corporate culture to enhance our employees' sense of belonging.

The Group provides equal opportunities for employees with different backgrounds, and neither restricts employees from joining the Group nor confers differential treatment based on factors such as ethnicity, race, age, gender, marital status, or childbearing status. Chindata Group has attracted talents with experience across a number of sectors including internet, communication, and energy, and provided them with employment positions that meet our business needs and their personal development needs. In line with national policies, the Company also offers equal job opportunities to those with vocational education, disadvantaged groups, and residents of local communities. In 2021, the Group hired 22 employees with vocational education, 20 of whom received higher vocational education and 2 with secondary vocational education. As of the end of 2021, Chindata Group has a total of 1,315 employees, including 5 disabled employees and 36 employees from ethnic minority groups.

PROPORTIONS OF MALE AND FEMALE EMPLOYEES OF CHINDATA GROUP IN 2021



EMPLOYEE STRUCTURE OF CHINDATA GROUP BY EDUCATIONAL BACKGROUND IN 2021



By the end of 2021

The Group has **1,315** employees

5 disabled employees

36 employees with ethnic minorities

EMPLOYEE STRUCTURE DATA OVER THREE CONSECUTIVE YEARS ¹

Employee Structure	2019	2020	2021
Proportion of Women in Management	38%	40%	40%
Proportion of Employees Under the Age of 35	81.60%	68.00%	76.30%

1. Full-time employees of Chindata Group



FEMALE LEADERSHIP



Chindata Group has always valued the development of women leadership and remains committed to promoting gender equality. The Group encourages women employees to participate in dialogues, discussions, and decision-making, and by no means hinder personal development and promotion due to gender. As of the end of 2021, the proportion of women employees in the top management is 40%, much higher than the industry average.



“Better U” Female Leadership Program

Chindata Group launched the “Better U” Women Leadership Program - the first company in the digital infrastructure industry in China to launch a dedicated career development program for women. Under this program, a series of women leadership activities were held to support outstanding women employees to grow and develop.

In 2021, the “Better U” program invited outstanding female employees to share their career development experiences and insight, and produced a video of interviews with the theme of “Better U, Better Chindata.” The video showcased the achievements of the program, and also inspired women employees to realize their value in the workplace.

The “Dialogue with Female Leadership” is another activity organized under the Better U program. Women in our management team were invited to share their career choices and development, and the challenges they encountered in an effort to encourage female employees to improve themselves and raise awareness of leadership development, in line with the Group’s strategy of a “de-gendered” leadership.

Female Executive Wins “Excellent Legal Counsel” Award from China Business Law Journal

Chindata has always been supportive of women shining in the workplace and on leading industry communication platforms. We continue to work on raising the profile of female leaders in the workplace, and cultivating more female talents.

In 2021, the China Business Law Journey (CBLJ), an internationally-renown legal publication, shortlisted outstanding legal elites in various fields based on their excellent performance in legal knowledge, creativity, technology application, and influence out of thousands of nominees. Ms. Zhang Zhuo, Chindata Group’s General Legal Counsel and Head of Investment Department, stood out with her wealth of experience and expertise and won the “Excellent Legal Counsel” award in the fields of data protection and privacy, and internet and e-commerce.

Focusing on Increasing Psychological Resilience of Women at Workplace, and Promoting Female Leadership Development during the Pandemic

