

INSPIRING WITH POWER

2020

CHINDATA GROUP

Environmental, Social and Governance Report



Report Profile

This report is the second environmental, social and governance (ESG) report published by Chindata Group. It presents our commitments and achievements in the economic, social and environmental dimensions of sustainable development in 2020. Through this report, we aim to promote our ongoing dialogues with our stakeholders, and move forward in a concerted manner toward a digital future in harmony with the Earth.

Reporting Period

The information presented refers to calendar year 2020 (from January 1, 2020 to December 31, 2020). To make the report more comprehensive, some data beyond this scope are included.

Reporting Scope

All reported data is related to Chindata Group and all its subsidiaries.

Data Explanation

All data and cases used in this report are based on official documents and statistical reports issued by Chindata Group.

Content Explanation

This report does not contain false or misleading information. Chindata Group guarantees the reliability, accuracy, and comprehensiveness of this report. Unless otherwise stated, the financial statistics in this report are in Chinese Yuan (CNY).

Reference Guidelines

This ESG report was compiled with reference to the GRI Standards (Core option), which were issued by the Global Reporting Initiative (GRI). For specific indicators, please refer to the GRI Index on page 47. The report continues to evolve its framework in accordance with Nasdaq ESG Reporting Guide 2.0, Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board ("SASB") standards.

Third-Party Assurance

Chindata Group obtained an independent assurance statement from SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD on the 2020 ESG report. For detailed assurance report, please refer to pages 48-50.

Availability

This report is available online. The online report can be found on the Chindata Group website: <https://chindatagroup.com/>. If you have any comments on this report, please contact us at marketing@chindatagroup.com.

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Alex Ju

Founder and CEO
Chindata Group



We focus on mastering the core technologies in key areas to address digital development challenges, laying a solid foundation for a more sustainable and inclusive digital life for all.



Letter from Our Founder

I'm glad to see the release of the 2020 Chindata Group ESG Report on this nice mid-Spring day.

Just like the beautiful tree take its root here so it can thrive and bloom, in the digital era, the digital infrastructure is the foundation of the emerging digital scenarios, such as 5G, artificial intelligence, cloud computing, etc., making digital prosperity of our age. The digital infrastructure is also critical for the sustainable development of the digital economy as it combines energy with digits, two key industries in the world.

As a leading next-generation hyperscale digital infrastructure and comprehensive service provider in the emerging market, we work together with nearly 1,000 employees from different culture backgrounds, religions and ethnic groups. They come from China, Malaysia, India, the United States, Australia, Singapore, Bangladesh, etc. All of them strive for one shared goal: We are devoted to upholding our values of sustainability and inclusiveness, inspiring digital prosperity with our green and technological power. These values were the origin of where Chindata Group started its journey, as well as our ultimate mission that we are working towards to achieving.

On the basis of "100% renewable energy" goal, Chindata Group became the first digital technology company in China to release a carbon neutral roadmap. We pledge that all our next-generation hyperscale data centers in China will be powered with 100% renewable energy solution by 2030, and we are committed to investing in clean energy with an installed capacity of no less than 2GW by 2030.

By making carbon emissions reduction a top priority in our operation, we'd like to help China honor its carbon neutral commitment with our own efforts. In 2020, we have improved our percentage of renewable energy usage to approximately 51%, cutting CO₂ emissions by 368,886 tons, an equivalent to the carbon footprints from powering about 173,000 homes over a year. Going forward, we are committed to the implementation of the 1.3 GW wind and solar energy development agreement, providing greener digital infrastructure products for the development of the global digital economy and to every citizen in the global village who uses digital technology. We will also contribute to the rural revitalization and industrial transformation of the local communities.

Last year, the Covid-19 pandemic hit the

world hard, which not only put forward higher demand for the digitalization of the health care system but accelerated the digitalization of our life. More people thrust into work-from-home life through virtual meeting, online classes, and e-commerce. Digital inclusiveness has never been so important and digital infrastructures must meet higher requirements.

Chindata Group focuses on mastering the core technologies in key areas to address digital development challenges. In 2020, extending our three core capabilities, we established three subgroups, namely Chinindustry, Chinpower, and Chindea. With the belief in digital inclusiveness and the long-term value of digital empowerment, we will leverage our advantage to lay a solid foundation for a more sustainable and inclusive digital life for mankind.

With the ongoing impact of Covid-19, "Decade of Action" by the U.N. Sustainable Development Goals face multiple challenges. Digitalization and sustainability as public good, need everyone's unremitting efforts. Chindataers are taking this as the driving force and striving to move forward to the green sustainability and digital inclusiveness of this beautiful planet.



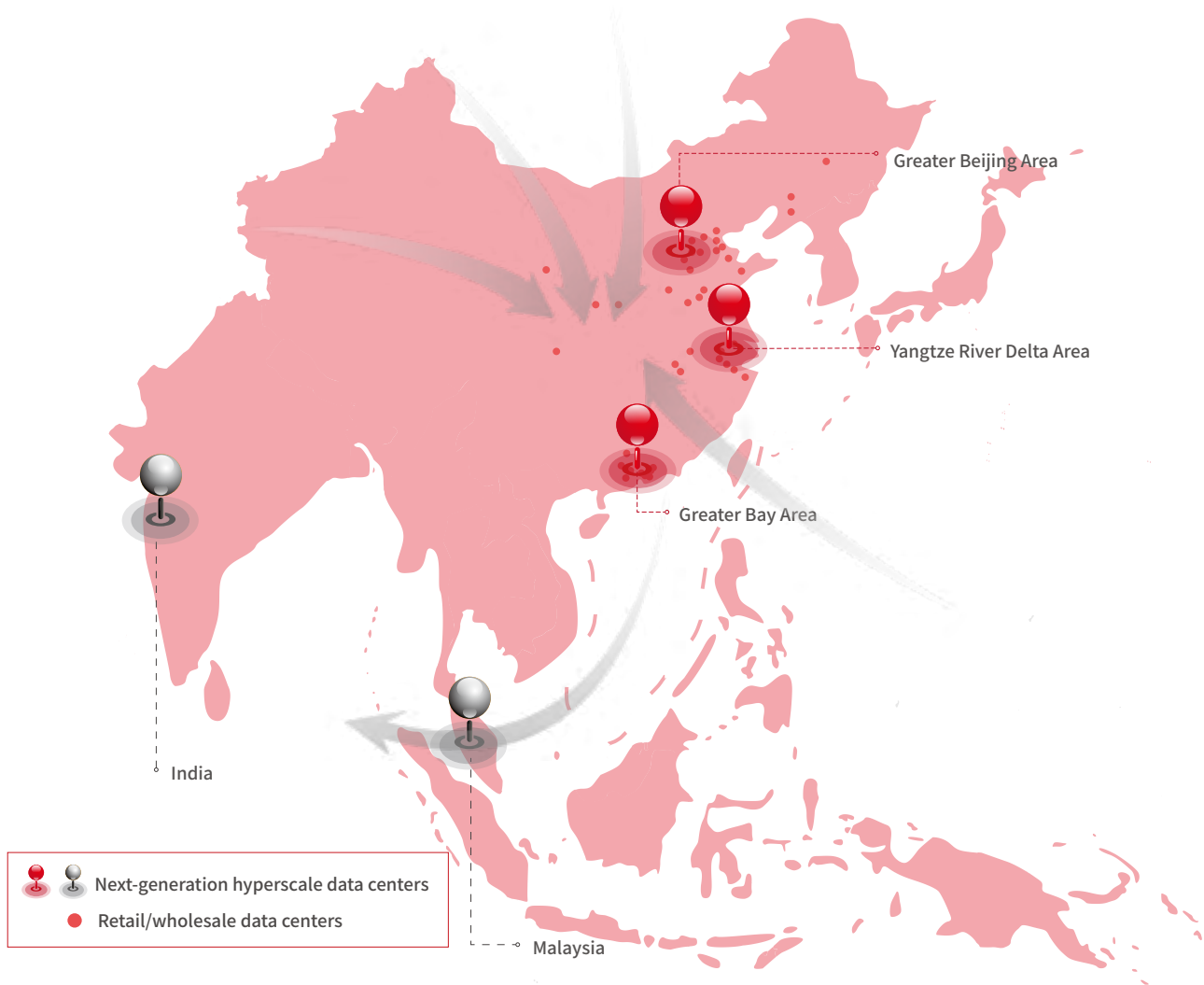
OVERVIEW

About Chindata Group

As a leading next-generation hyperscale digital infrastructure and comprehensive service provider in the emerging market, Chindata Group was listed on the Nasdaq Global Select Market under the ticker symbol "CD" on October 1, 2020. It specializes in providing global digital leaders with full-stack next-generation hyperscale data center solutions, including digital infrastructure ecosystem chain services such as development and construction, holistic energy solution, equipment manufacturing, as well as maintenance and operation.

Chindata Group operates two sub-brands "Chindata" and "Bridge Data Centres", covering China and other emerging markets in the Asia-Pacific region. Chindata Group is committed to serving leading digital companies by overseeing their critical assets. Focusing on the planning, investment, design, construction and operation of ecosystem infrastructure in the IT industry, Chindata Group endeavors to do the best to build a solid foundation for a better digital life for everyone.





Key Operating Metrics

Revenue

1,831 mn RMB

114.70% year-over-year

Adjusted EBITDA

852 mn RMB

186.40% year-over-year

IT capacity in service

291 MW

50.78% year-over-year

1.07 bn kWh

Total electricity consumption of Group's data centers

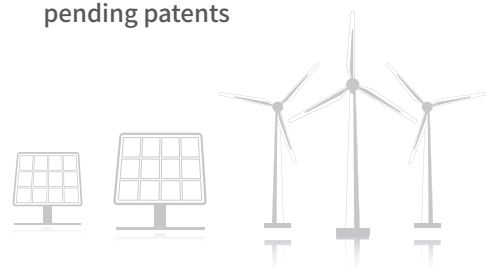
1.22

Average annual PUE of the Group's data centers

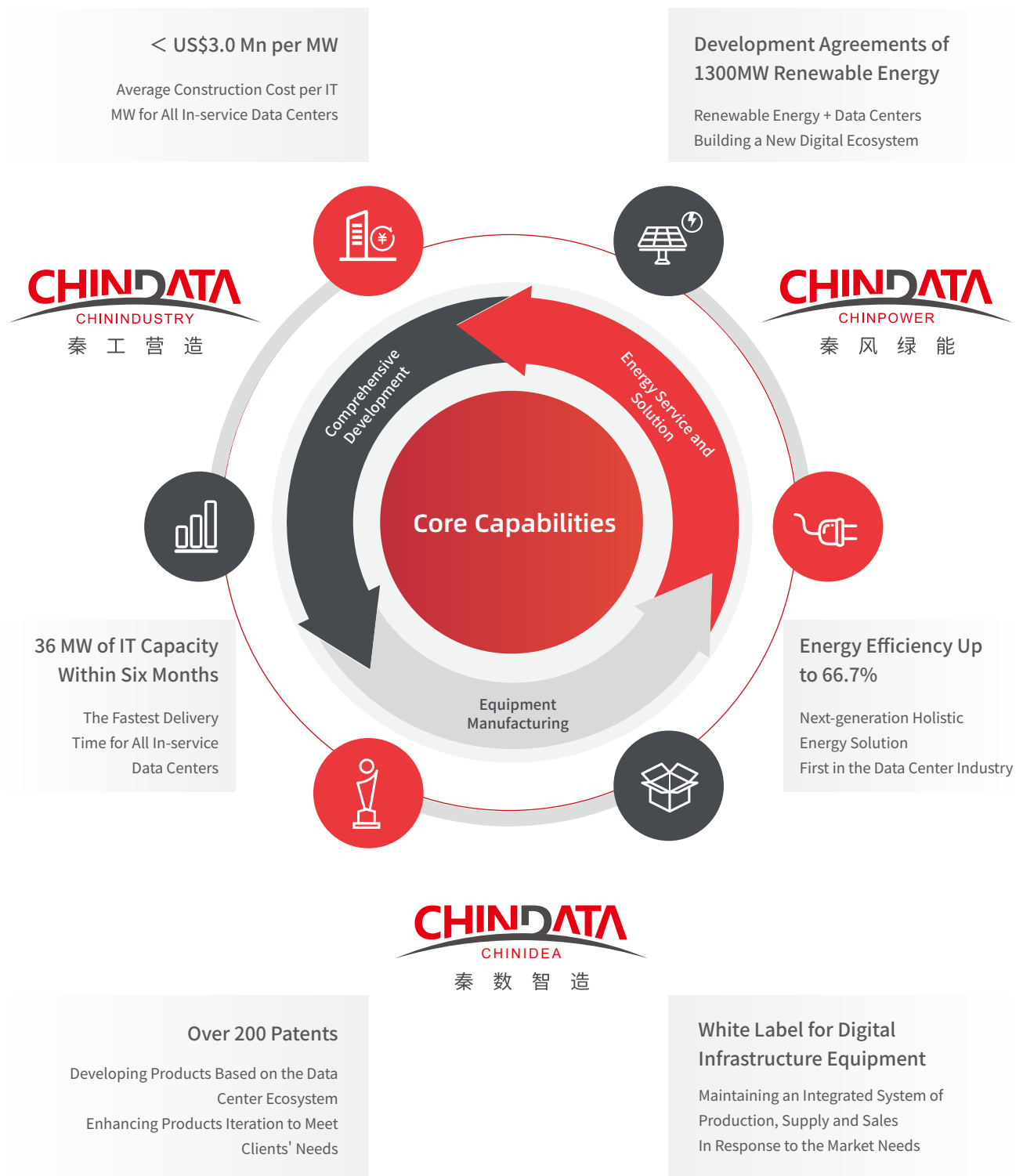
216

Approved and pending patents

Learn more about our business performance at <https://investor.chindatagroup.com/>.

