GDS万国数据

2024 ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) REPORT

CONNECTING A SMART INFRASTRUCTURE PLATFORM TO A SUSTAINABLE FUTURE

Contents

About this Report

We are pleased to present the GDS 2024 ESG Report. This marks the fifth ESG report released by GDS (hereinafter referred to as "the Report"). It outlines GDS's progress and performance in 2024 across key areas such as environmental stewardship, social responsibility, and corporate governance. It is intended to keep all stakeholders informed of our actions, outcomes, and ongoing commitment to sustainable development.

Reporting Format

This Report is published in both Chinese and English in electronic format. In the event of any discrepancy between the two versions, the Chinese version shall take precedence. The Report can be viewed and downloaded from the Company's official website.

URL: https://www.gds-services.com/

Reporting Standards

This Report has been prepared with reference to disclosure standards and frameworks, such as the *GRI Sustainability Reporting Standards* (GRI Standards) issued by the Global Sustainability Standards Board (GSSB), the *SASB Standards* issued by the Sustainability Accounting Standards Board (SASB), the *ESG Reporting Guide 2.0* issued by Nasdaq and the *Environmental, Social and Governance Reporting Code* issued by the Stock Exchange of Hong Kong (SEHK).

Reporting Scope

Unless otherwise specified, the data and information disclosed in this Report cover the period from January 1, 2024, to December 31, 2024. Some content may extend beyond this timeframe where relevant. The scope of this Report includes GDS Holdings Limited and its consolidated subsidiaries, consolidated variable interest entities (VIEs), and other affiliated companies.

External Assurance

GDS commissioned Bureau Veritas Certification (Beijing) Co., Ltd. to perform an independent third-party assessment of this Report and to issue a statement of assurance.

Notes on Information

All data presented in this Report is derived from GDS's internal records, corporate documents and audited financial statements, unless otherwise stated. All monetary figures are expressed in RMB, unless otherwise stated. GDS assumes full responsibility for ensuring the authenticity, accuracy, and completeness of the information disclosed in this Report.

Reference Notes

Unless otherwise indicated, "GDS Holdings Limited" is also referred to in this Report as "GDS", "the Company", "the Group" or "we". GDS Holdings Limited is a limited liability company incorporated in the Cayman Islands on December 1, 2006. Depending on the context, these terms may also refer to its consolidated subsidiaries, affiliated entities, variable interest entities (VIEs), and their subsidiaries.

Contact Us

For any feedback or suggestions regarding this Report, please email us at esg@gds-services.com.

For more information, please visit our website https://www.gds-services.com/.

Message from CEO

With the rapid advancements in AI technology, the digital economy has emerged as a pivotal catalyst of global growth. Much like electricity in the industrial era, computing power now serves as a foundational driver of productivity and societal progress. As the "digital cornerstone," data centers must not only keep pace with the soaring demand for computing capacity, but also take the lead in building green and sustainable digital infrastructure.

Over the past year, the global business landscape has grown increasingly volatile, with compounding risks heightening uncertainty. Against this backdrop, ESG strategy functions not solely as a response to prevailing challenges but also as a driving force for the generation of long-term value. In 2024, we officially launched the "Powering Ambition" sustainability strategy, centered around four core pillars—'Smart Engine,' 'Green Computing,' 'Growing Network,' and 'Resilient Governance' —to strengthen sustainable development efforts and elevate them into more systematic, measurable and traceable daily practices.

In the advancement of green and low-carbon computing, we follow the principle of "8,760-hour Operation," a commitment to optimizing operational performance every hour of the year. Our ongoing efforts to improve energy efficiency have brought our average Power Usage Effectiveness (PUE) down to an industry-leading 1.24. We are proud to be the first data center operator in the world to have passed validation from the Science Based Targets initiative (SBTi) for near-term carbon reduction targets and received an NZ-2 rating under Moody's Net Zero Assessment. This achievement demonstrates the alignment of our climate action roadmap with the objectives of the *Paris Agreement*.

Additionally, we have successfully issued China's first sustainability-linked asset-backed securities (ABS) for data centers. Meanwhile, the GDS Data Center REIT has been approved as one of the first new infrastructure REITs projects, establishing new benchmarks for green financing to support the industry's high-quality development.

To foster a responsible and inclusive digital ecosystem, we work closely with stakeholders to drive sustainable development through tangible, practical actions. We respect employee rights and continue to enhance our talent management system to foster a workplace where employees feel supported, engaged, and empowered to grow. We also continue working closely with supply chain partners to promote responsible sourcing, maintaining a 100% signing rate for our *Supplier Sustainability Commitment Letter*. At the same time, we remain dedicated to supporting research projects focused on industrial intelligence at Tsinghua University and Shanghai Jiao Tong University, fostering deeper collaboration across academic institutions, the industry, and scientific research. Guided by our core values of integrity, humility, driven, empathy, and honesty, we have established a Charitable Project Management System to ensure the standardized and effective operation of philanthropic initiatives. In business development, we continue promoting the adoption of innovative technologies and high-quality services while creating value for customers and partners in the entire value chain. Currently, 95% of our self-operated data centers meet the highest level of business continuity standards in the industry, and our Net Promoter Score (NPS) has reached an impressive 91%. In terms of intellectual property and innovation, we have filed 49 new patent applications in the past year, bringing the cumulative total to 269.

In terms of corporate governance, we continue to refine our governance structure, making the decision-making process more transparent and the compliance management more effective. We conduct regular and rigorous anti-corruption audits and ensure that all employees receive compliance and anti-corruption training. We're also constantly improving our security management system, which includes information security, network protection, and data privacy. These enhancements are setting new standards across the industry. To improve our cybersecurity and risk control, we work with third-party experts to run live cyberattack simulations while continuously optimizing our system defenses. These efforts lay a solid groundwork for sustainable development.

At the new starting point as the 15th Five – Year Plan is about to commence, GDS will continue to play a leading role in the industry. With the resilience to navigate cycles and the agility to adapt to change, we move forward together with our partners, aligning technological advancement with social responsibility and fostering synergy between business success and environmental value. Together, we are working towards a smart, sustainable future with a new path for sustainability in the ever-growing digital economy.