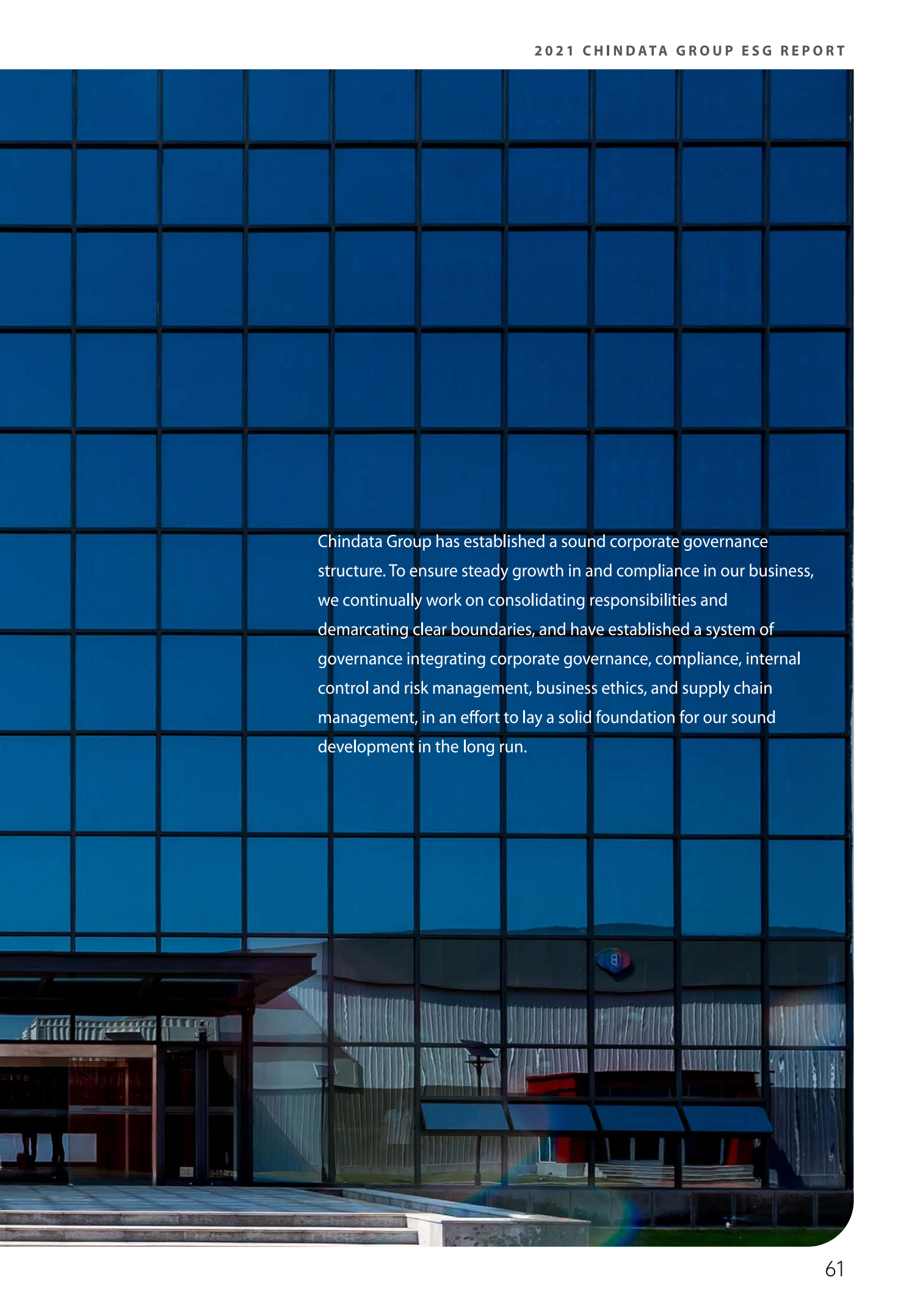
The COVID-19 outbreak has doubled the load of work and family responsibilities, exerting great pressure on women at the workplace. In 2021, the number of women who experienced difficulty balancing family and work grew, faced with the impact of the COVID-19 resurgence. In response, Chindata Group acted to safeguard their mental health, introducing initiatives such as “Employee EAP Counseling” to provide psychological support.

Our Company in Singapore has organized a series of psychological resilience training sessions for female employees so as to help them strengthen psychological adaptability, develop psychological resilience, and provide support and encouragement. As of the end of 2021, the proportion of women employed in our Company in Singapore has grown to 52%, among which 47% are in management positions.

07.

GOVERNANCE EXCELLENCE





Chindata Group has established a sound corporate governance structure. To ensure steady growth in and compliance in our business, we continually work on consolidating responsibilities and demarcating clear boundaries, and have established a system of governance integrating corporate governance, compliance, internal control and risk management, business ethics, and supply chain management, in an effort to lay a solid foundation for our sound development in the long run.