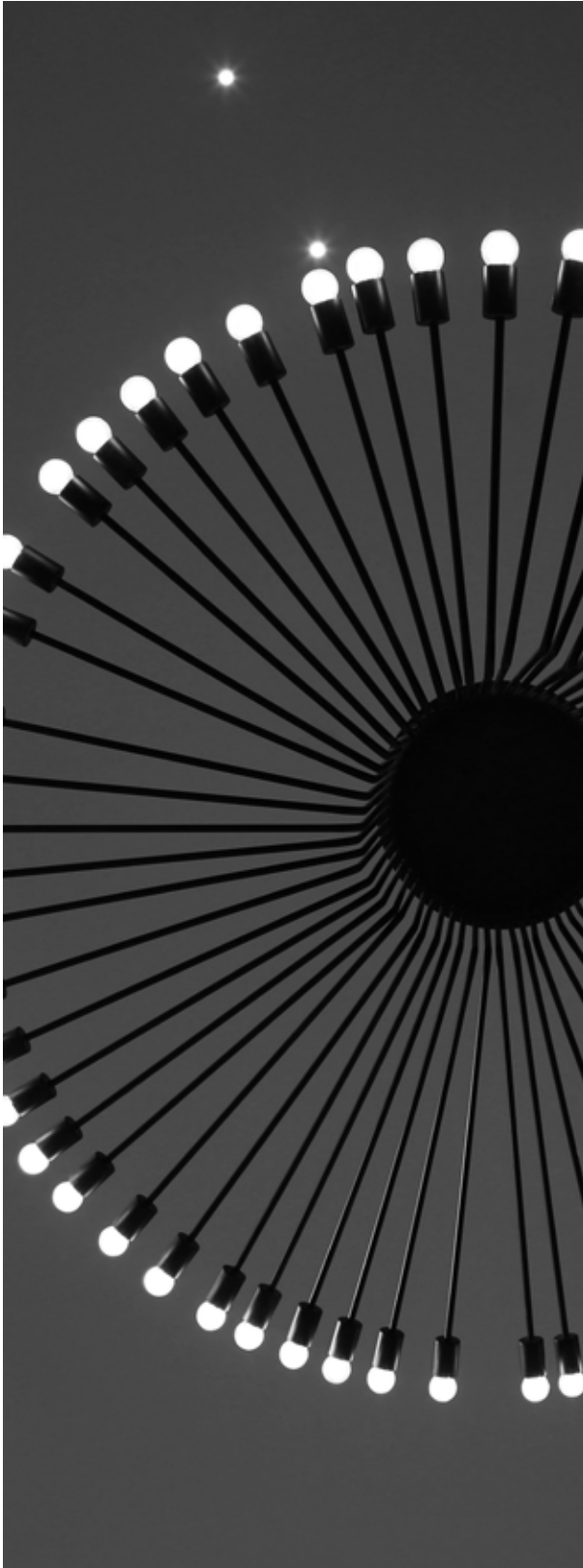


Core Capabilities



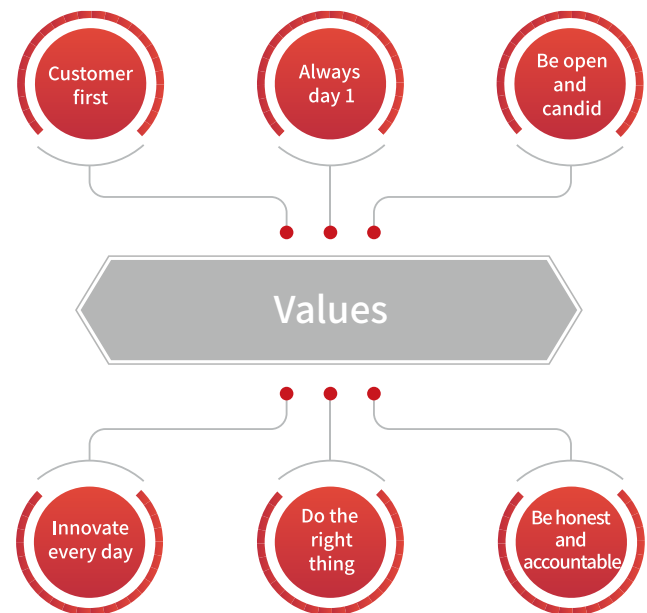


Corporate Culture



"Always day 1" is rooted in Chindata Group's DNA. Chindata Group has promised to put its customers first since it was established, and remains true to its original mission: helping customers and their users maximize the value.

"Innovate every day" "Be open and candid" "Do the right thing" and "Be honest and accountable" are philosophies integrated into every employee's daily work, generating solid support for Chindata Group's vision and mission.



Vision

Leading hyperscale data center solution provider in emerging markets

Mission

Being the platform for our customers' limitless ambitions

Find out more at Chindata Group's website <https://www.chindatagroup.com> and follow us on WeChat, LinkedIn, Facebook, Twitter, YouTube and Instagram to get the latest news.



Impact Index

Environmental Impact



First technology company headquartered in China pledging to source **100%** renewable energy and achieve carbon neutrality by 2030



Renewable energy coverage in the Group's owned data centers **51%** Renewable energy **505 mn kWh**



China's first data center company with announced power usage exceeding **1 bn kWh**

150 MW

Solar power generation project approved
Expected to be the first self-generation-self-consumption solar power project in China's data center industry



China's National Green Data Center
Global Carrier Award for Best Project

368,886 t

Carbon dioxide emissions reduction of the Group's data centers in 2020

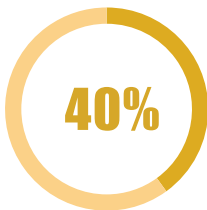
391,640 MWh

Energy savings of the Group's data centers in 2020

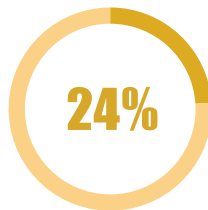
7.65 MWh/kW

Unit electricity consumption of the Group's data centers in 2020

Social Impact



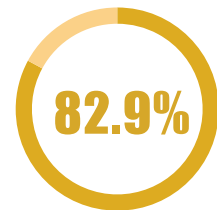
The female ratio of the management



The female ratio of employees



The proportion of employees receiving internal training



Localization rate of employees

6,000 km

A long-distance transportation to ensure the safe arrival of the donated high-end disinfection equipment during the Covid-19 outbreak



Winner of **GLOBAL WOMEN**

An award for female leaders in the global digital infrastructure industry, from a world-renowned telecom magazine *CAPACITY*



Governance Impact

Percentage of independent directors on board

30%

Percentage of management receiving compliance training

100%

Percentage of employees that have signed the anti-fraud and anti-bribery agreements

100%

All metrics as of December 31, 2020.



From the United Nations Framework Agreement on Climate Change to the Paris Agreement, there has been a growing consensus on the grave danger of global warming caused by human activity. Reducing carbon emissions is the only way to stop human-caused climate change. Organizations have been playing an irreplaceable role in the global efforts to cut emissions. As a leader in the next-generation hyperscale digital infrastructure in the emerging Asia-Pacific markets, Chindata Group is committed to a sustainable future for humankind and the idea of "zero-carbon practice", which has been an integral part of its overall strategy and daily business operations since the first day it was founded.



ENVIRONMENT

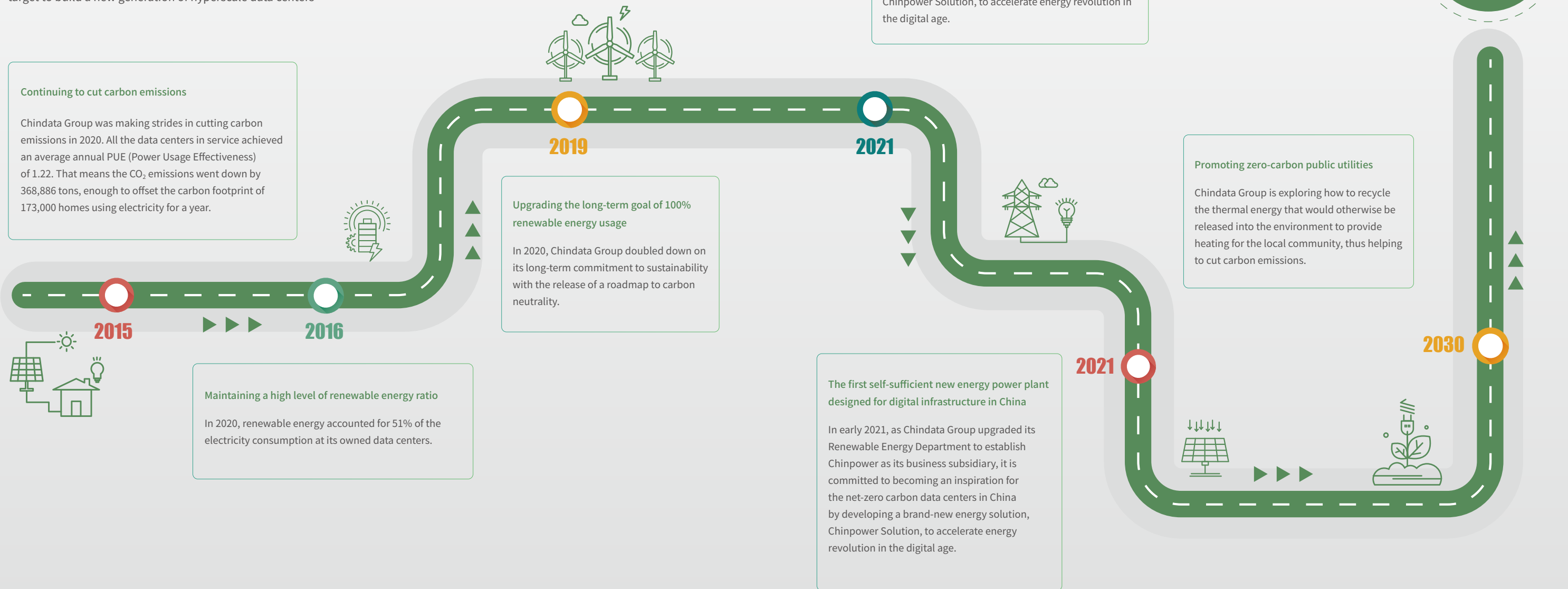
Sustainability

Roadmap to Carbon Neutrality by 2030

Signatories to the Paris Agreement, including China, have been working to deliver on their carbon commitment and have unveiled their plans on how to achieve net-zero emissions. In 2020, for example, China pledged to limit its total CO₂ emissions to a peak by 2030 and then achieve carbon neutrality 30 years after that.

Chindata Group wants to lead the digital infrastructure industry in its effort to roll back global warming, leveraging its unique role as a connection between the energy industry and the information industry. Doubling down on its 2019 long-term target to build a new generation of hyperscale data centers

that are powered by 100% renewable energy, Chindata Group drew up an action plan in 2020 on how to achieve that goal and became the first among the Internet technology companies in China to release its roadmap to carbon neutrality. According to that road map, Chindata Group pledges that, by 2030, all of its next-generation hyperscale data centers in China will use 100% renewable energy and it will directly invest in at least 2GW of installed capacity powered by clean energy. This will put China on the way to achieving the Paris Agreement's long-term temperature goal of limiting global warming to 1.5 degrees Celsius 20 years before its 2050 deadline.



Next-generation Green Digital Scenarios

Emerging technologies are reshaping our life in the digital age and 5G, artificial intelligence, AIoT, block chain are just some examples. This just highlights the significance of the next-generation hyperscale data center as they meet computing power needs coming from new products, business models and industries in the digital age. The carbon neutrality goals are opening the door of a green revolution to the energy sector that powers digital infrastructure. Chindata Group takes the initiative to participate in the regional and national energy revolution, creating new product scenarios and industry scenarios for a data center's renewable energy use. With the right push, the next-generation hyperscale data centers will become a green force to drive the economy.