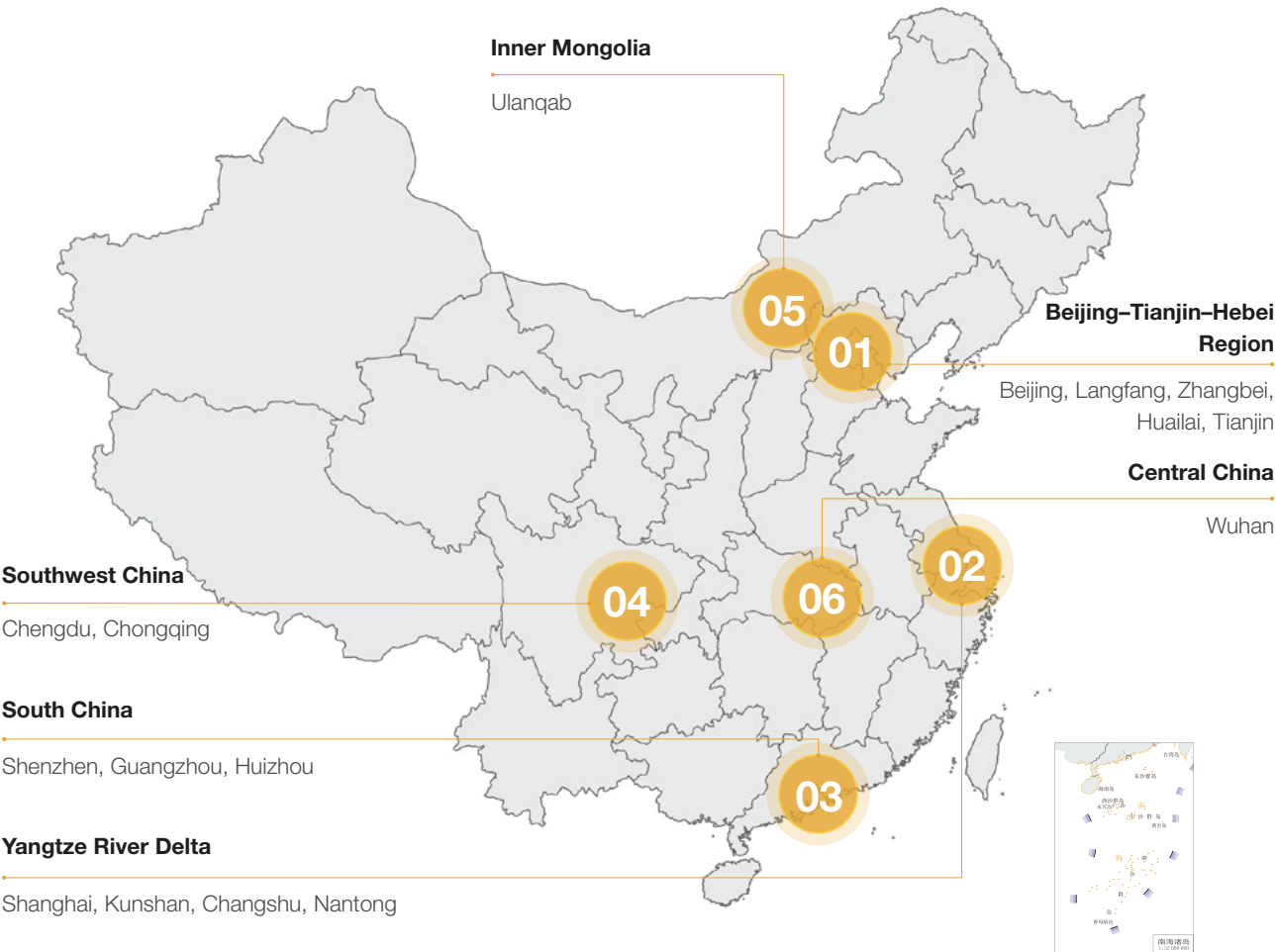**Chairman and Chief Executive Officer of GDS** / **William Wei Huang**

Overview

Our Business

The exponential growth of data, driven by the accelerating digital transformation and the wide adoption of emerging technologies such as cloud computing and artificial intelligence, is creating a surge in demand for data centers. In this transformative era, GDS is committed to driving continuous progress in IT infrastructure as well as providing solid and reliable support for industry growth.

GDS stands as a leading high-performance data center operator and service provider in China. We have 24 years of demonstrated expertise and proficiency in offering secure and reliable colocation and management services through high-quality infrastructure, Operational Services, and value-added services. Strategically located in core economic hubs, our data centers are capable of satisfying the carrier-neutral and rigorous standards for data-center services with high-power, high-efficiency, and high-stability. GDS serves key customers, including major internet and cloud service providers, financial institutions, telecommunications and IT service firms, and large domestic and multinational corporations.

Our Data Center Footprint

Inner Mongolia

Ulanqab

Beijing–Tianjin–Hebei Region

Beijing, Langfang, Zhangbei, Huailai, Tianjin

Central China

Wuhan

Southwest China

Chengdu, Chongqing

South China

Shenzhen, Guangzhou, Huizhou

Yangtze River Delta

Shanghai, Kunshan, Changshu, Nantong

Our data centers are strategically deployed in key economic regions nationwide.

- Deployment in Tier-1 cities is prioritized to ensure high availability.
- Supporting the national and clients' business layout in computing network hub.

According to the Company's 2024 Annual Report

Operational Data Centers

Approximately	Including	and
614,000 m²	**79** self-built data centers	**12** BOT data centers[1]

Under Construction

Approximately	
103,000 m²	**5** data centers

As an industry leader, GDS has integrated the principles of sustainability into every facet of our strategic practices, thus upholding our mission within the sector. The Company remains committed to delivering distinctive, open, and sustainable infrastructure for global partners, so as to accelerate comprehensive progress in digital transformation.

[1] "B-O-T data centers" are to data centers that we undertake to build and operate for specific customers for their exclusive use, and transfer to such customers at the end of the contract period.

Materiality Assessment

In 2024, GDS conducted its annual materiality assessment update, with insights from macro policy analysis, industry research, and internal assessments. Each issue was evaluated through the dual perspectives of financial materiality and impact materiality. The objective was to identify strategically significant issues that meet the criteria of double materiality. With this approach, we aim to strengthen our ESG strategy and governance framework while effectively responding to the core expectations of our stakeholders. The materiality assessment has also been incorporated into the Company's enterprise risk management process.

Materiality Assessment Process

Research on the Internal and External Environments

We analyze external trends and the Company's business development strategies while identifying key stakeholders that interact most frequently with business operations.

Compilation of the Issue List

We benchmark our performance against global standards, macro- and industry-level policies, as well as peer practices. Based on industry characteristics, GDS's business model, and the overall value chain, 23 issues with financial or impact materiality were identified.

Materiality Analysis

Stakeholder engagement is conducted through surveys sent to internal and external groups. These include GDS's management, employees, customers, suppliers, and government regulators. The goal is to understand the importance of each issue from the perspective of different stakeholders.

- Impact Materiality Assessment: Evaluates the significance of each issue on the external environment and the broader society.
- Financial Materiality Assessment: Evaluates the significance of each issue on the Company's financial performance.