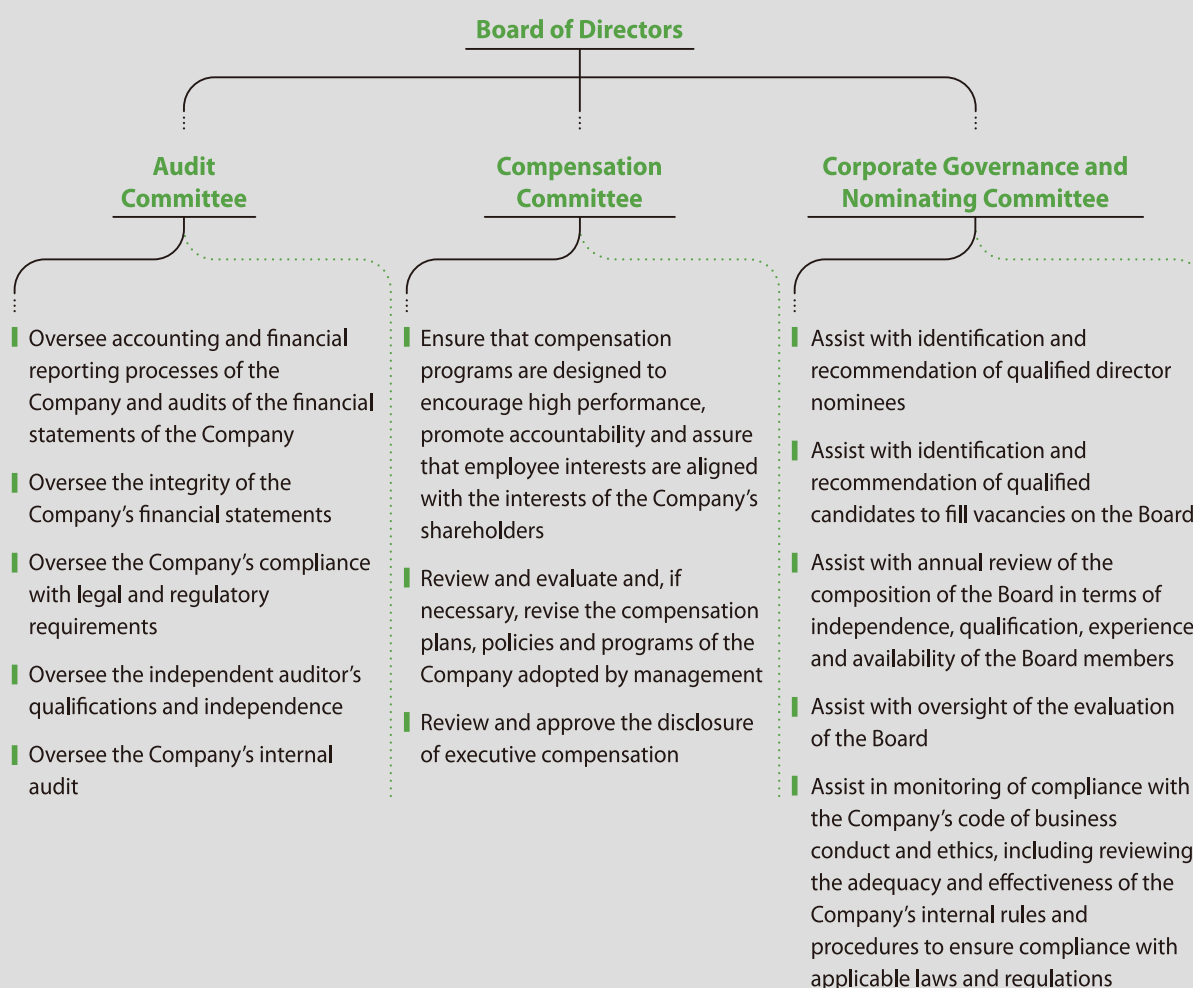
CORPORATE GOVERNANCE



Chindata Group has established a corporate governance mechanism with the Board of Directors at the core, and continuously works to standardize its operational processes. All major business decisions are approved by the Board of Directors and made collectively by the Management Committee to ensure the stable operation and continuous profitability of the Group.