New Product Scenarios: Next-generation Hyper-Density Data Center Integrated Energy Solution

As hyperscale data centers are highly power-driven, the stable supply and efficient use of energy not only meets the growing demand for huge computing power, but also promotes the green transformation of the economy.

In 2020, Chindata Group independently developed its own integrated energy solution for the next-generation hyper-density data centers. Local energy resources are transformed into high value-added computing power via the digital facilities, setting a good example on how to make a digital economy a sustainable one.

The new holistic energy solution utilizes a brand new power distribution network architecture. It is the first in China to move a 110KV (190MVA) cabin-type substation into a data center campus, boosting energy efficiency from 30% to 66.7%, making it the most sustainable and highest-ranked propriety power distribution solution in China's digital infrastructure industry.

With the reserved port for local renewable energy, campuses equipped with this solution can be powered by green energy during the day and by the grid for the

nighttime, achieving sustainability.

While maintaining a high renewable energy ratio, the high redundancy power distribution network and the backup substation can increase the reliability of the digital infrastructure.

Learn more at:





New Industry Scenarios: "Renewable Energy + Next-generation Hyperscale Data Center" Integrated Development

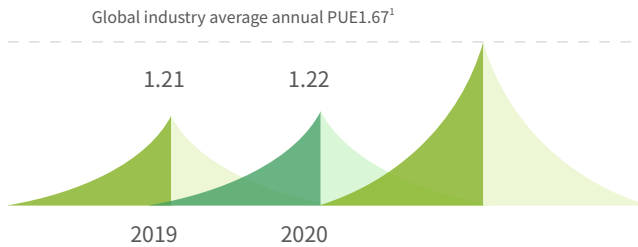
Digital infrastructure and energy infrastructure are two key fields of the new infrastructure industry. They complement each other, with the digital infrastructure providing the energy infrastructure with a fast-growing and constant need for power while the energy infrastructure sustains the green operation of the digital infrastructure. The industry scenario brings the two key areas together. Not only does it provide digital leaders and end-users with a low carbon solution, but it also sets green and smart manufacturing targets for supply chains, driving the green transformation of the digital economy and the entire society.



Full Life-cycle Green Data Centers

Driven by its vision of a zero-carbon future, Chindata Group does more than providing its customers with full-stack next-generation hyperscale data centers. It is also concerned with sustainability throughout the entire life-cycle of data centers, from planning, designing, constructing, to operating.

Annual PUE of the Group's in-service data centers

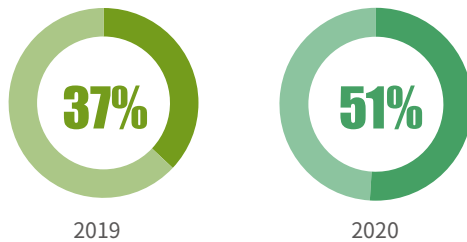


PUE1.16

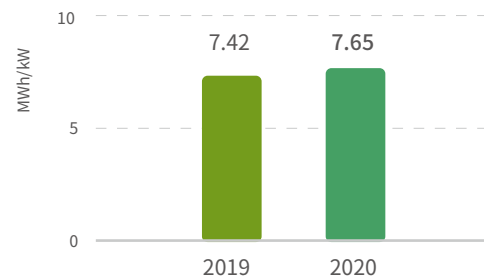
Average annual PUE of
Taihang Mountain Energy
and Information Technology
Industrial Campus of the
Pan-Beijing Area



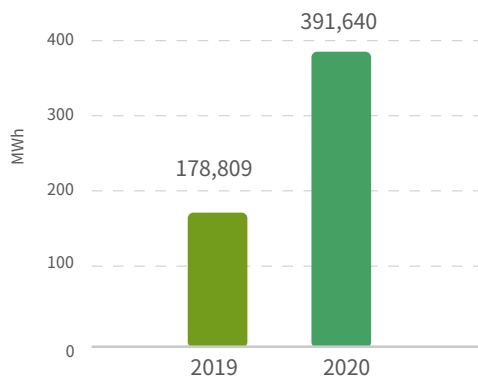
The proportion of renewable energy used in the Group's owned data centers



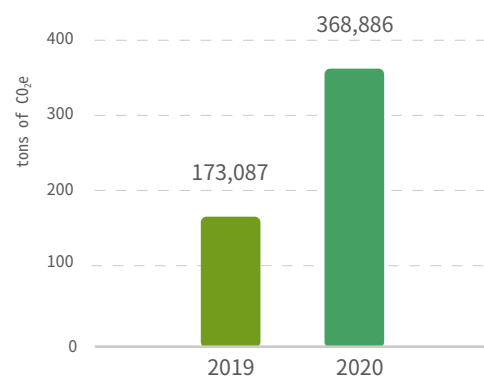
Unit electricity consumption of the Group's data centers



The Group's data centers' contribution to energy savings

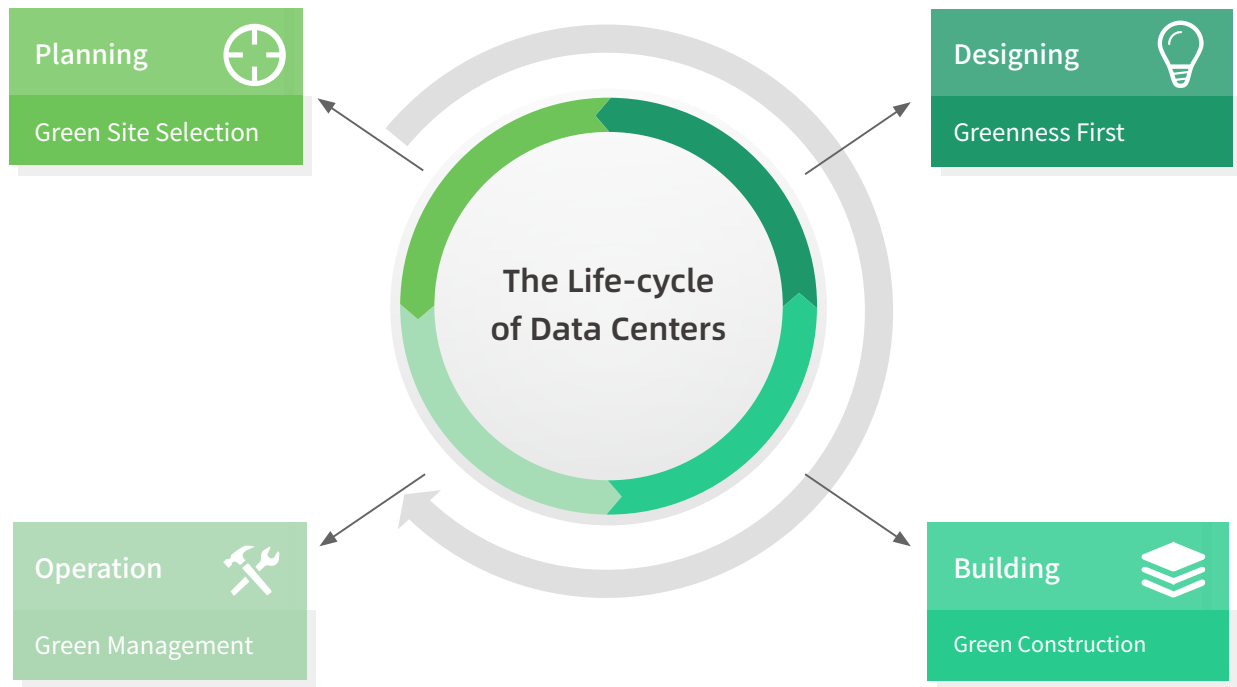


The Group's data centers' contribution to CO₂ emissions reduction²



1.Data source: Uptime Institute *Best-in-class data center provisioning*

2.Note: The carbon dioxide emission reduction by the Group as compared to the average PUE level of the industry, namely the product of carbon emission factor and the energy savings of the Group's data centers in 2020, in which the carbon emission factor is the emission factor of power grid in North China based on the *Baseline Emission Factors of China Regional Power Grid for 2019 Emission Reduction Projects*.

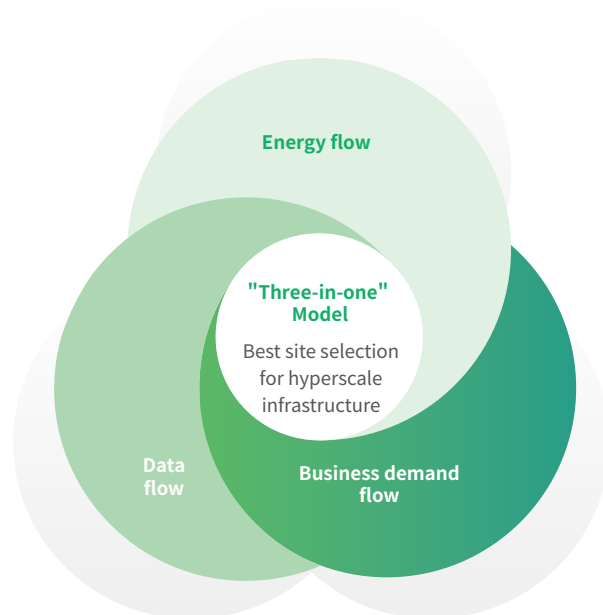


Planning: Green Site Selection

A "three-in-one" model for site selection

Site selection is at the core of a digital infrastructure. Chindata Group has adopted a "three-in-one" model for site selection at strategic locations where energy, connectivity, and clients' business demand intersect. When it comes to selecting the optimal site, Chindata Group prioritizes areas with abundant renewable energy supply and surplus clean energy. This promotes the consumption of local renewable energy so that it allows higher percentage of green energy for the data centers in service.

Whenever possible and as long as it does not compromise connectivity and proximity to the users, Chindata Group will select cool regions where it can utilize natural cooling to keep the IT equipment up and running, thus reducing carbon emissions.



Preserving biodiversity

Chindata Group never builds a data center where it will negatively impact the ecosystem. It surveys a target site and hires third-party assessors to determine the potential impact on the local environment as per China's environment protection laws and to make sure there are no natural reserves, monumental landscapes, sources of drinking water, or other sensitive features that require protection and that a data center will not negatively impact on the local ecosystem.

Designing: Greenness First

With zero-carbon concept in mind, Chindata Group strives to build green digital infrastructure and develop technology and equipment that at the same time caters to customers' needs and is environmentally friendly, making green a DNA since project planning stage.

Green Buildings

The design of all the Group's data center buildings adopts Tier III Ready methodology as a benchmark and conforms to China's national standard GB-20174, taking due account of environmental factors apart from ensuring reliability.

Sophisticated building structure also helps lower energy use. The prefabricated single-floor building design model, for example, is a good way to optimize airflow and lower energy use by air conditioners as it features a thermal mezzanine with no structure pillars inside the building.

Durable, environmentally-friendly, and recyclable materials are favored in building the data centers. Thermal insulation materials are used for outer walls, rooftops, doors, and windows to shield the data center from the outside high temperature.

Chindata Group also adopts a policy of local procurement to reduce carbon emissions during shipment and to decrease ongoing maintenance and operating cost.

Green Equipment

The energy usage of a data center mainly attributes to IT equipment, cooling systems, power distribution network, and lighting control systems. Chindata Group has self-developed many advanced energy-saving technologies which could be applied into the industry on a large scale in the future thanks to the modular design.

IT equipment

Emerging technologies such as AI, self-driving cars, and quantum communication are accelerating the arrival of the digital era. High-performance servers are becoming mainstream in the market. This means the infrastructure facility has to do a better job at deploying the IT equipment and reducing carbon emissions per unit of computing power.

The next-generation hyper-density data center solution

Based on the next-generation AI-driven data center business scenario, Chindata Group developed the latest high-performance server cabinets. Every single cabinet supports up to 40 kilowatts of power, enough to meet the needs of the specialized servers that support AI algorithms.

Compared to traditional deployment methods, this next-generation hyper-density data center solution is more integrated while taking up just a tenth of the space.

It is also highly adaptable and scaleable, supporting wiring from the front or the back. This allows it to support most digital leaders with different IT infrastructure needs and help them prolong the lifecycle of their products, making it easy to reuse the facilities in different business scenarios.

The next-generation hyper-density data center solution is designed to make complicated tasks simple and easy. Prefabricated modules are assembled at the factory before shipping, in order to make packaging easier. This means the parts can be stacked on-site without having them disassembled and then reassembled, thus cutting the assembling time by 70%. It also helps save the energy use during shipment, which means fewer carbon emissions.

Learn more at:





Cooling System

The fact a data center operates 24/7 means technicians must secure a stable and constant power supply and make sure the operating environment is kept at the right temperature and humidity. The cooling system provides a crucial support in keeping the equipment up and running, yet it also uses a lot of energy itself. As a result, utilizing innovative technology to lower energy use is an important way to improve Power Usage Effectiveness (PUE) and reduce carbon emissions.