Issue Confirmation and Disclosure

The assessment results are submitted to the Sustainability Committee for validation. High and medium materiality issues are prioritized in the Company's sustainability management efforts.

2024 GDS Materiality Matrix

Impact Materiality (vertical axis: Medium to High)
Financial Materiality (horizontal axis: Medium to High)

- Cybersecurity and data protection
- Privacy protection
- Science and technology innovation management
- Reliable and premium solutions
- ESG management
- Supply chain management
- Business ethics
- Climate change mitigation and energy management
- Environmental impact of buildings
- Development of environmentally friendly technologies
- Water resource management
- High-quality service and customer experience
- Risk management
- Intellectual property protection
- Employee rights protection
- Employee health and safety
- Human capital development and talent attraction
- Ecological and environmental protection
- Diversity and equal opportunities
- Resource recycling and waste management
- Corporate governance
- Employee training and development
- Community engagement and social investment

Stakeholder Identification and Communication

Stakeholders	Issues	Communication Channels
Customers	• Reliable and premium solutions • High-quality service and customer experience • Cybersecurity and data protection • Privacy protection	• Official website • Integrated customer service platform • Customer service hotline and satisfaction survey
Shareholders & Investors	• Corporate governance • Risk management • ESG management • Cybersecurity and data protection	• Annual general meetings and extraordinary general meetings • Earnings presentations, roadshows, and analyst meetings • Annual reports, ESG reports, interim reports, and other disclosures • Calls, meetings, and company visits • Assisting with due diligence processes
Employees	• Employee health and safety • Human capital development and talent attraction • Employee training and development • Employee rights protection	• Employment contracts and the employee handbook • Employee communication hotline and Email • Employee training • Multi-themed corporate culture and employee welfare activities • Employee Satisfaction Survey
Suppliers & Partners	• Development of environmentally friendly technologies • Supply chain management • ESG management • Business ethics	• Contracts and *Sustainability Commitment Letters* • Regular evaluations and audits • Assessments of suppliers and partners • Training and holistic capability enhancement
Industry Peers	• Development of environmentally friendly technologies • Science and technology innovation management • Reliable and premium solutions • Intellectual property protection • Business ethics	• Discussion and improvement of industry standards • Initiating joint industry initiatives and collaborative projects • Regular industry conferences and forums • Calls, meetings, and company visits

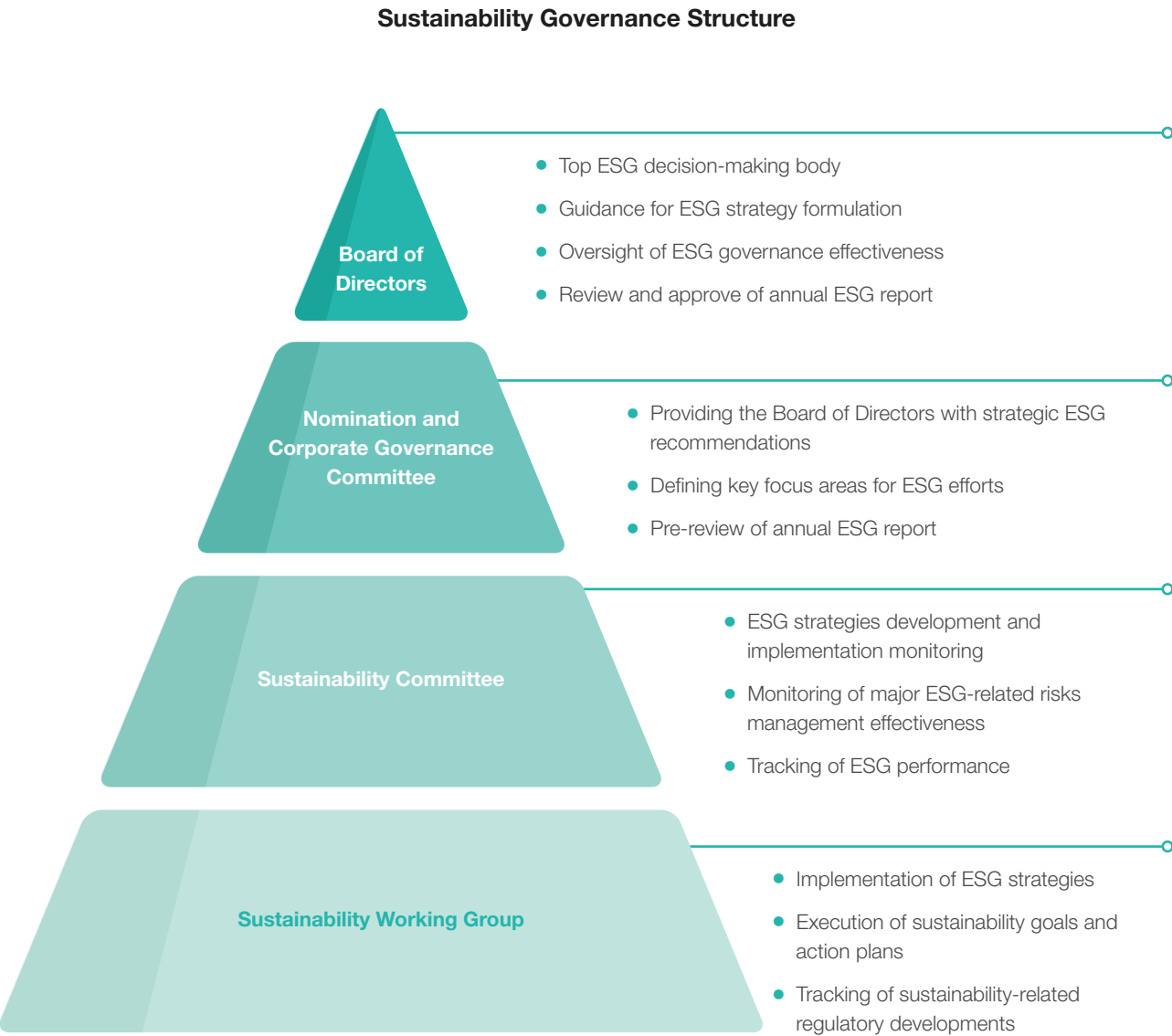| Stakeholders	Issues	Communication Channels
Government and Regulatory Authorities	• Development of environmentally friendly technologies • Corporate governance • Cybersecurity and data protection • Intellectual property protection	• Policy and regulatory recommendations at the macro and industry levels • Industry research and analysis • Working meetings • Information disclosure • Signing cooperation agreements and establishing strategic partnerships
Non-profit Organizations, Industry Associations, and Alliances	• Climate change mitigation and energy management • Water resource management • Ecological and environmental protection • Science and technology innovation management	• Participate in setting industry standards • Conduct research projects and collaborative initiatives • On-site research and field investigations • Sustainability-themed conferences and industry forums
Public, Society, and the Media	• Climate change mitigation and energy management • Science and technology innovation management • Reliable and premium solutions • Cybersecurity and data protection	• Press releases • Diversified media communication and interaction • Communication meetings, press conferences, and various other activities for communication
Local Communities and the Environment	• Resource recycling and waste management • Environmental impact of buildings • Ecological and environmental protection • Community engagement and social investment	• Regular monitoring and actions to ensure compliance • Ongoing, diversified community initiatives • Sustainability-themed conferences and industry forums • Participation in climate-related initiatives

Sustainability Strategy

Driven by its vision, "Powering Ambition," GDS lays the foundation for long-term growth. Leveraging robust governance, GDS aims to build a smarter world through its diverse portfolio of products and solutions. This approach empowers our value chain partners to co-create an intelligent ecosystem and jointly pursue a future defined by greater efficiency, sustainability, and quality.