The Group values diversity in the Board, and our directors come from different backgrounds and experiences which ensure balance in decision-making. The Corporate Governance Committee reporting to the Board of Directors performs its duties through the Audit Committee, the Compensation Committee, and the Corporate Governance and Nominating Committee. The Group has formulated the Audit Committee Charter, the Compensation Committee Charter, and the Corporate Governance and Nominating Committee Charter to regulate the responsibilities of these committees, setting out clear duties and responsibilities for the decision-making body, the supervisory body, and the management.

As of December 31, 2021, the Board of Directors is made up of 10 members, including 3 independent directors. Female directors make up 10% of the board.



In full consideration of the position of investors, Chindata Group takes effective measures to protect their legitimate rights and interests. In terms of information disclosure and communication with investors, the Group communicates information through performance communication meetings, investment bank roadshows, emails, non-transaction roadshows, and annual and quarterly reports to ensure the accuracy, timeliness, and consistency of information disclosure. The Group's information is available on the Chindata Group Investor Relations website, the US Securities and Exchange Commission, and other platforms.

COMPLIANCE



As compliance is the cornerstone for the stable operation of an enterprise, Chindata Group always observes the guidelines and rules issued by regulators and the applicable legal requirements of the countries and regions where our business is conducted to ensure compliance with the Group's operation and development.

According to our business performance, the Group has promoted the development of the compliance management system and a culture of compliance. Among employees, compliance is been highlighted in training for all new employees who are also required to sign the Non-disclosure Agreement and the Non-competition Agreement when they join the Group, to establish compliance awareness from the beginning. Depending on the nature of their job role, employees from relevant departments in the supply chain are required to sign the Chindata Group Sunshine Supply Chain Rules. Compliance training activities for all employees are held from time to time to ensure employees learn and understand regulations in stages.

As an international business, Chindata pays close attention to compliance requirements in different countries and markets. Local legal counsels are hired in countries where it operates, and overseas legal management systems have also been established to provide localized legal support. Updates on management systems and regulations are announced through internal communication channels, such as the OA system platform, internal mail, and internal message system, to enable employees to check up regulations conveniently, and to strengthen compliance awareness. To improve the management and review of internal contracts, the Group has developed a unified contract management platform to realize the whole life cycle management of contracts, and to mitigate risks related to contract drafting and contract performance through better contract management. Standard contracts across all business lines are continually updated to ensure operational compliance and stability.

INTERNAL CONTROL AND RISK MANAGEMENT



Chindata Group has adopted the COSO internal control integration framework, and built an internal control system that meets risk management needs and caters to the corporate development strategy. The management is responsible for making major decisions in internal control and developing a risk control framework in business processes and business units. The Internal Control and Compliance Department, the Finance Department, the Legal Department, and the Human Resource Center provide professional support for the management to perform its duties. With the support of the Internal Control and Compliance Department and external independent auditors, the Audit Committee helps the Board of Directors fulfill its supervisory responsibilities over the Group's internal control activities. Additionally, the Internal Control and Compliance Department regularly evaluates existing control processes, optimizes control design, rectifies control implementation, and organizes special trainings for relevant departments during project implementation.

In promoting ethical business practices, Chindata Group places a high priority on risk management in listing compliance, business process, and internal management. The Group follows the plan-do-check-action (PDCA) cycle from top-level design to implementation. Risk prevention and control mechanisms have been set up in such fields as anti-bribery and anti-corruption, prevention from insider trading, avoidance of interest conflicts, supply chain management, and personnel management. The Group conducts regular reviews and real-time inspections of risk management implementation and effect, organizes special inspections of important business fields and high-risk areas, and promptly delivers risk alerts to mitigate potential dangers.

The Group analyzes and manages business operation risks as well as thoroughly reviews the status of its operations through internal and external audits. With audits, each department can have a good knowledge of the current situation of operation and management and the implementation of risk management measures, identify problems and risks in a timely manner, respond to internal and external concerns effectively, and optimize risk management iteratively. We completed SOX404 (Sarbanes-Oxley Act - Section 404) compliance work and obtained more than 90 audits of financial statements during the reporting period.

BUSINESS ETHICS



Business ethics are of utmost importance to Chindata Group and we are guided by the Chindata Group Code of Business Conduct and Professional Ethics, which covers business integrity and anti-corruption, anti-unfair competition, trade compliance, information security and data protection, and conflict of interest. All directors, management, and employees are required to abide by the Code of Conduct and foster an honest, trustworthy and upright operation environment.