The next-generation natural cooling (direct evaporative) chilled water system

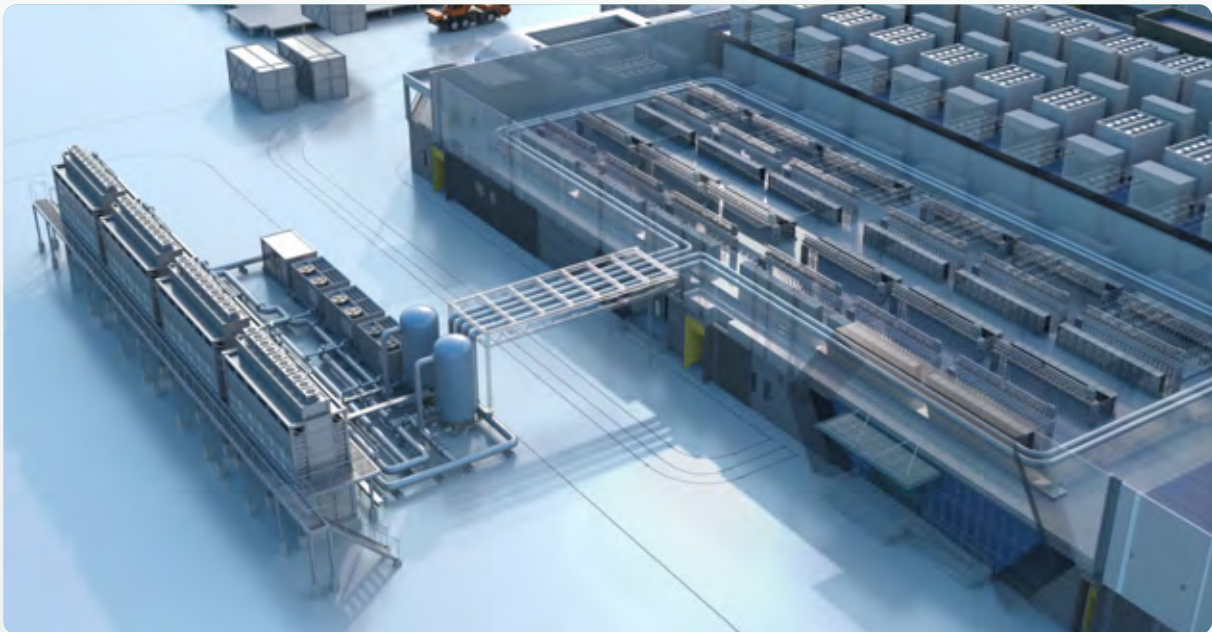
Answering the call of customers' computing power needs, Chindata Group's tech team developed an innovative evaporative cooling method. Using this method, the next-generation natural cooling (direct evaporative) chilled water system was applied in the hyper-density data centers on a large scale in 2020. As a result, the data centers were able to use less energy for cooling while increasing their computing power per unit of area. Thus, a hyper-density data center can continue to increase its energy efficiency, pushing its PUE to as low as 1.1.

Evaporative cooling leverages the temperature difference between the dry-bulb and the wet-bulb and takes advantage of the fact that water molecules absorb heat as they evaporate, prolonging the time data centers run with natural cooling. Once applied to the hyper-density data center cluster, the natural cooling (direct evaporative) system is combined with the multi-level evaporating technology to maximize the use of natural cooling sources. As a

result, the center is able to use natural cooling 96.8% of the time over the year. The system only uses its evaporative condenser units as a backup cooling source for rare and short-lived hot weather during the year. What's more, these evaporative condenser units use 85% less energy than the global average. The overall PUE is down to 1.1; the annual cooling load factor (CLF) is lower than 0.09, which means 11 kilowatts of heat is removed for every 1 kilowatt of power used, more than 50% more efficient than traditional cooling methods used at data centers.

A smart control system monitors outside temperatures and automatically switches based on the required water temperature to reduce energy waste.

Technicians have also tested the possibility of high-temperature chilled water to avoid condensation (which compromises durability) and maximize energy conservation.



Power distribution network

The power distribution network conserves energy by the optimized electrical power distribution and the electric system. Chindata Group lowers energy use with the improved electrical distribution system, high-efficiency power supply and the power distribution equipment.

In response to the need for accelerated expansion of data centers as a result of the fast-growing digital business brought along by global digital leaders, Chindata Group independently developed a power distribution network (PDN) architecture specifically for its hyper-density digital infrastructure to achieve reliability, efficient usage, and sustainability, the first to do so in China. (Learn more at P10: Next-generation hyper-density data center integrated energy solution)

Meanwhile, modularized deployment lowers line loss in the distribution system.

The next-generation intelligent bus units

Optimum wiring not only reduces waste on materials but also lowers line loss. The auxiliary bus system developed by Chindata Group has replaced the traditional array cabinet + cabling method and saves materials and space. Compared to traditional methods, the brand new intelligent bus system also has a lifecycle twice as long. Better durability means improve cost-effectiveness and

better sustainability.

The system is uniquely designed to lower heat dissipation and avoid hot spots inside the array cabinets. This means less damage to the line and less energy consumed.





Building: Green Construction

Companies play important roles in building a green community where they operate. Chindata Group strictly follows the related laws and takes all measures necessary to minimize the impact on the environment of the local community. In 2020, no incidents of non-compliance with environmental laws or regulations were reported.

Lowering Noise Pollution

1. Modularized prefabrication reduces the need for on-site work
2. Vibration-proof measures are taken during assembly
3. Shorten the operating time of noise-producing equipment during nighttime
4. Strictly follow operational guidelines to avoid unnecessary noise



Preventing Dust

1. Cover exposed earth with dust net
2. Regularly sprinkle down the dust with water
3. Install dust reduction monitoring devices to detect dust pollution on the construction site



Processing Waste

1. Dispose of waste produced during the construction process in a way that complies with environmental regulations
2. Work with suppliers to recycle more packaging materials
3. Turn waste into a resource



Operation: Green Management

Comprehensive Green Management

Chindata Group has implemented a holistic green management system from regulation to evaluation in order to enhance green development. Chindata Group created a set of green management regulations based on the green data center certification rules.

Major Green Management System

Data Center Energy Consumption Management Regulation

Data Center Water Conservation Management Regulation



It has also established a management system that runs through the entire internal chain to support a smooth running of the green

management process. A designated department is in charge of the supervision of energy and water conservation practice. It also devises green management strategy and monitors execution, as well as gives counseling on how to address any key issues that may occur. The senior managing directors support the company's conservation effort by providing the guidance and the resources needed. An on-site maintenance and operation team is responsible for execution of the conservation strategy.

To evaluate the practical impact of energy management, Chindata Group incorporates energy efficiency and green management into the performance assessment to encourage employees' consciousness of sustainability.

Green Campus

Chindata Group not only pays attention to energy use at its data centers but also implements low carbon practices in the daily operation of its campuses.

Energy-Saving Measures

- EV charging stations are installed on the premises of the next-generation hyperscale data centers to encourage green commuting consciousness among employees.
- On some campuses, solar lights are adopted to encourage the use of renewable energy.
- A smart lighting control system is installed to ensure we only use electricity when necessary in order to save energy in daily operations.
- Energy-efficient lights are used to reduce power density and save energy.

- Recycle excess heat generated by data centers to power heating system in the offices.

Water-Saving Measures

- Whenever possible, use rainwater or recycled water for lawn maintenance on the campuses; promote water-saving irrigation such as sprinkling irrigation, micro-irrigation, and drip irrigation.
- Install water-saving pipes whenever applicable and improve inspection of water supply equipment.
- Recycle condense water from the cooling system.
- Reduce water waste with drip irrigation and weather adaptive irrigation.





The development of information technology is changing the core of human development. Conventional industrial economy is transformed into a digital economy based on data flow. However, around half the world's population still have no access to the Internet. We still have a long way to go before we are able to achieve digital equality. Chindata Group always believes that more efficient, and cost-effective digital infrastructure will make digital products and services accessible to everyone. Chindata Group is committed to bridging the digital divide and sharing the benefits of a digital economy.

In 2020, Chindata Group leveraged its capacity to create values for customers, the industry, and the digital community to meet everyone's growing needs for a better digital life. Chindata Group embraced socioeconomic transformation agenda at operation locations to make a positive impact on the local community by shifting growth model and replacing old growth drivers with new ones faster. As such, it will create long-term benefits for the local digital economy.



D I G I T A L I N C L U S I V E N E S S

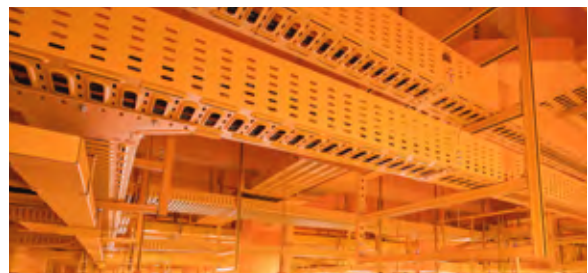
Benefitting the Digital Society

As digital technologies spread wider, they push boundaries of digitalization into every aspect of our society. During the development of the next-generation hyperscale data centers, Chindata Group forged three core capabilities: development and construction, intelligent manufacturing of equipment, and comprehensive energy service. It is now leveraging these advantages to help every individual, every family, and every organization to enjoy digital technologies more easily.

Chinindustry: Full-Stack Greenfield Development

Digital infrastructure is to the digital age what railroads and power grids were to the industrial age. Chindata Group is committed to providing a full-stack next-generation hyperscale solution and one-stop service covering development, designing, construction, and operation. With more next-generation hyperscale data centers being built around the world, Chindata Group's greenfield development ability not only stands the test of customers' rigorous criteria but has been evolving in response to the need for iterative changes as well.

In 2020, in order to fulfil its commitment of creating more values to its customers, Chindata Group upgraded its the planning, development and construction team into a business subgroup dubbed Chinindustry, better serving digital leaders with more flexible and diversified solutions and actively involving in the digital age with unique and localized digital infrastructure solution.



THE END OF BEING



Chinidea: A More Open and Generic Equipment Manufacturing

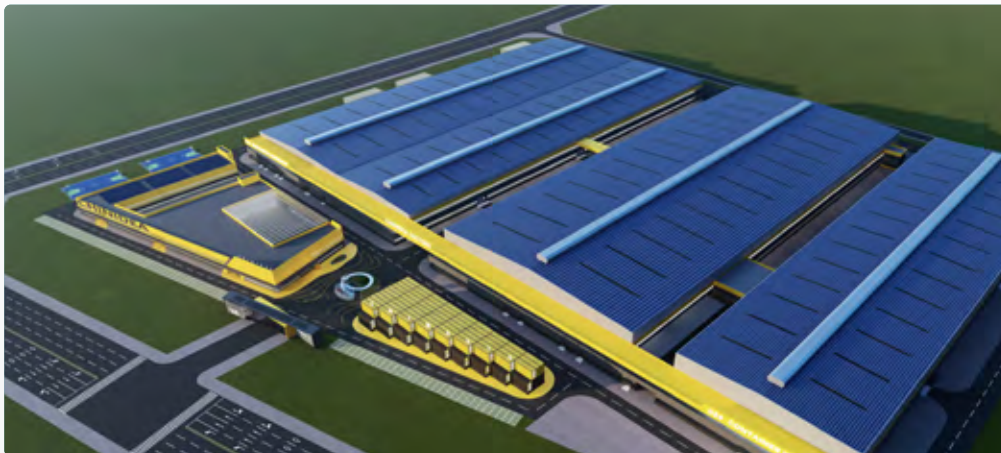
As a strategic and fundamental industry to the new infrastructure plan, digital infrastructure has a long and complex supply chain. In 2020, Chindata Group has broken ground for its first high-end equipment manufacturing industrial base, which will be the first data-center-operator-owned equipment manufacturing factory with smart system in China. Chindata Group is committed to leveraging its innovative ability and real-world experience to empower and simplify the supply chain. This will make it easier for customers to make decisions and to use its products, bringing long-term values to the supply chain.

Meanwhile, Chindata Group continues to improve the ability to manufacture its own core equipment. Working around customers' real needs without setting any boundaries, it has developed a series of key technologies. As of December 31, 2020, Chindata Group owns 216 pending and approved patents, strengthening the supply chain and contributing value of the digital infrastructure to the digital industry.

The first dedicated intelligent manufacturing industrial base of high-end equipment in China's digital infrastructure

The next-generation hyperscale data centers cluster of the pan-Beijing area

The ability to achieve open and shared innovation in the intelligent manufacturing of high-end equipment is a key element of the digital infrastructure. The factory brings in cutting-edge industry elements from around the world and promotes an open-source innovation platform in equipment manufacturing for the digital infrastructure.