Powering Ambition

Smart Engine

Building Smart Infrastructure, Powering the Digital Intelligence Era

- Science and technology innovation management
- Reliable and premium solutions
- High-quality service and customer experience

Green Computing

Developing Green Computing Power, Pioneering a Sustainable Future

- Climate change mitigation and energy management
- Water resource management
- Resource recycling and waste management
- Environmental impact of buildings
- Ecological and environmental protection
- Development of environmentally friendly technologies

Growing Ecosystem

Expanding Responsible Networks, Co-Creating a Shared-Value Ecosystem

- Employee health and safety
- Human capital development and talent attraction
- Employee training and development
- Employee rights protection
- Diversity and equal opportunities
- Supply chain management
- Community engagement and social investment

Resilient Governance

Upholding Business Ethics, Establishing Trustworthy Governance

- Corporate governance
- Risk management
- ESG management
- Business ethics
- Cybersecurity and data protection
- Intellectual property protection
- Privacy protection

Sustainability Governance

GDS has established a comprehensive sustainability governance framework that integrates sustainability into strategic decisions and daily operations via a multi-layered management structure. Through strong interdepartmental coordination and efficient execution, the Company steadily advances its sustainability objectives.

We remain vigilant in identifying and monitoring sustainability-related risks, and outline clear action pathways for our sustainability goals. These goals are integrated into each department's plans and the progress towards these goals is incorporated into senior executive's performance evaluations, ensuring effective advancement of initiatives and enhancing overall sustainability governance.

Sustainability Governance Structure

Board of Directors

- Top ESG decision-making body
- Guidance for ESG strategy formulation
- Oversight of ESG governance effectiveness
- Review and approve of annual ESG report

Nomination and Corporate Governance Committee

- Providing the Board of Directors with strategic ESG recommendations
- Defining key focus areas for ESG efforts
- Pre-review of annual ESG report

Sustainability Committee

- ESG strategies development and implementation monitoring
- Monitoring of major ESG-related risks management effectiveness
- Tracking of ESG performance

Sustainability Working Group

- Implementation of ESG strategies
- Execution of sustainability goals and action plans
- Tracking of sustainability-related regulatory developments

Performance Highlights

Green Computing

Renewable energy consumption

2,140 GWh

Renewable energy ratio

40%

Emissions Avoided[2]: Approximately

1,100,000 tons

Carbon trading volume

113,334 metric tons

Average PUE[3]

1.24

Number of green data centers[4]

42

GDS successfully issued the "CITIC Securities-GDS Holdings 2025 Phase I Sustainability-Linked Data Center Property-Backed ABS[5]", raising a total of

RMB **1.6092** billion

Growing Network

100%

of suppliers signed the *Sustainability Commitment Letter*

Percentage of females in senior management

31.58%

Average training hours per employee

32.4 hours

Recordable incident rate[6]

0.098

Total donations to charities

RMB **2.3** million

Resilient Governance

100%

compliance training coverage

Company-wide anti-corruption audit are conducted

every two years

Signed or renewed anti-bribery and anti-corruption commitments with multiple customers

Multiple cybersecurity threats successfully intercepted, with

zero security incidents

reported for the year

Smart Engine

Total number of patents held

269

Number of new patents

49

Customer satisfaction score[7]

9.68

Customer Net Promoter Score (NPS[8])

91%

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[2] This was achieved through a combination of initiatives, such as improving energy efficiency, directly sourcing renewable electricity, generating power on site with photovoltaics, and strategically procuring green certificates.

[3] Data center come into operation after 2020, utilization rate ≥ 30%, with new technology and architecutre applied.

[4] Green data center certification includes: LEED (Leadership in Energy and Environment Design), ODCC Green DC, ODCC Low/Zero Carbon DC and MIIT Green DC.

[5] ABS are to asset backed securities that were issued upon the establishment of the ABS Scheme,a special purpose scheme set up for the purpose of acquiring the equity interests in certain project companies holding properties of a cluster of data centers from the Company, which is managed by CITIC Securities Company Limited.

[6] Total Recordable Incident Rate (TRIR) = Number of Recordable Incidents / Total Work Hours × 200,000

[7] Conducted by independent research firm NielsenIQ

[8] Net Promoter Score (NPS) = (Number of Promoters / Total Respondents) × 100% − (Number of Detractors / Total Respondents) × 100%

Recognition and Achievements

MSCI ESG Rating: A

Received an NZ-2 rating in Moody's Net Zero Assessment, making GDS the only data center company globally to achieve this recognition

Ranked on the 2025 *Fortune* China ESG Impact List

Scored B rating in the 2024 CDP - Climate Change, with 13 subcategories rated A

GDS's near-term science-based targets have been officially validated by the Science Based Targets initiative (SBTi).

Awarded seven prestigious titles in the "2025 Asia's Best Management Team" ranking by the internationally renowned financial magazine, *Extel*

Participated in the 2024 S&P Global CSA and was selected for inclusion in the *S&P Global Sustainability Yearbook (China Edition) 2024*

GDS was included in the *Bloomberg Businessweek* Green Finance ESG 50 China list for the third year running and honored as a "2025 ESG Pioneer Enterprise", making us the only data center company to earn this recognition three years in a row.

Ranked No. 1 among third party data center companies for renewable energy performance in Greenpeace's *Green Cloud 2024* report for the second consecutive year

GDS Pujiang Data Center was recognized as a National Green Data Center in the internet sector, marking the third consecutive year included in the *National Green Data Center List*.

Received the "2024 ESG Tech Innovation Pioneer Award" among the ESG Model Enterprises List from Observer.com

GDS ranked No. 1 for four consecutive years on the Top 10 China Computing Power Center Service Providers list in the *China Academy of Information and Communications Technology (CAICT)* report, leading the industry in three key metrics: overall scale, capability development, and financial performance.