INTEGRITY CULTURE BUILDING



Integrity and self-discipline are highly valued by Chindata Group. There is zero tolerance for bribery or corruption in any form. A set of anti-corruption and anti-commercial bribery policies, including the Chindata Group Anti-Bribery and Anti-Corruption Policy, the Chindata Group Insider Trading Prevention Policy, and the Chindata Group Sunshine Supply Chain Rules, have been issued and disseminated to all employees at home and abroad, as part of our efforts to continuously maintain an institutional culture of integrity.

For anti-fraud purposes, the Group continues to refine the complaint and reporting mechanism, announcing the reporting channels in accordance to the Chindata Group Reporting and Investigation Regulations, and ensures regular maintenance of these channels. The handling process of reported cases has been improved and put into trial operation before its official launch. To protect whistleblowers, the Group undertakes responsibility for the fairness of the handling process and results, and protecting the personal privacy of whistleblowers, and cracking down on retaliation. There were no recorded occurrences of commercial bribery or corruption during the reporting period.

CHINDATA GROUP ANTI-CORRUPTION AND ANTI-COMMERCIAL BRIBERY POLICIES

Chindata Group Code of Business Conduct and Professional Ethics

Chindata Group Anti-Bribery and Anti-Corruption Policy

Chindata Group Insider Trading Prevention Policy

Regulations on Avoiding Conflicts of Interest in Chindata Group

Basic Work and Integrity and Self-discipline Rules for Employees of Chindata Group

Regulations on Employee Rewards and Punishments

Chindata Group Sunshine Supply Chain Rules

Reporting email: jubao@chindatagroup.com

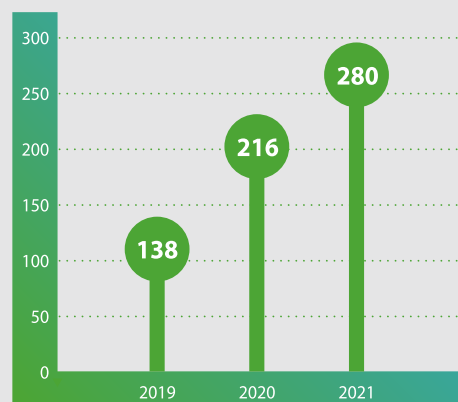
INTELLECTUAL PROPERTY PROTECTION



Chindata Group values intellectual property protection and abides by the Copyright Law of the People's Republic of China, the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Regulations on Computer Software Copyright Registration, and other applicable laws and regulations, and continually refine and improve our intellectual property management system.

As a technology-driven company, we conduct extensive research on cutting-edge technology and dynamically deploy them in areas such as renewable energy, green data center design and construction, and digital computing power. The Group has been an industry leader in the number of patents for many years and holds multiple patents in technologies in big data, cloud computing, computer graphical interface, mechanical equipment, power distribution system, renewable energy, data centers, and building construction. As of December 31, 2021, the Group has 280 pending and approved patents, including patents for invention, external design, utility models, 38 software copyrights, and 44 trademarks. Additionally, the Group has put in place a unique bonus structure to encourage and reward employees for their innovations and creations.