Chinpower: Utilizing Power to Drive Digital Inclusiveness

As a fundamental force, energy is still an upstream driving force in an era of digital inclusiveness. Connecting the energy revolution and digital inclusiveness, digital infrastructure has become the best practice in exploring how energy can positively impact digital inclusiveness.

Guided by our founder's "Zero-Carbon" vision, Chindata Group is committed to the inclusiveness of green digital infrastructure as always. In 2020, Chindata Group decided to push the envelope for Chinpower Solution from the technological and the developmental angles and to create a new industry scenario for the digital economy where green energy consumption will be increased while digital infrastructures are being built and operated. This has become a benchmark to measure China-based data centers' progress toward a "zero-carbon age", which will help the world reach its carbon neutrality target. It will also help us achieve digital inclusiveness in areas with abundant renewable energy.



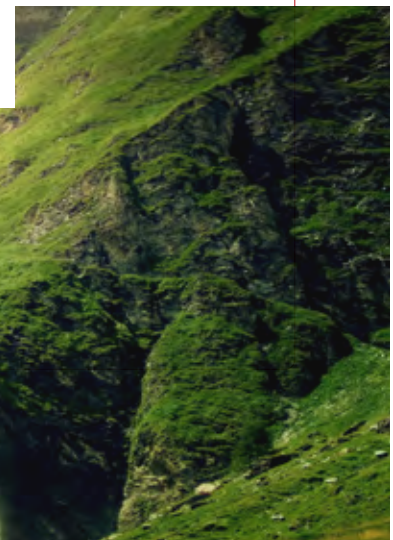


Promoting Regional Development

As China is making great strides towards the goals set in the *14th Five-Year Plan (2021-2025) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035*, the digital economy will become the driving force for economic development between 2021 and 2025. Natural resource-driven regions are also strongly embracing the digital economy. Chindata Group's major data center campuses are located in the pan-Beijing area, including resource-driven provinces such as Shanxi and Hebei, who are shifting the growth model and replacing old growth drivers with new ones at a faster pace to promote the digital economy. As a leading next-generation hyperscale data center solution provider, Chindata Group incorporates itself into the energy transition and digitalization process through its vigorous deployment in the pan-Beijing area, helping the conversion of resource-driven regions to home of emerging industries.

Shanxi Province: Establishing a Demonstration Cluster for the New Infrastructure Industry

Report on the Work of the Shanxi Government 2021 said key projects in the big data industry will be accelerated, including Chindata Group and the like. After the Taihang Mountain Energy and Information Technology Industrial Campus of the Pan-Beijing Area was settled down in 2018, Chindata Group has vigorously worked towards the Shanxi's energy transition, paving the way for the development of emerging industries.



Data center+Agriculture+Tourism Model

Guided by the "renewable energy+data center" integrated development model, Chindata Group strives to build a demonstrative cluster for the digital infrastructure covering the whole industrial ecosystem, including data centers construction, energy procurement and transmission and equipment manufacturing. Furthermore, the Group endeavors to further its industry reach by integrating the digital economy into rural revitalization. The digital economy complex with data centers, agriculture and tourism is under way to consolidate the achievements of the battle against poverty.

50%



With Taihang Mountain Energy and Information Technology Industrial Campus of the Pan-Beijing Area built in Lingqiu county, the information technology investment in fixed assets grew 106 times year-over-year in 2019, GDP increased 50% during the same period.

93.2%



As of December 31, 2020, 93.2% of the employees in Shanxi were from local communities. This helps boost employment rate and lift more local residents out of poverty.





Hebei Province: Empowering Hebei to Build an Economically Strong Province During the 14th Five-Year Plan

In March 2017, the Guanting Lake Big Data Industrial Campus of the Pan-Beijing Area broke ground in Huailai, Hebei. The agreement for this project had been signed earlier the same year, and later that year the campus was completed and in operation, the first to have completed the process within a year. It also made Chindata Group the first digital infrastructure operator to settle down in Huailai to help the county take advantage of the rapid expansion and spillover effect of Beijing's big data industry.

Chindata Group has invested more than RMB 10 billion in Hebei. The Next-Generation Hyperscale Data Centers Cluster in the Pan-Beijing Area is off to a good start. Huailai has become home to the largest data centers in the pan-Beijing area and is on the way to growing into one of the world's best data center location (benchmarking Greater Bay Area, NYU,US).

In February 2020, Huailai was awarded the title of one of China's National Demonstration Centers for New Industrialization for its cooperation with Chindata Group on next-generation hyperscale data centers. The county is gaining a strategic position in the big data industry.

As the digital infrastructures in the pan-Beijing area connects to each other, the hyperscale AI data centers cluster thrives along the Beijing-Zhangjiakou Big Data Corridor. Zhangjiakou sees it as an opportunity

to grow from serving Beijing and Tianjin to becoming the heart of the Asia-Pacific digital economy and a truly world-class data centers cluster.

- Several thousand jobs related to the industry have been created and over RMB 100 million tax revenue has been contributed from upstream and downstream companies.
- As of December 31, 2020, the localization rate of employees in Hebei reached 87.9%.
- Manufacturers of cooling systems and smart control systems, which support the digital infrastructure, are setting up plants here.
- According to Zhangjiakou government figures, the information processing and storage service provided by companies like Chindata Group boosted service sales revenue and achieved year-on-year growth of 114.8% in 2020.



Malaysia: Working Together for the Digital Prosperity of the RCEP region

Seizing the opportunity that came with a digital transformation of the ASEAN nations, Bridge Data Centres, a subsidiary of Chindata Group, has set up hyperscale data centers clusters in Malaysia and other areas, serving digital leaders' accelerated demand for computing power. Bridge Data Centres' presence in Malaysia not only boosts its digital economy but is also helping the country to become a regional data center hub and reinforcing the nation's position as the Heart of Digital ASEAN.

Meanwhile, more hyperscale data centers also mean job creations for the local communities. This experience that Bridge Data Centres offers helps educate digitally-skilled workers and digitally-powered businesses.





A public health crisis quickly spread across the world in 2020. The ensuing pandemic continues to change the way we live and work. It has inspired organizations to learn how to address an emergency scenario, to bring out their potentials and adapt to new business models and ecosystem.

As a company with social responsibilities, Chindata Group safeguards the stable and uninterrupted operation of the customers' assets. It has rallied up support for health professionals in their hard work in response to the pandemic and given full support to communities as people increasingly turn to digital solutions to their everyday life and work challenges. Meanwhile, it is doing everything in its power to ensure its employees are healthy and safe.



RESPONSE TO Covid-19



Ensuring Business Operation

24/7 uninterrupted operation during the pandemic

As a leading next-generation hyperscale digital infrastructure provider in the emerging market, Chindata Group delivers on its pledge to be the keystone of the digital economy. It quickly modified its existing emergency response plan and took actions to ensure the uninterrupted operation of its digital infrastructures during the outbreak of the Covid-19.

Campuses on closed management, maintaining high-standard deployment ahead

In response to the pandemic, Chindata Group acted quickly to put all its China-based data centers on closed management.

- A "daily report" mechanism was adopted to monitor employees' health status on campuses.
- Employees on campuses were put on a 15-day rotation to minimize the risk of infection.
- Non-contact shipment methods were adopted to ensure the campuses were staying safe with sufficient supplies.
- Working closely with local authorities to set up quarantine facilities for employees on rotation.
- Updating the emergency response plan real-time and providing customers with better service under extreme circumstances.



Making Donations

The largest in-kind donations among digital infrastructure operators in China at the time

The public health crisis caused by Covid-19 is concerning the mass crowd. Chindata Group recognized and prepared the most needed items in order to better respond to the Covid-19 emergency. Moreover, Chindata also leveraged its supply chain and technological advantages to make supplies available in the shortest time possible, and further shipped the donations to where they were needed from 6,000 kilometers away. It was the largest in-kind donations among digital infrastructure operators at the time.



Across 6,000 kilometers, covering eight provinces and cities, to proactively take more social responsibilities

When the Covid-19 pandemic started in January 2020, Chindata Group immediately realized that the key areas in public health facilities were closed down and in urgent need of a ventilation mechanism. Drawing on its experience in the supply chain of the digital infrastructure industry, it quickly customized 300 mobile air purifiers/sanitizers. Taking advantage of the nationwide business network, it was able to quickly deliver devices out to the health institutions from over 6,000 kilometers away and across eight provinces and cities. Chindata Group's act of social responsibility and rapid response to the public health emergency was acknowledged by local governments.

A Smarter Response

Accomplished R&D and manufacturing on the next-generation hyper-density computing power cluster within a year

Covid-19 has ramped up the need for e-commerce, remote working solutions, online education, and online health care. Some offline activities have transformed online, and economy is rapidly going digital. With new technologies such as AI, high-resolution video, and real-time interaction quickly evolving, data processing requirements will continue to grow exponentially. As an innovative digital infrastructure operator, Chindata Group keeps on top of the data explosion to offer better technological solutions that far exceed customers' expectation.

- The next-generation hyper-density computing power cluster (single cabinet up to 40KW) created for AI scenarios
- Ability to deliver an IT capacity of 36MW within 6 months to meet the need for rapid expansion of data processing



Protecting Employee Health

Zero infection among employees

Human is the key to win this public health crisis. Chindata Group does everything in its power to protect its employees and ensures the prevention and control of the spread of Covid-19.

Routine measures

- The employees have their temperatures taken every day in the morning and evening. All office areas are disinfected every two hours.
- Items of personal protection such as sanitizers, face masks, and liquid soap are made abundantly available for all employees.
- Steps are being taken to make Covid-19 PCR tests and vaccines



available to all employees in China while offering local employees at facilities outside China free PCR tests.

Information transparency

- Conduct online health surveys among all employees
- Make sure information is transparent and available to everyone through group emails

Safeguarding employees' rights and interests

- Overtime benefits, night shift benefits and meal allowance for employees who picked up extra shifts during the lockdown
- Ending lockdown methodically and paying those who cannot return to work due to the lockdown salaries and allowances

Caring for mental health

- Managers and human resource departments to regularly communicate with employees under quarantine.

Hard work recognized

- After the lockdown, employees who had stayed on duty were awarded a "Pandemic Protection Medal" as encouragement for their bravery and hard work.



Talent is the key to enterprise development. Applying a proper talent strategy can help the company grow fast. An open, inclusive, diverse and equal approach to talent management brings out the employees' potential and helps with their personal development. Chindata Group believes that the spirit of setting ambitious goals, desire to win and being open can help maintain competitiveness in workforce.



EMPLOYEE Development

Openness and Inclusion

SPEED has become Chindata Group's core characteristic. It builds fast, delivers fast, and its employees grow fast. The fast-growing workforce not only benefits from its open and inclusive approach on talent management but is also because Chindata Group provides its employees an simple and direct environment always aligned with clearly defined goals.



Excellent employees create solid corporate culture, which then attracts excellent talents as well. Chindata Group values meritocracy over hierarchy by recruiting and promoting talents from different backgrounds and nationalities and aspires to become an excellent employer in the industry. Adhering to "openness, inclusive, diversity, and equality" talent strategy, Chindata Group is willing to open up organizational boundaries, and further promote outstanding talents. Focusing on the core business and moving forward, Chindata employees are bringing more value on business, creating a solid cultural value.

Meanwhile, through the business model of the next-generation of hyperscale data centers, Chindata Group offers employees with a space for overall development of personal career, further expands their strategic and industrial views, and stimulates innovation. Chindata Group's strategic layout in Asia-Pacific emerging markets such as China, India, and Southeast Asia helps its employees broaden the horizon, and offers more possibilities for employees' self-improvement.





Diversity and Equality

Chindata Group actively promotes a diversified and equal working environment. In accordance with the principle of fair competition and merit-based enrollment, the Group does not discriminate on grounds of nationality, race, ethnicity, religion, gender, age, education level and physical condition when it comes to recruitment, promotion and remuneration. All employees have equal chance to work based on their abilities. As of December 31, 2020, male employees and female employees accounted for 76% and 24%, respectively. Chindata Group identifies high performers based on their business performance and on how well their conduct reflects its values. To this end, we have built a young and ambitious team with 68% of our employees under the age of 35, and a management team with average age of 39.8, which is much lower than the average age of managers in this industry.

Meanwhile, Chindata Group has established a unique international talent system, bringing together employees from different backgrounds. We recruit employees worldwide, including China, US, Australia, Singapore, Malaysia, India, Bangladesh, and etc. We also recruit people from different ethnic groups as well as people with different religious beliefs.

As a company dedicated to making a real contribution to the local economy, Chindata Group has always been actively promoting the localization process. As of December 31, 2020, the local employment rate reached 82.9%. In overseas markets, this ratio was over 95%.