ISO System Certification

ISO 14001 Environmental Management System

ISO 50001 Energy Management System

ISO 45001 Occupational Health and Safety Management System

ISO 27001 Information Security Management System

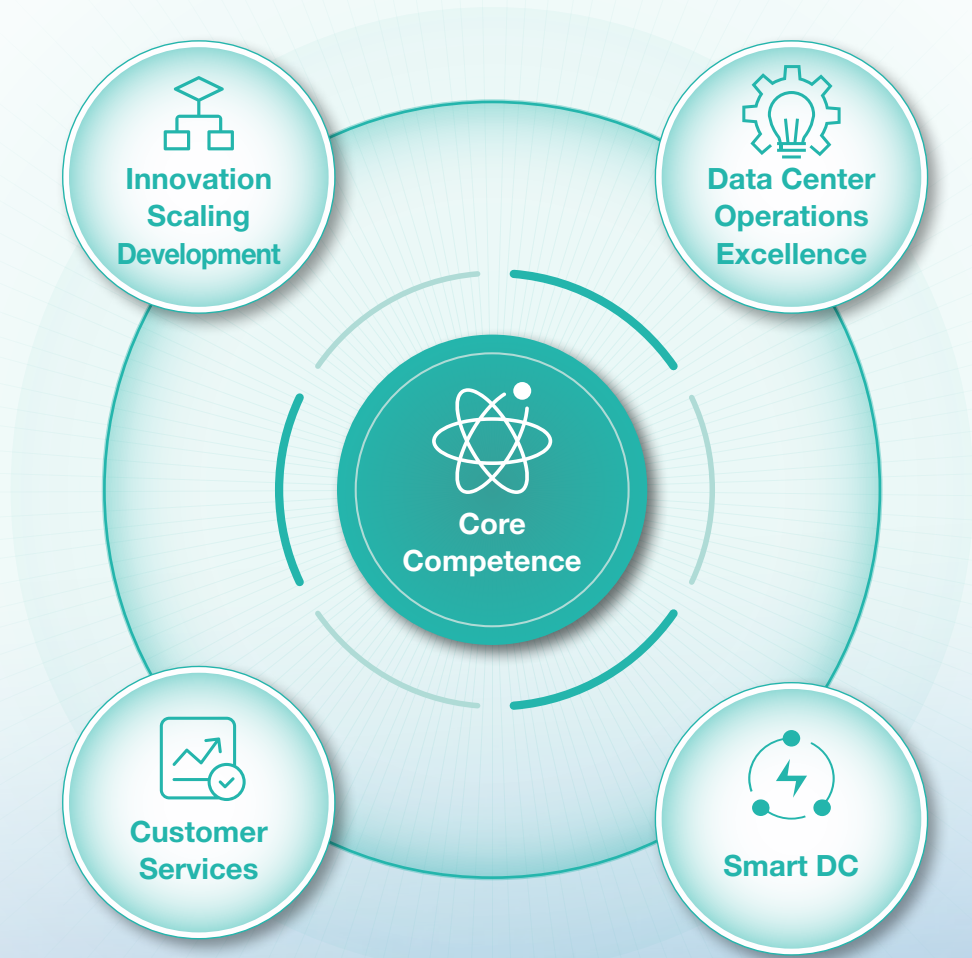ISO 27701 Privacy Information Management System

ISO 22301 Business Continuity Management System Certification

Smart Engine

With years of professional expertise, the Company continues to explore new opportunities in the context of digital and intelligent development. The Company promotes stable operations, innovative technologies, and high-quality services to strengthen its core competitiveness. While meeting the demands of the times, it continuously creates value for customers and ecosystem partners across the entire value chain.

Innovation Scaling Development

Data Center Operations Excellence

Core Competence

Customer Services

Smart DC

Scaling Development Through Innovation

Large-scale data center resources, equipped with low-latency rapid response capabilities, secure and reliable operations, and a cost-effective energy supply, guarantee comprehensive support for customers' diverse needs. In recent years, the Company has steadily expanded its domestic presence, building a large-scale and increasingly mature resource network. With a focus on delivering highly reliable data centers in first-tier cities, GDS has established a total capacity of over 1,600 MW and approximately 900 MW of reserve resources. The Company also plays a key role in supporting the deployment and growth of national and client operations at key computing network hubs, aligning with the goals of China's "new infrastructure" initiative and contributing to broader socio-economic development.

While expanding in scale, we also continue focusing on emerging technologies such as cloud computing and artificial intelligence. At the same time, we promote rapid upgrades in data center architecture design and construction capabilities. GDS adopts a forward-thinking approach to product innovation and R&D to maintain industry leadership while continually adapting to the evolving needs of customers when it comes to product planning. We closely align data center architecture and structural design with the latest advancements in chips, servers, and related infrastructure to meet the deployment and performance requirements of next-generation applications.

Data Center Operations Excellence

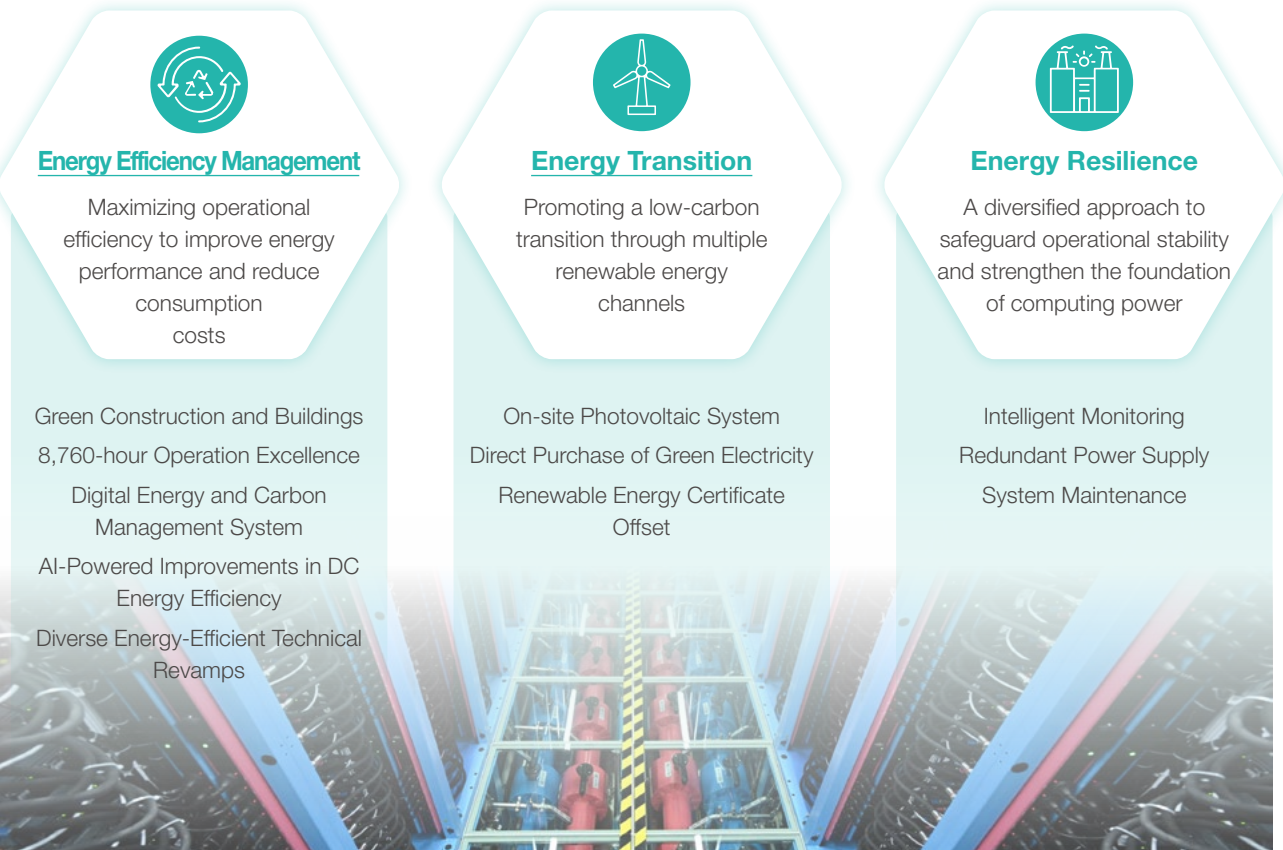## A 24-year traceable record of excellent operations