GROWTH IN THE NUMBER OF PATENTS HELD BY CHINDATA GROUP OVER THREE YEARS



SUPPLY CHAIN MANAGEMENT

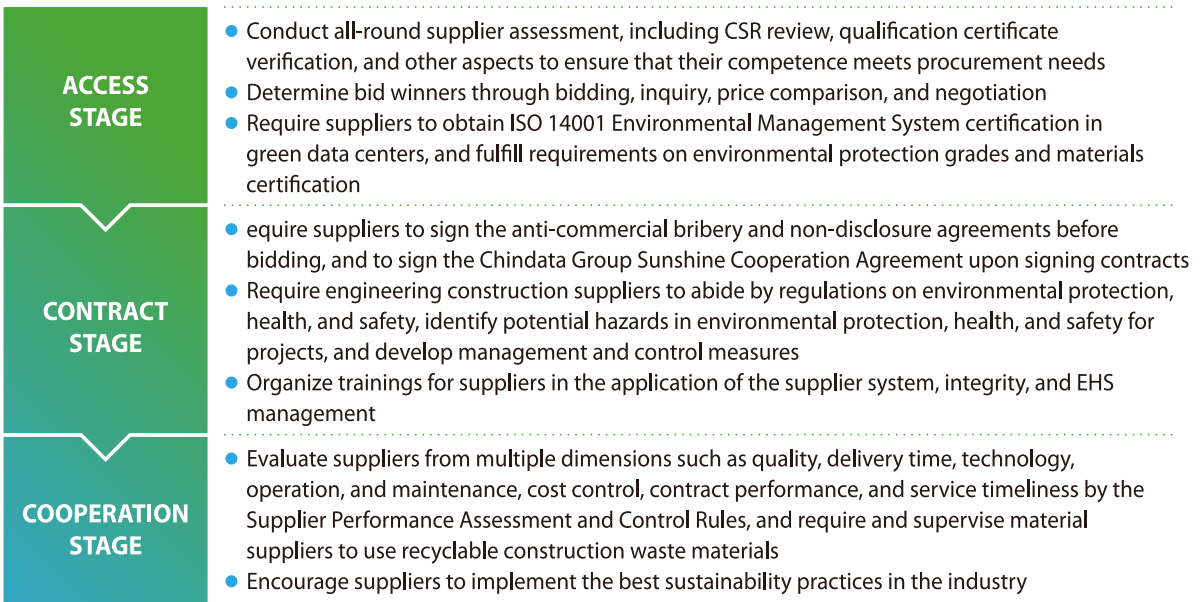


The key to ensuring the high-quality development of data centers is to practice healthy and sustainable supply chain management. Chindata Group is dedicated to extending ESG management throughout the supply chain in order to create a green and compliant supply chain system.

With whole lifecycle management, the Group evaluates supplier performance, manages risks, and controls critical points in the supply chain. Our in-depth communication with suppliers is not limited to business discussions; we also inform them our sustainable development requirements. The Group monitors the ESG performance of suppliers, in areas such as environmental protection and the rights and interests of employees. To provide guidance for responsible procurement, the Group has formulated the Management Regulations on Suppliers of Chindata Group, the Management Regulations on Procurement in Chindata Group, and the Implementation Standard of Environment, Society, and Governance in the Supply Chain.

At the same time, the Group attaches great importance to EHS management and business ethics requirements throughout the supply chain. In 2021, all suppliers signed anti-fraud and anti-corruption agreements. To improve the sustainable development management of suppliers and build a responsible supply chain, the Group holds trainings for suppliers from time to time on topics such as environmental protection, employee management, and supply chain compliance. In 2021, Chindata Group conducted 4 supplier ESG trainings in total.

WHOLE LIFECYCLE MANAGEMENT OF SUPPLIERS



Digital Upgrade of Supply Chain Management

With the rapid evolution of digital technology, the digital upgrade of supply chain management has become an important part of operations. In 2021, Chindata Group launched a supplier management system that aims to ensure smooth information flow of each procurement process with digital tools and information-based means, so as to improve the efficiency and transparency of supply chain management.

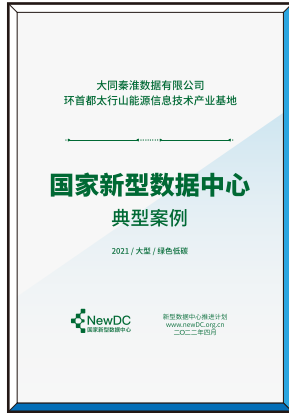
1,210 suppliers were added to the Group's supplier management system after passing checks and verification as of December 31, 2021. In the future, with digital transformation and the support of increasingly mature digital supply chain technology, the Group will collaborate with suppliers to build a more efficient and sustainable supply chain management system.



08.