CHINDATA GROUP

Promoting Women's Career Development

Chindata Group strongly advocates gender equality by supporting female career development. It encourages female employees to voice their opinions and to participate in decision-making process, in order to create more ways for women to grow and realize their value. As of December 31, 2020, 40% of our senior management was female, which is much higher than the industry average and the average of global boards of directors. In our Malaysian office, women hold 30% of the decision-making positions, helping the country to achieve the goal of "30% female employees playing decision-making roles".

40%

The female ratio of the management

◦ "Better U" Women's Leadership Program ◦

Through the "Better U" Women's Leadership Program, Chindata Group hopes to identify ambitious, capable women with strong understanding of the industry.

Meanwhile, "Better U" Women's Leadership Program will continue to create more opportunities to inspire women to drive business at global level. We hope that the program can become globally influential, contribute to the development of the industry and promote corporate diversity.



◦ Global Women Awards ◦



As the first digital infrastructure company in China to launch a women's career development program, Chindata Group was recognized by CAPACITY, a prestigious magazine in the telecoms industry. The Group won the 2020 GLOBAL WOMEN Awards in the digital infrastructure industry.

The judges said that Chindata Group maintained a high percentage of women in management roles and promoted gender equality and women's career development through its "Better U" program. They found that commendable and impressive.

◦ Caring for working mothers ◦

With the increasing proportion of working mothers, their working environment and psychological well-being have attracted more attention from the society. In Singapore office, for example, 42% of the female employees were working mothers as of December 31, 2020.

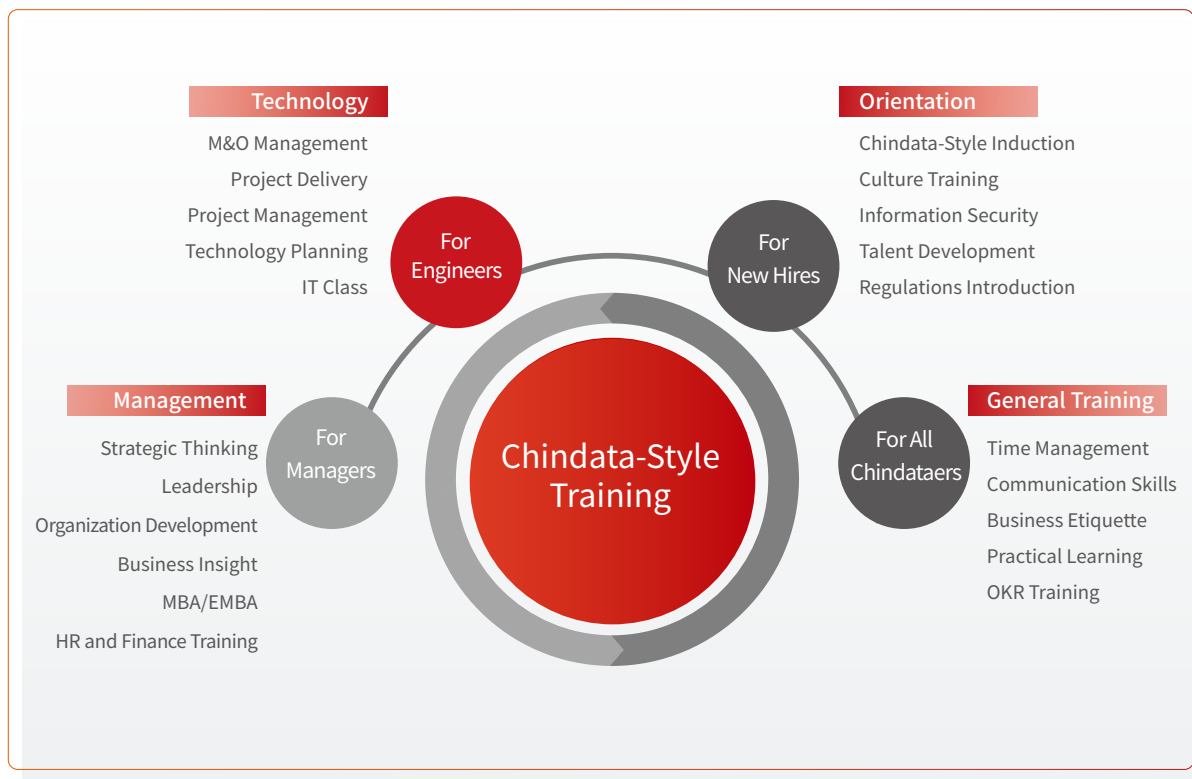
The Group launched the "Caring for Working Moms" pilot program in Singapore to help mothers achieve better work-life balance. Working mothers can adopt flexible working hours so that they can drop off their children or pick them up after school without compromising their work. If necessary or under special circumstances, working mothers can choose to work from home to maximize the balance between work and family.





Talent Development

Chindata Group provides tailor-made training programs for employees at different levels to best meet their personal needs for career growth. Employees can expect to learn useful skills that can help their career development and realize personal value. The group supports training programs at every operation system by optimizing curricula, engaging a strong teaching faculty, and accessing external resources. In 2020, 100% of our employees received internal training.



Developing Strategic Thinking

Proper positioning and planning of corporate strategy is the key to win in the differentiated competition. Open and clear transmission of strategic decisions, the formation of the broadest strategic consensus can help maintain company's long-term competitive advantage. During the three-day strategic thinking workshop, the founder shared his insight into the industry trends and professional coaches guided the team on strategic simulations. This drove the management team to better understand the Group's strategy and to firmly implement it during the work.



The E-learning Platform

In 2020, Chindata Group used technology to build a borderless learning platform "E-learning". With this online learning platform, employees in different offices around the world can learn most cutting-edge skills, broaden their horizons, and truly realize "learning while doing". Customized courses like "Big Shot Show" to form a bridge between the founder, mentors and the front-line workers across time and space. Interactive courses not only provide timely feedback, but also attract employees to the training program.

28,309 attendees



Online learning time **57,953** hours

Understanding Corporate Culture

We believe that corporate culture is a key factor for both business success and corporate social responsibility. Through extensive research and discussion, Chindata Group has formulated its corporate values in line with its business strategy and long-term vision. It promotes its corporate culture in all-round ways. This includes inviting management team and representatives of outstanding employees from different positions to participate in "Corporate Culture Big Shot Live Show" to share their stories, hosting quiz competitions, regularly publishing "Corporate Culture News," recruiting corporate culture reporters, and opening up the exchange platform "Open Hour" between employees and the management. In this way, we have built a cohesive organization that is resilient to a changing environment. Meanwhile, through the innovative way of internal trainer certification process, Chindata Group's employees are not only the inheritors of corporate culture, but also the spreaders of its values. With their personal experience and professional knowledge, they can tell new recruits the inspiration of Chindata Group. As of December 31, 2020, all employees had received training on corporate culture and core values either offline or through its E-learning platform.

Flexible Paths to Excellence

The Group encourages healthy competition to bring out every employee's potential. It launched an internal hiring program in 2020 where employees could apply for the designated positions or be nominated by others. The flexible internal recruitment not only encourages internal transfer but also opens up more paths to success.





Caring for Employees

Chindata Group aims to not only provide the best platform for its employees and protects employees' rights, but also act as an ideal place to work for its employees. Through the vibrant company activities, Chindata Group creates a supportive, inclusive and caring environment for our employees.

Protecting Employees' Rights

Chindata Group makes it a priority to offer additional benefits and competitive packages as a way to show company's appreciation for employees' contribution. Performance management is applied here; outstanding teams or individuals will get reasonable bonus. On top of the mandatory entitlements and benefits, our employees also receive supplementary medical insurance, personal accident insurance, annual physical examinations, as well as gifts

and celebrations during birthdays, maternity, marriages, and traditional festival holidays.

In order to make its administrative work easier and more information-based, the Group launched e-HR system in 2020 to offer full protection for employees' rights.

Keeping the Line Open for Employees

"Be open and candid" is one of the core values of Chindata Group. The Group encourages everyone to use the coordinated online office platform and hopes they will enjoy smooth communication across departments and levels of management. Through live streaming, online conferences, videos, and graphic and text tools, the Group updates its staff on its latest strategy, vision, and major development. The management uses the platform to release work schedules

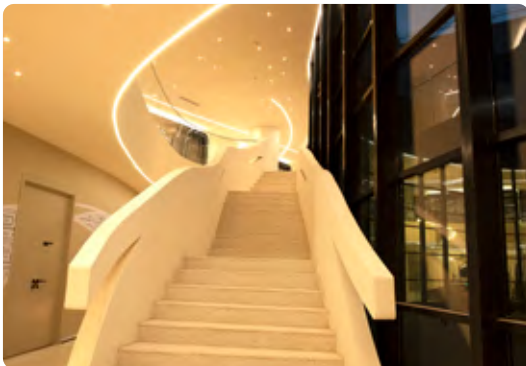
and establish instant communication between colleagues. Different departments use it to open up channels to share knowledge and coordinate work. In addition to above communication platform, HR department also sets up a mail box of hr@chindatagroup.com. Employees can send advice to this mail box with their privacy being fully protected.

Amicable Working Environment

Chindata Group provides comfortable workplaces comprised of open offices, multipurpose spaces, and leisure areas, to create a healthy environment where employees are satisfied, relaxed, and can rest and recharge for inspiration.

Wonderland: A new benchmark for all reception centers among campuses

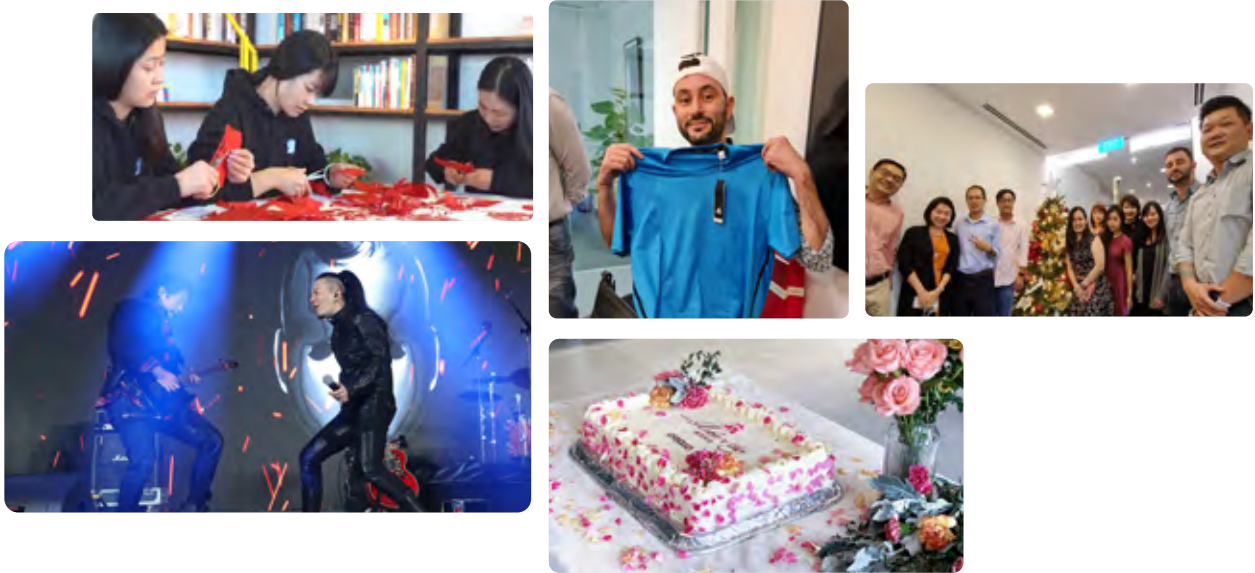
Chindata Group has set up "Wonderland" reception centers at its next-generation hyperscale data centers for employees and visitors to enjoy staying there. People will have access to interactive digital exhibition halls, multi-function lecture rooms, farmland restaurants, rooftop gardens, sunshine book bars, hotel-style apartments, smart unmanned stores, 24-hour fitness centers, premium movie theaters, karaoke bars, and arcades — all in one place. A combination of new and old, technology and aesthetics, greenness and digitalization, Wonderland has redefined a reception center and becomes a new benchmark for all reception centers.



Work-life Balance

Chindata Group makes it a priority to ensure that employees have a work-life balance, and organizes a range of festival celebrations and activities to increase employees' sense of belonging and community. This reinforces its bond with employees and enhances a strong and cohesive corporate culture. Chindata Group arranges team-building activities throughout the year and encourages employees to form interest groups to strengthen mutual understanding, foster team spirit, and promote integration into the Chindata family.

The employees will not be able to succeed at work without the strong support of their families. Chindata Group prepares all kinds of events and activities — Mother's Day celebration, Family Open Day, and Parents-Children Carnivals — to create opportunities for employees to bond with their family and to thank them for their sacrifices. The Group's overseas offices have adopted a policy of day off on eve of public holidays to encourage more family bonding time.