GDS leverages its "aviation-grade + financial-grade" security operations as a core strength for supporting partners' business continuity needs. To date, the Company's actual availability metric exceeds the availability standard corresponding to the Uptime Tier IV data center certification[9] by more than 50 times.

In the daily management and maintenance of data center infrastructure, we take a comprehensive approach to preventing operational risks, and introduced AI technology to improve operational management efficiency, using it as a strong foundation for the company's digital transformation and sustainable development.

As the lifeline of data center enterprises, data and privacy security is also an important part of ensuring SLA. GDS ensures the secure operation of its data centers through a robust information security governance framework and comprehensive, along with end-to-end data and privacy management throughout the entire life cycle.

Excellence in Energy Management

At GDS, our focus is on three key areas: energy efficiency management, energy transition, and energy resilience. Our structured approach and greentech investment in energy management support the efficient, sustainable, and resilient growth of our data centers. With the help of an AI-powered digital energy and carbon management platform, the Company provides end-to-end technical support across the energy management process. Services include real-time monitoring, early warning systems, intelligent optimization, as well as carbon emissions tracking.

Energy Efficiency Management

Maximizing operational efficiency to improve energy performance and reduce consumption costs

Green Construction and Buildings

8,760-hour Operation Excellence

Digital Energy and Carbon Management System

AI-Powered Improvements in DC Energy Efficiency

Diverse Energy-Efficient Technical Revamps

Energy Transition

Promoting a low-carbon transition through multiple renewable energy channels

On-site Photovoltaic System

Direct Purchase of Green Electricity

Renewable Energy Certificate Offset

Energy Resilience

A diversified approach to safeguard operational stability and strengthen the foundation of computing power

Intelligent Monitoring

Redundant Power Supply

System Maintenance

[9] The theoretical availability of Uptime Tier IV is 99.995%.

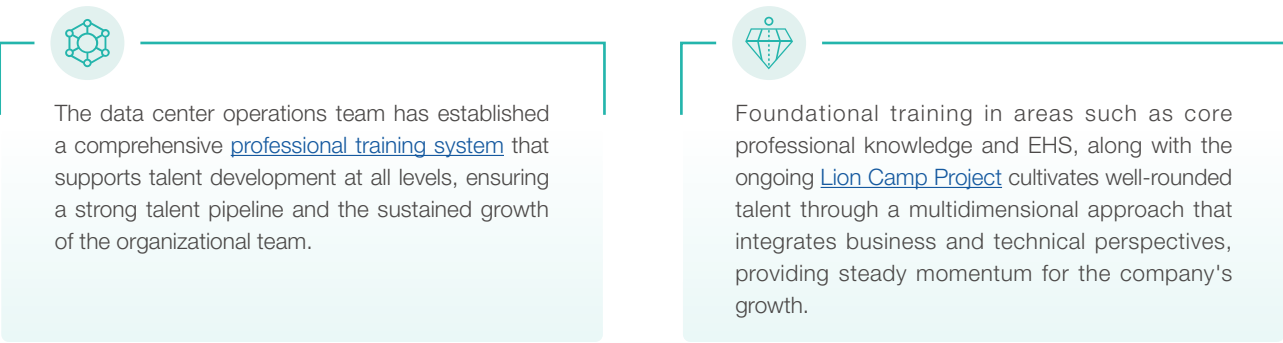## Excellence in Operation Management Platform

In the era of operational excellence 3.0, GDS has established regional operations and management centers based on a comprehensive intelligent management platform. The Company continues to strengthen operational control by refining execution-level oversight, using supervisory dashboards to manage critical operations precisely, and improving fault prevention and emergency response with intelligent troubleshooting systems. These efforts ensure seamless and efficient service continuity. As we enter the operational excellence 4.0 era, we will build an integrated intelligent operation and maintenance system with AI as the decision-making command center, security strategies as the constraint framework, and sensors and controllers as the execution terminals. This new architecture will fulfill our commitment to customers and society by promoting sustainable development through technological innovation.

Additionally, we integrate external forces and adhere to an innovation-driven concept. We continue to deepen Industry-Academia-Research Cooperation, helping GDS to continuously iterate and innovate in artificial intelligence, energy efficiency optimization, and fault risk prediction.

Excellence in Organization Management

GDS implements unified data center campus management through a multi-level data center management framework, fostering close collaboration across internal and external teams to enable resource synergy and standardized control. This approach continuously enhances organizational effectiveness and ensures the high-quality operation of its data centers.

We fully understand that talent development and capability enhancement are key to strengthening the Company's competitiveness.

The data center operations team has established a comprehensive professional training system that supports talent development at all levels, ensuring a strong talent pipeline and the sustained growth of the organizational team.

Foundational training in areas such as core professional knowledge and EHS, along with the ongoing Lion Camp Project cultivates well-rounded talent through a multidimensional approach that integrates business and technical perspectives, providing steady momentum for the company's growth.

In addition, the operations team extends its capabilities outward by leveraging technology to promote public welfare outside of working hours and supporting non-profit organizations in achieving digitalized management.