HONORS AND AWARDS

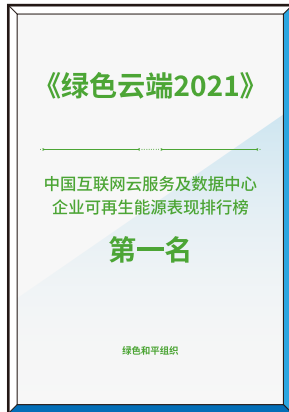




AWARD
Model National New Data Center
(Green and Low-Carbon Category)
AWARDER
Ministry of Industry and Information
Technology of the People's Republic of China



AWARD
Leader in Carbon Neutral Data Centers
AWARDER
Ministry of Industry and Information Technology,
China Academy of Information and Communications Technology,
Open Data Center Committee



AWARD
The First Place in the Green Cloud 2021
Renewable Energy Performance Rankings
of Internet Cloud Service and Data Center Enterprises
AWARDER
Greenpeace



AWARD
Best Environmental, Social, and Governance (ESG)
Award in the 17th Global Carrier Awards (GCAs)
AWARDER
Capacity Magazine



AWARD
First Prize in the Scientific and Technological
Achievements of Data Centers
AWARDER
China Association for Engineering Construction Standardization



AWARD
"Most Innovative Practice Award"
by the Global Human Resource Conference (GHRC)
AWARDER
HR SaaS Service Provider: Moka



09.

REPORT INDEX

UN GLOBAL COMPACT

Ten Principles of the UN Global Compact	Chapter in the Report
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Respect the Rights and Interests of Employees Safeguard the Health of Employees
Principle 2: Businesses should make sure that they are not complicit in human rights abuses	
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Respect the Rights and Interests of Employees
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour	
Principle 5: Businesses should support the effective abolition of child labor	
Principle 6: Businesses should support the elimination of discrimination in respect of employment and occupation.	Respect the Rights and Interests of Employees Focus on Diversity
Principle 7: Businesses should support a precautionary approach to environmental challenges	ESG Strategy and Management Response to Climate Change
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	ESG Strategy and Management Full-lifecycle Decarbonization Response to Climate Change Optimal Cooling
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	Streamlined Power Supply Smart Monitoring Smart Operation Supply Chain Management
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	Internal Control and Risk Management Business Ethics

GRI CONTENT INDEX

Contents	GRI Standards
About the Report	101, 102-50, 102-51, 102-52, 102-53, 102-54
A Letter from our CEO	102-14
About Chindata	102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7
Strategy and Management	102-16, 102-21, 102-29, 102-31, 102-40, 102-42, 102-43, 102-44, 102-46, 102-47, 102-49
Decarbonization	Leader in Full Life Cycle Decarbonization
	Response to Climate Change
Technology	Optimized X-Cooling
	Optimized Power Supply
	Smart Monitoring
	Smart Operation
Alignment	Creating Shared Value
	Putting Clients First
Talent Development	Respect the Rights and Interests of Employees
	Support Employee Development
	Safeguard Employee Health
	Embrace Diversity and Inclusion
Governance Excellence	Corporate Governance
	Compliance
	Internal Control and Risk Management
	Business Ethics
	Supply Chain Management
Honors and Awards	N/A
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ASSURANCE STATEMENT



ASSURANCE STATEMENT

SGS-CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE 2021 Chindata Group Environmental, Social and Governance Report

NATURE AND SCOPE OF THE VERIFICATION/ASSURANCE

SGS-CSTC Standards Technical Services Co., Ltd. (hereinafter as "SGS") was commissioned by CHINDATA GROUP (hereinafter as "Chindata") to conduct an independent assurance of the 2021 Chindata Group Environmental, Social and Governance Report (hereinafter as "the ESG Report"). according to the assurance methods specified in the SGS sustainability report, this assurance covers the text in this report and data in accompanying tables, we assured on site the data and information of Chindata located at the Chindata IT Industrial Base, No. 47, East Laiguangying Road, Chaoyang District, Beijing, P.R.China. other disclosed data and information were not covered in this assurance process.

The information in the ESG Report is the responsibility of its management and relevant functional departments. SGS did not involve in the preparation for the ESG Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all Chindata's stakeholders.

The SGS protocols are based upon internationally recognized guidances and standards, including the Principles contained in the GRI STANDARDS for accuracy and reliability and the guidance on levels of assurance contained in the AA1000 series of standards and guidance for assurance providers.

This report has been assured at a moderate level of scrutiny using our protocols for:

- Evaluation of content veracity;
- Evaluation of the ESG Report against the core solution of the GRI STANDARDS.