Health and Wellness

Chindata Group has a comprehensive health and wellness system, integrating internal and external fitness resources for employees and consistently advocating a healthy lifestyle.

The Group sets up fitness facilities in each campus and office and conducts fitness classes regularly. With the champion of Miss Fitness Asia-Pacific acting as its health ambassador and personally providing guidance; a world champion female professional boxer teaching basic self-protection skills; and an experienced marathon runner sharing her experience in long-distance running, Chindata Group continually invests in resources to inspire and motivate employees to try different sports and stay fit and healthy.

In addition, the Group also cares for employees by providing free well-balanced afternoon tea meals.





Giving Back to Communities

A harmonious society is a key factor in the steady growth of a company. In addition to provide infrastructure for digitalization, Chindata Group and its employees also engage in philanthropic endeavors to give back to the community where they work.

◦ Caring for the Younger Generation ◦

Chindata Group realizes ensuring everyone's right to education is crucial to bridging the digital divide and supporting the sustainable development of the world. It cares for students' education and their family conditions in the communities where its facilities operate. And the Group supports those families in getting what they need for a better life, better education, and the right knowledge and skills. The Group has a plan to recruit volunteers from the staff to stay in touch with the students to be with them as they go through a critical phase in their lives and help them solve the challenges facing in their lives, broaden their horizons, and expand their mind.



◦ Caring for the Seniors ◦

The world's population is showing an aging trend. More and more tech companies are exploring what they can do to help elder people participate in the digital economy and share the benefits of technology. Chindata Group has its representatives walk into senior communities and talk to the residents in order to better understand how to help them enjoy their lives as senior citizens.





Comprehensive corporate governance is the cornerstone of enterprise development. Chindata Group believes in sustainability and conducts business in accordance with the highest compliance standard to ensure healthy, long-term and sustainable development. In 2020, Chindata Group completed its IPO on the Nasdaq exchange and became a publicly trading company. As required by law and regulations, Chindata Group has set up a well-organized management system, integrating internal control management, business ethics, responsibility management, and sustainability management into its everyday operation.



CORPORATE

Governance



Internal Control

Chindata Group employs an integrated internal control method according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Management sets the tone for appropriate control from the top level and establishes risk management framework in every business department and process, using risk management as a means to help achieve company's goal. The internal compliance, finance, legal and human resources teams support management as it carries out its duties with its expertise. With the help of internal compliance team and external independent auditors,

the auditing committee assists the Board of Directors to supervise the Group's management, monitoring the effectiveness of the established control measures.

Chindata Group embraces diversity and openness. Diversity in the Board of Directors helps the company achieve balanced decision-making and sustainable development. As of December 31, 2020, the Board of Directors consisted of 10 members including 3 independent non-executive directors. Female representation in the Board was 10%.

Business Ethics

Compliance

Adhering to integrity and laws and regulations is the bottom line that Chindata Group has always upheld. As of the end of September 2020, the Group formed the Business Assurance Department to manage the company's internal control, internal auditing, and compliance management. The Group is committed to promoting and deepening the corporate culture of compliance management.

Compliance management has been integrated into the Group's business activities and processes, covering anti-bribery, anti-corruption, intellectual property and trade secret protection, information security and other fields. The Group strictly abides by the applicable guidelines issued by the regulators and complies with the applicable laws and rules of the countries and regions where it operates. It employs external institutions to review or optimize the corporate governance system and carries out internal auditing and special auditing of the internal control in order to ensure that the Group meets the requirements of NASDAQ-listed companies and that its employees abide by business ethics and corporate policies.

In order to strengthen compliance, integrity, and professional ethics, Chindata Group promotes the construction of a compliance management system through multiple methods. For new staffs, the Group conducts compliance trainings at the orientation. For all employees, the Group carries out various compliance trainings from time to time, fulfilling its commitment to compliance and integrity. All the employees have easy and timely access to review latest laws and regulations, as well as the Group's latest policies through the internal Office Automation (OA) platform.

Anti-corruption and Anti-bribery

Chindata Group embraces the values of integrity. It adopts a "zero-tolerance" approach to any unethical and unlawful behavior. The Group builds an effective anti-corruption and anti-bribery system from three aspects: compliance training, management control, and strict implementation. It strives to create an honest, trustworthy, and upright business environment.

As a public company, Chindata Group carries out trainings relevant to the listing rules. As of December 31, 2020, the Group's mid-level and senior executives and core staff members in China have completed compliance training for NASDAQ-listed companies on the Foreign Corrupt Practices Act, the insider trading policy, and the Sarbanes-Oxley Act. Online and offline participation rate reached 100%. All the employees could study and refer to provisions and materials related to anti-corruption and anti-bribery policies uploaded on the Group's E-learning platform.

In order to fully implement the corporate values of "Being honest and accountable" into daily work, Chindata Group actively conveys to all employees its zero tolerance policy towards fraud, corruption and other violations of laws and regulations. In accordance with relevant laws and regulations and customers' anti-corruption and anti-bribery requirements, the Group has established an effective integrity mechanism as follows. All employees are required to study and sign these documents and follow these rules in their work. Employees in the Supply Chain Department and other related departments are also required to sign the *Chindata Group Transparent Supply Chain Guidelines*.

Anti-corruption and Anti-bribery Policies

- Chindata Group Code of Business Conduct and Ethics
- Chindata Group Anti-Bribery and Anti-Corruption Policy
- Chindata Group Insider Trading Prevention Policy
- Chindata Group Whistleblower Policy
- Chindata Group Conflict of Interest Policy
- Chindata Group Employee Reward, and Punishment Management Regulations
- Chindata Group Employee Honesty and Integrity Guideline
- Chindata Group Transparent Supply Chain Guidelines

The Group's anti-corruption and anti-bribery mechanism covers its major external partners including suppliers, contractors, business partners, sales representatives, and customers. The Group communicates with the external partners, clarifying its views on anti-corruption and anti-bribery, in order to ensure that all stakeholders have a clear understanding of the Group's compliance policies. All these partners are required to sign and obey these anti-corruption and anti-bribery rules when they do business with the Group.

The Group integrates compliance into supply chain management. All the major business contracts will be approved by senior management and the tender committee. The Procurement Department selects and assesses the suppliers through strict process with stringent standard. The oversight of the suppliers' compliance is conducted according to actual circumstances.

The Group has opened up channels for employees, suppliers, customers, business partners, shareholders, or other partners to raise questions or any concerns. Whistleblowers are protected by anonymity. The Group has in place a policy against retribution and reserves the right to hold the personnel accountable in the event of any act of fabricating facts, malicious accusations, and defamation of Chindata Group employees.

In 2020, no incidents of employee non-compliance with laws or regulations related to corruption or bribery were reported.

◦ Mailbox ◦

compliance@chindatagroup.com

Intellectual Property Protection

The Group highly values the protection of intellectual property and trade secrets. It stays current on and abides by relevant laws and regulations, follows the rules of intellectual property rights in its business practice, and protects individual and collective intellectual property rights. The Group obtained the Intellectual Property Management System Certificate by establishing an information resource management system to strictly manage the internal and external information and control any intellectual property risks. In order to enhance employees' awareness of intellectual property and trade secret protection, new staff should go through information security training and sign a *Non-Disclosure Agreement* and *Non-Compete Agreement* to ensure they are duly informed and will observe the laws and the agreements in their business activities.

Chindata Group is not only a follower of intellectual property rights but also an innovator of intellectual property rights. It has set up a special grant to incentivize employees to participate in scientific and technological innovation. As of December 31, 2020, Chindata Group has a rich portfolio of 216 approved and pending patents.

As it takes every measure necessary to protect its own intellectual properties and trade secrets, Chindata Group honors and protects those of other organizations and individuals. It follows the non-disclosure provisions in the agreements it has signed with its external partners or any separate non-disclosure agreements it enters into with its external partners.

| Responsible Management

Responsible Management of Supply Chain

Building a green, open, transparent and collaborative supply chain is not only the cornerstone of firm development, but also the key to promoting the high-quality and sustainable development of industrial chain. Based on the principle of openness, inclusiveness and win-win cooperation, Chindata Group encourages key partners to participate its products' R&D process and licenses its key patents to suppliers. As such, greener products catering to customers' need are manufactured, which increases industry partners' competitiveness and promotes the industry towards a sustainable and innovative future.

Chindata Group is well aware that it plays an important role in building a health industry chain, so it incorporates business ethics and sustainable development into the supply chain management system. By adopting strict and scientific standards in vendor certification, selection, and performance evaluation, the Group reduces supply risks and promotes the suppliers to operate in a socially responsible and environmental friendly way. The Group formulated *Supply Chain Environmental, Social, and Governance Standards* to assess suppliers' competence in legal compliance and sustainability. Meanwhile, the supply chain standards take into consideration suppliers' environmental impact and contribution, employee care, as well as anti-bribery and anti-corruption policies to encourage suppliers to join the Group in providing a solid foundation in the digital era.



Security and Reliability

Chindata Group takes it to be its social responsibility and mission to ensure the business continuity of the digital infrastructure and build a safe and reliable operating environment.

In accordance with ISO22301 (Business Continuity Management) framework and relevant laws and regulations, the Group created the *Handbook of Business Continuity Management* to ensure the 24/7 operation of the customer's business based on the system, process, and management. Its applicable facilities have acquired the certifications of ISO22301 (Business Continuity Management) and Data Center Infrastructure (GB50174 Level A) by China Quality Certification Center.

Chindata Group strives to build a safe and reliable operating environment for its customers. As a carrier-neutral data center operator, the Group pledges not to interfere with or access customer data and focuses on providing 24/7 physical security for servers rooms, facilities, and the whole campuses. In the daily maintenance and operation

of data centers, the Group aligns with the laws and regulations, its customer cybersecurity provisions and the Group's information security policy to ensure the maximum data security of its customers. Many business entities have acquired certification of ISO27001 (Information Security Management) and the level three (the highest level) of the data center cybersecurity certification issued by the Standardization Administration of PRC. The Group is on track to acquire the ISO27701 (Privacy Information Management) certificate in order to provide all-around protection of its customer's business safety and reliability.

In addition, Chindata Group continues to perfect its information security management, establish a full-process risk management mechanism and improve the response speed to risk and defense capabilities. The Information Technology Department and Human Resources conduct regular information security management online-training for employees, to prevent information leakage incidents fundamentally.

- 
- ISO 9001 Quality Management
 - ISO 14001 Environmental Management
 - OHSAS 18001 Occupational Health and Safety
 - ISO 20000 Information Technology Service Management
 - ISO 27001 Information Security Management
 - ISO 22301 Business Continuity Management
 - ISO 50001 Energy Management
 - ISO 27701 Privacy Information Management

Health and Safety Management

Chindata Group puts health and safety at a vital position during its operations. It has established the EHS management system in accordance with OHSAS 18001 (Health and Safety Management) system and customers' requirements to ensure the safety of its employees, customers and suppliers. The Group has an EHS Department designated to optimize and implement the EHS management system. The Group initiates to heighten its standards in EHS by providing training for the existing team and recruiting more specialists across all the operating regions. In 2020, the Group conducted 20 sessions of safety training and 6 emergency drills for the management personnel, employees and suppliers to ensure the health and safety of the stakeholders.

In 2020, no occupational health and safety incidents were reported at any Chindata Group facilities.

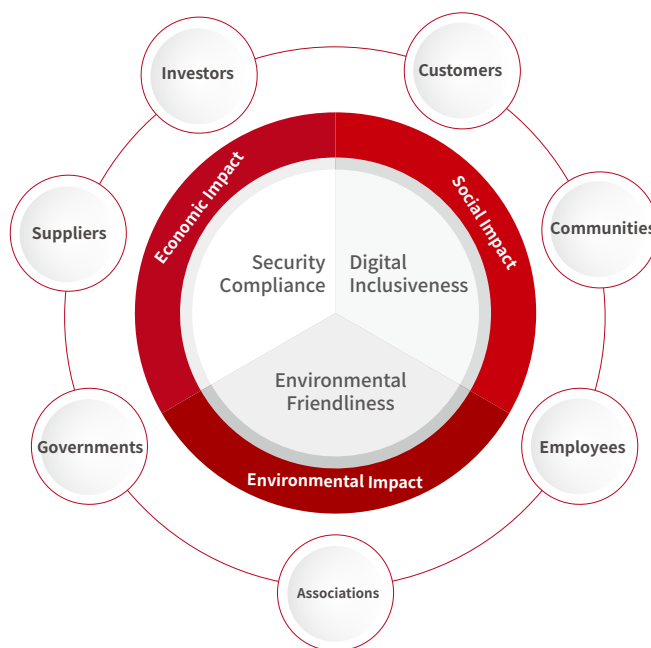


Sustainability Management

Chindata Group sees sustainability at the core of its overall strategy and considers environmental, social, and economic factors equally important when making strategic decisions. The Group highly values the development of sustainable business and hopes to create shared value with its stakeholders.