"Aviation-grade + Financial-grade" Security Operation Capability Supports a 24-Year Traceable Operational Safety Record

GDS builds a data security barrier with "Aviation-grade + Financial-grade" security operation standards. Its high-standard operational management provides solid support for customers' data assets and business continuity.
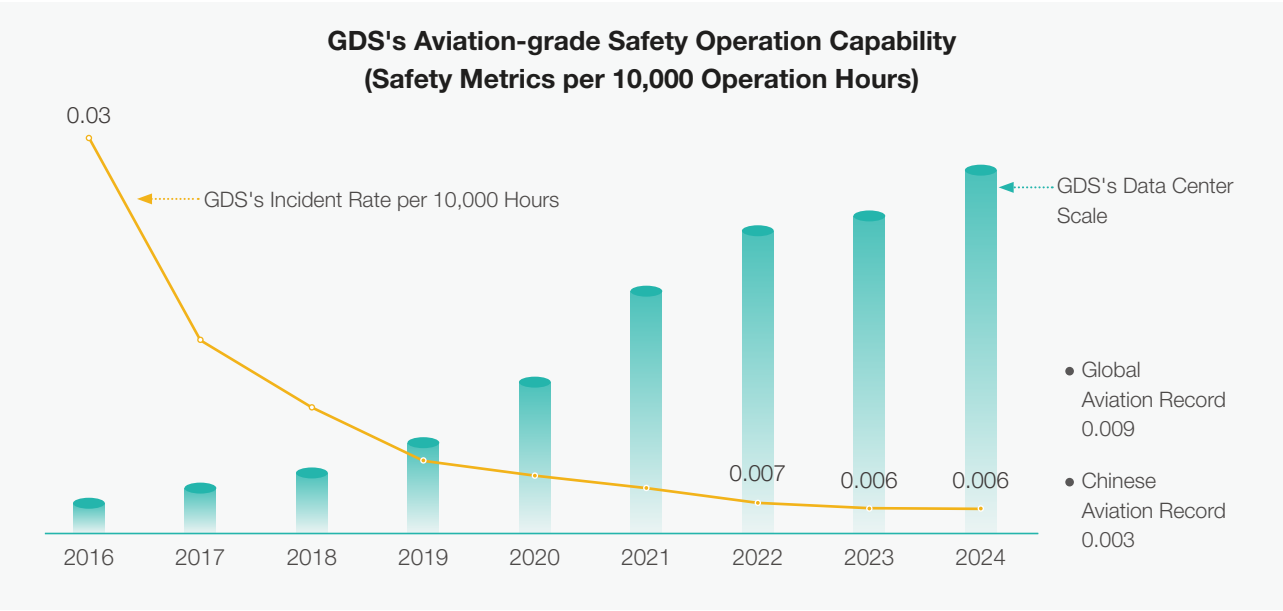
Aviation-grade Security Operations	Refer to the aviation industry's stringent requirements[10] for security operations, the Company's data center SLA failure rate across the country has been controlled at 0.006[11], achieving a level of safe operation comparable to that of the aviation industry. This ensures the stable operation of infrastructure and the continuous delivery of services.
Financial-Grade Security Operations	Addressing the ultra-high demands of the financial industry for data security and business continuity, we take the *GB/T 42581-2023 Data Center Business Continuity Level Evaluation Criteria* as the core framework to comprehensively enhance management capabilities across different domains, including organizational leadership, business impact analysis and risk assessment, training and awareness. Through close collaboration with key financial clients, we accurately identify risks related to infrastructure availability and operational management capabilities, while further expanding the scope of risk management to include network and information security. This allows us to establish a comprehensive, end-to-end risk prevention and control system. With a focus on operational risk alerts in data centers, we apply digital and intelligent tools to enable real-time risk identification, early warning, and timely correction across three key areas: capacity risk, operational risk, and real-time equipment alert risk, ensuring continuous and reliable operations of financial data centers. Through continuous optimization and self-assessment, the Company achieved the "Excellence Level" in national financial data center business continuity by December 2024, a status it has maintained to this day.

GDS positions the high standard of "Aviation-grade + Financial-grade" security operation as the core strategy for sustainable corporate development. GDS is committed to ensuring zero business interruption for clients and providing robust support for the continuity needs of critical industries, such as finance and the Internet. We will also continue leveraging our professional service capabilities to help key industries mitigate risks and maintain stable operations. Together, we will advance the secure and sustainable development of the digital economy.
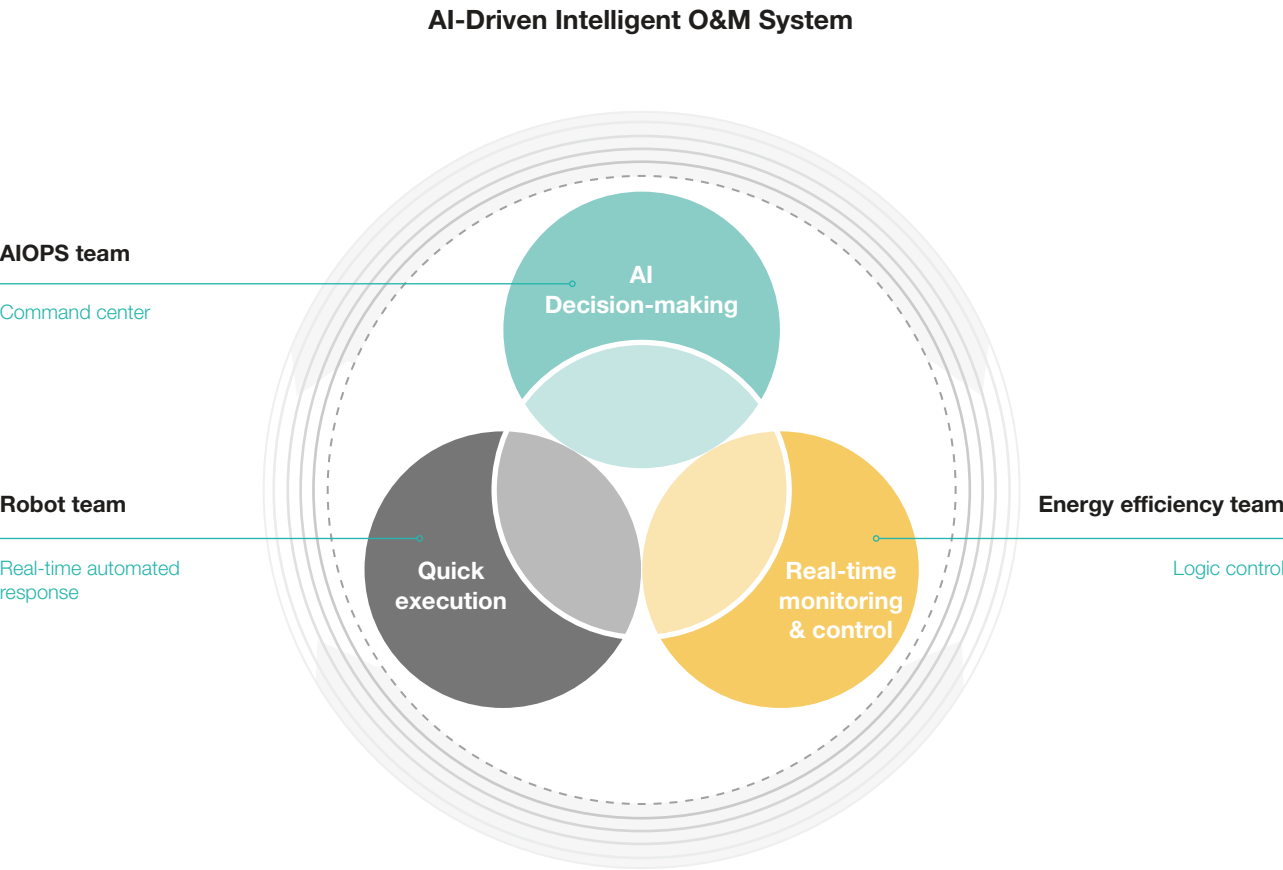
GDS's Aviation-grade Safety Operation Capability (Safety Metrics per 10,000 Operation Hours)