The assurance comprised a combination of pre-assurance research, and interviews with relevant employees, documentation and review and assurance of records during assurance.

The financial data cited in the ESG Report was independently audited by other third parties and was not checked against the source data as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

SGS is an internationally recognized body for inspection, appraisal, testing and certification, a recognized benchmark for quality and integrity, and has a global service network. SGS affirms that it is a completely independent organization from Chindata, and that there is no bias or conflict of interest against Chindata, its affiliates and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised of CCAA registered ISO 9001, ISO 14001, ISO 45001 auditors and SAAS registered SA8000 auditors.

VERIFICATION/ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, we are satisfied that the information and data contained within the ESG Report is accurate, reliable and provides a fair and balanced representation of Chindata's sustainability activities in 2021.

The assurance team is of the opinion that the ESG Report can be used by the reporting organisation's stakeholders, because we believe that the organisation has chosen an appropriate option for the reporting.

GRI STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

In our opinion the ESG Report is presented in accordance with the core option of GRI STANDARDS and fulfills all the required contents and reporting principles.

Stakeholder Inclusiveness

Chindata identified its stakeholders relevant to its activities and considered the reasonable expectations and interests, established channels and platforms for stakeholder inclusiveness and took various ways to communicate and interact with stakeholders.

Sustainability Context

Chindata determined its strategy of sustainable development and top management issues in combination with the background of global and regional sustainable development, and presented its efforts and performances in sustainable development from economic, environmental and social aspects.

Materiality

Chindata has considered reasonably disclosing issues and indicators with materiality, based on the topics concerned by the stakeholders and reflection assessment of the organization's significant economic, environmental and social impacts.

Completeness

The ESG Report shows sustainability performance of all identified material topics with their boundaries. Stakeholder can well understand Chindata sustainability performance.

Balance

The ESG Report discloses management approaches and performances related to material topics as they are, complying with the equilibrium principle.

Comparability

The ESG Report discloses Chindata's sustainability performance indicators for 2021, together with some historical data, which enable stakeholders to visually compare and understand the performance of sustainability.

Accuracy

Chindata's information in the ESG Report is accurate, and able to release qualitative and quantitative information in several performance indicators to stakeholders.

Timeliness

The data and information in the ESG Report was valid and timely. Chindata will report on a regular schedule each year to assure the good timeliness.

Clarity

The ESG Report used various expression ways such as words, charts, graphs, photos and combined with the case analysis, making it easily understood by stakeholders.

Reliability

Chindata has established the management process for the sustainability report, and the information and data disclosed in the ESG Report was timely collected. The information and data disclosed in the ESG Report are realistic and reliable.

Management Approach

The ESG Report clearly states the management methods for each topic, and includes description of the way to evaluate the effectiveness of the management methods.

General Disclosure

The general disclosures were presented in accordance with the core option of GRI STANDARDS.

Topic-Specific Disclosures

Chindata's topic-specific disclosures related to the material topics in economic, environmental, and social areas were in accordance with the core option of GRI STANDARDS.

Findings and Recommendations

The good practices found during the assurance, the sustainability report, and the suggestions for management have all been described in the ESG Report on internal management validation of the sustainable development report, and submitted to Chindata's management for reference for continued improvement.

Limitations of Assurance

The limitation of this assurance is that we only assured on site the data and information of Chindata at the Chindata IT Industrial Base, No. 47, East Laiguangying Road, Chaoyang District, Beijing, P.R.China. no external stakeholders are interviewed.

Affected by the COVID-19, part of the assurance was performed online.

Signed by:

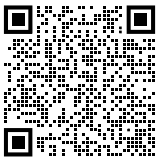


For and on behalf of SGS-CSTC

16/F, Century Yuhui Mansion, No.73, Fucheng Road, Beijing, P.R. China

September 8, 2022

WWW.SGS.COM



Chindata Group Official Website



Chindata Group Wechat Official Accounts

GENERAL DISCLAIMER

The information in this report may contain predictive statement, including but not limited to, future business model, the development trend of data center industry and new technologies. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied in the predictive statements. Therefore, such information is provided for reference purposes only, and constitutes neither an offer nor a commitment. Chindata Group may change the information at any time without notice, and is not responsible for any liabilities arising from your use of any of the information provided herein.