Sustainable Strategy

Based on its mission and vision, Chindata Group prioritizes sustainable development by making it part of its corporate strategy at the highest level. Considering economic, environmental, and social perspectives and integrating stakeholders' concerns, Chindata Group has identified three major focuses as a prospective leading hyperscale data center solution provider in emerging markets: security compliance, environmental friendliness, and digital inclusiveness.



Sustainability Management System

In order to better implement its sustainability concept, the Group established an "ESG Management Committee" composed of the company's core management in 2020. The Group's founder and CEO assumed the role of the committee's chairman. The ESG Management Committee Working Group works under the committee to implement ESG strategic targets and complete day-to-day sustainability tasks.

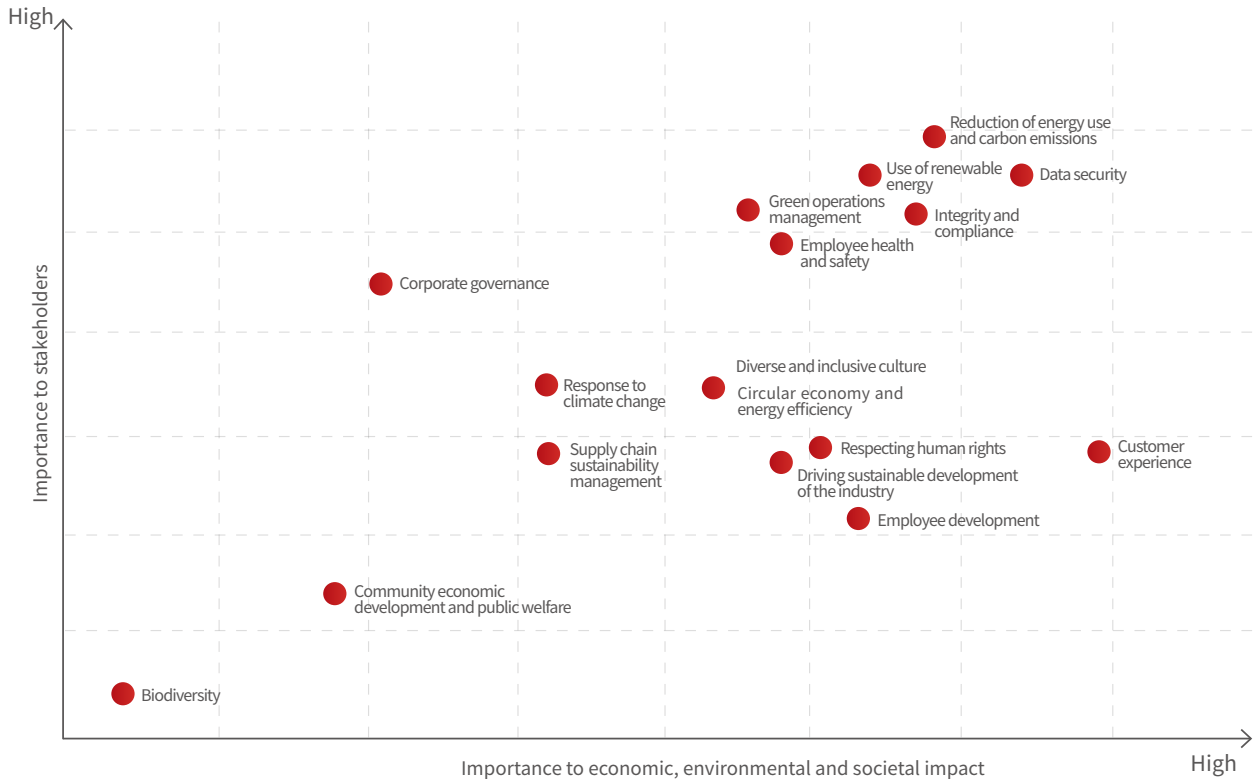
Responsibilities of the ESG Management Committee

- Identifying ESG risks, developing ESG strategies and monitoring their execution
- Coordinating the establishment, implementation and continuous improvement of the ESG management system
- Guiding and carrying out ESG-related communication with key stakeholders



Materiality Assessment

Materiality assessment helps Chindata Group identify materiality issues relevant to stakeholders. The ESG Management Committee selects the scope of materiality issues through strategic benchmarking and analysis with experts in related fields, and invites internal and external stakeholders to participate in the analysis and investigation of materiality issues. A matrix of materiality issues is formed by scoring material issues to both Chindata Group and its stakeholders from two dimensions: 1) Impact on stakeholders' decision-making and 2) The importance of economic, environmental, and societal impacts. This analysis serves as a critical reference for sustainability management and ESG information disclosure.



Chindata Group seeks to increase our alignment with several global sustainability frameworks, in order to provide disclosures that are relevant to our stakeholders.



Engaging Stakeholders

Chindata Group values its communication with stakeholders and actively seeks opinions and requests from all stakeholders in its daily operations, aiming to jointly create a bright digital future through prompt and efficient responses.

Stakeholders	Their focus	Our response
Governments and regulatory authorities	Compliance	Compliance with laws and regulations
	Economic growth	Tax compliance and enhancement of employment and supply chains localization
	Environmental impact	Commitment to building green data centers to reduce negative environmental impact
	Anti-corruption	Adherence to business ethics and multiple measures against corruption and bribery
Suppliers	Fair procurement	Protection of suppliers' rights via fair bidding and procurement
	Empowering the industry	Creating innovative and flexible forms of cooperation
Customers	Customer experience	Delivery of better products and customer services via unique business models and cutting-edge technologies and solutions
	Privacy of customer data	Secure operations of data centers to protect customer data privacy and security
Employees	Recruitment and employee compensation	Competitive compensation and benefits, and fair recruitment and promotion
	Employee development	International platform for employee development
	Employee diversity	Promotion of diverse workplace culture
	Employee care	Various employee care activities
	Employee health and safety	Occupational health and safety protection
Communities	Contribution to community	Promotion of localized employment and contribution to community via industrial poverty alleviation and charitable donations
	Environmental impact	Increase in renewable energy coverage to reduce local environmental impact
Investors and shareholders	Corporate governance	Continuous improvement and optimization of the company's governance structure
	Information disclosure	Timely disclosure of financial data and ESG information according to Nasdaq guidelines
NGOs/NPOs/ Industry organizations	Industrial development	Maintenance of communication and dialogues
	Talent development	Participation in industry-sharing and research



Chindata Group and the UN Sustainable Development Goals (SDGs)

In order to achieve a better and more sustainable future for all, the Sustainable Development Goals (SDGs) were proposed in 2015, aiming to solve the development problems in the areas of society, economy and environment, in an integrated manner, from 2015 to 2030, and turn to a road of sustainable development.

As important organizations, enterprises play a vital role in achieving the SDGs. Chindata Group integrates the SDGs and issues that are of interest to the stakeholders into the corporate strategic goals, and strives to make direct or indirect contributions to the sustainable development of the global society, economy and environment.

Material Issues	Corresponding to the U.N. Sustainable Development Goals			
Use of renewable energy				
Reduction of energy use and carbon emissions				
Circular economy and energy efficiency				
Response to climate change				
Green operations management				
Biodiversity				
Supply chain sustainability management				
Employee health and safety				
Diverse and inclusive culture				
Employee development				
Respecting human rights				
Community economic development and public welfare				
Data security				
Customer experience				
Driving sustainable development of the industry				
Corporate governance				
Integrity and compliance				

Awards

Global Carrier Award for Best Project

The 16th Global Carrier Awards



China's National Green Data Center

The Ministry of Industry and Information Technology of
the People's Republic of China

No. 1 among China's leading technology companies in
renewable energy performance

Greenpeace

Chinese Enterprises ESG Best Environment Case

Cailian Press

2020 Chinese Corporate Citizen Low Carbon Company
of the Year

The 17th Chinese Corporate Citizen Awards



China New Industrialization Industry Demonstration Base

The Ministry of Industry and Information Technology of
the People's Republic of China

Global Data Center Service Provider Unicorn in Hurun Global Unicorn List 2020 NO.1

Hurun Research Institute



2020 Digital Infrastructure GLOBAL WOMEN Awards

CAPACITY, a prestigious magazine in the telecoms industry



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Assurance Statement



ASSURANCE STATEMENT

SGS-CSTC'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE CHINDATA GROUP ESG REPORT FOR 2020

NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS-CSTC STANDARDS TECHNICAL SERVICES CO., LTD. (hereafter as "SGS") was commissioned by CHINDATA GROUP (hereafter as "Chindata") to conduct an independent assurance of the 2020 ESG Report. The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and data in accompanying tables, contained in the report of Chindata' Headquarters for on-site assurance, which located at Chindata Information Technology Industrial Campus, No.47 Laiguangying East Road, Chaoyang District, Beijing, P. R. China. Data and information of other affiliated companies were not included in this assurance process.

The information in the 2020 ESG Report of Chindata and its presentation are the responsibility of Board of Directors and ESG Management Committee of Chindata. SGS has not been involved in the preparation of any of the material included in the 2020 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 guidance, including the Principles contained within the GRI STANDARDS for accuracy and reliability and the guidance on levels of assurance contained within 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 report against the GRI STANDARDS.

The assurance comprised a combination of pre-assurance research, interviews with relevant employees; documentation and record review and validation with external bodies and/or stakeholders where relevant.

Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating more than 2,600 affiliates in more than 140 countries. SGS affirms our independence from Chindata, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised of CSR Lead Assuror, SAI Registered SA8000 auditor, CCAA Registered ISO 9001 auditor, ISO 14001 auditor, ISO 45001 auditor, ISO 37001 auditor and ISO 14064 Verifier.

**VERIFICATION/ ASSURANCE OPINION**

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within 2020 ESG Report verified is accurate, reliable and provides a fair and balanced representation of Chindata sustainability activities in 2020.

The assurance team is of the opinion that the Report can be used by the Reporting Organisation's Stakeholders.

GRI STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

In our opinion the 2020 ESG Report is presented in accordance with the core option for GRI STANDARDS and fulfills all the required content and reporting criteria.

Principles**Stakeholder Engagement**

Chindata establishes a diversified stakeholders dialogue mechanism to ensure the effective engagement of stakeholders in sustainability management, and integrates sustainability behaviors into its decisions and activities.

Sustainability Context

Chindata considers these factors in terms of data disclosure by analyzing from the economic, environmental and social stakeholders.

Materiality

Chindata fully demonstrate the principle of materiality in the report. The report discloses that the logic for the formulation of materiality issues was that the ESG Management Committee selects the scope of materiality issues through strategic benchmarking and analysis with experts in related fields, and invites internal and external stakeholders to participate in the analysis and investigation of materiality issues, etc.. Finally, a matrix of materiality issues was formed. The content reflects the organisation's actions in important environmental, social and governance aspects.

Completeness

Chindata uses the social responsibility subjects as framework to disclose relevant information and data, and fully reflects the significant impacts of economic, environmental and social.

Balance

Chindata actively discloses its own positive and negative performances based on the expectations of stakeholders, and gives stakeholders more objective performances of social responsibility.

Comparability

Chindata shows the historical data comparison to demonstrate the trends and forms that help readers well know the improvement of year-to-year performances.

Accuracy

Chindata' reporting mechanism is objective and complete, which can disclose more information to stakeholders and reveal that the concept of social responsibility management is consistent with the expectations of stakeholders.

Timeliness

Chindata discloses its sustainability performance timeliness. Stakeholders can obtain information to make a reasonable decision in a timely manner.

Clarity

The report is clear and can be understood by stakeholders who have a reasonable understanding of Chindata and its industry. Chindata is taking into account the utilization and type of information, and using a number of descriptions, charts and pictures and other forms while disclosure of information.

Reliability

The data and information can be traced and verified by internal collection, recording, compiling, analysis and disclosure to ensure the quality and materiality of information. In addition, an independent external organisation also provides the reliability of the report.

Management Approach

The report has disclosed the management approach of identified material topics.

Topic-Specific Disclosures

Topic-specific disclosures such as the importance of economic, environmental and social impacts on the organisation and the substantive impact on stakeholder assessments and decisions can be described in details.

Limitations of assurance

The assurance scope only covered the headquarters of Chindata and certain subsidiaries and did not involve assurance of the original data of other affiliated companies. The data for assurance of report information was from the headquarters.

The assurance process only involved interviews with the heads of relevant departments and certain employees and consultation with relevant documents didn't involve external stakeholder.

As the financial information in the 2020 financial report has passed independent assurance, the assurance does not contain traceability and assurance of such information.

Signed:

For and on behalf of SGS-CSTC

David XIN Director
Knowledge

16/F Century Yuhui Mansion, No.73, Fucheng Road, Beijing, China
Mar. 18th, 2021

WWW.SGS.COM



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.



Chindata Group Official Website