- 0.03
- GDS's Incident Rate per 10,000 Hours
- GDS's Data Center Scale
- 0.007 0.006 0.006
- 2016 2017 2018 2019 2020 2021 2022 2023 2024
- • Global Aviation Record 0.009
- • Chinese Aviation Record 0.003

[10] The average SLA failure rate in the aviation industry is 0.003-0.009

[11] Calculated using the accident rate per 10,000 operating hours in the aviation industry: = Total number of accidents/total operating hours of the data center/10,000 (the annual operating hours of a single center are 8,760, and if one accident occurs, the rate is 1.14).

Operational Excellence Platform

In 2012, GDS began its digital transformation. Over the next four years, it standardized operational data, measurement points, and processes, laying a solid foundation for an intelligent platform. In the era of Operational Excellence 3.0, our focus is on a comprehensive, intelligent management platform. We are establishing a unique regional operations management center supported by a multi-layered safeguard architecture.

In 2024, GDS further refined operational-level management, refining control granularity from process-level to each core operation. Through technological innovation, the Company proactively managed potential mistakes in operations in core business operations to achieve risk pre-control. In the regulatory workbench system, we focused on 37 types of core operations. These operations are classified and managed by risk level. We strictly enforce authorization and review mechanisms to minimize the risk of human error, ensuring data center security with "operational-level" control. The self-developed intelligent troubleshooting system allows for on-site fault diagnosis and automated emergency commands. Its trend-based early warning capabilities have reduced the failure rates of precision air conditioning units and UPS systems to 0.4% and 2.2% per 100 units, respectively.

Today, we are entering the 4.0 era, where an integrated intelligent operation and maintenance system is taking shape—with AI as the decision-making command center, security strategies as the constraint framework, and sensors and controllers as the execution terminals—enabling closed-loop collaboration across the AI-driven Intelligent Operation & Maintenance (O&M) System. In this ecosystem, AI generates operational instructions based on real-time data, which are instantly validated and dispatched, while robot teams carry out physical actions based on real-time data. This evolution will continuously elevate operational efficiency and reliability, embodying our commitment to sustainable development through technological innovation.

AI-Driven Intelligent O&M System

- AIOPS team — Command center
- AI Decision-making
- Robot team — Real-time automated response
- Quick execution
- Real-time monitoring & control
- Energy efficiency team — Logic control

Operational Risk Prevention

Risk Prevention in Data Center Operations

Application of risk assessment models

GDS has developed a Risk Index (RI) model based on six core operational elements of data centers: personnel, equipment, environment, building infrastructure, security and information protection, and fire safety. Through the implementation of regular evaluations that utilize scoring mechanisms, we are able to assess both static and dynamic risks, thereby facilitating a comprehensive evaluation of overall operational risks and the adjustment of management strategies as needed.

Employees' engagement in risk management

The Company has developed an "Operation & Maintenance EHS" tool, which helps employees to interpret current Environment, Health, and Safety (EHS) standards while managing on-site risks at data centers. A key feature, "Snap & Report", allows users to upload photos of on-site hazards, which will then be automatically logged by the platform and routed to the responsible personnel for rectification and complete resolution.

On-site risk response at campuses

GDS has deployed 24/7 on-site support teams at its data center campuses, comprising engineers, equipment technicians, and property management personnel, to ensure prompt responses to customer needs at all times.

Smart DC

Drawing on years of extensive experience in data center construction and operations, GDS integrates internal and external platform innovations to achieve "multi-scenario adaptability, agile delivery, intelligent operations, and energy efficiency". GDS explores valuable products and solutions for the future data center industry, driving the high-quality development of the digital economy.

Building on our agile, prefabricated delivery model, we have integrated deeply customized software and hardware into collaborative electromechanical products with green energy solutions, such as liquid cooling, energy storage, and hydrogen energy. With the best operational practices in battery management systems (BMS) and digital, transparent system tools, we have successfully developed the smart DC solution. This solution delivers "more, faster, better, and more cost-effective" outcomes, which strongly supports the rapid expansion and long-term growth of our customers' businesses.

The Smart DC solution focuses on three core business areas: agile delivery, green and low-carbon initiatives, and digital intelligence. It helps customers address challenges such as the rapid deployment of data center services, green and low-carbon initiatives, iterative innovation, and intelligent operations. Additionally, it improves the user experience when building zero-carbon data centers with prefabricated digital construction and delivery and full-stack intelligent management.

Agile Delivery

The D-Pre series leverages end-to-end digital capabilities and is tailored for a wide range of building types. It supports standardized modular design, prefabricated manufacturing, streamlined assembly, and transparent handover and maintenance. The series offers key advantages, including fast and high-quality deployment, consistent replication, flexible scalability, and precise operational visibility.

Green and Low Carbon

Our goal is to build zero-carbon data centers. To achieve this, we are exploring and implementing new energy architectures and technological solutions, such as liquid cooling, energy storage, and hydrogen energy. We are also developing the Turbo product series to support green and low-carbon operations in data centers.

Digital Intelligence

The X-BP product series is based on the best operational practices and self-developed software-hardware synergy. It is designed to deliver highly adaptable electromechanical systems for data centers. These systems enable full-stack intelligent management, optimized total cost of ownership (TCO), and ultimate energy efficiency with security assurance.

Smart DC Highlights

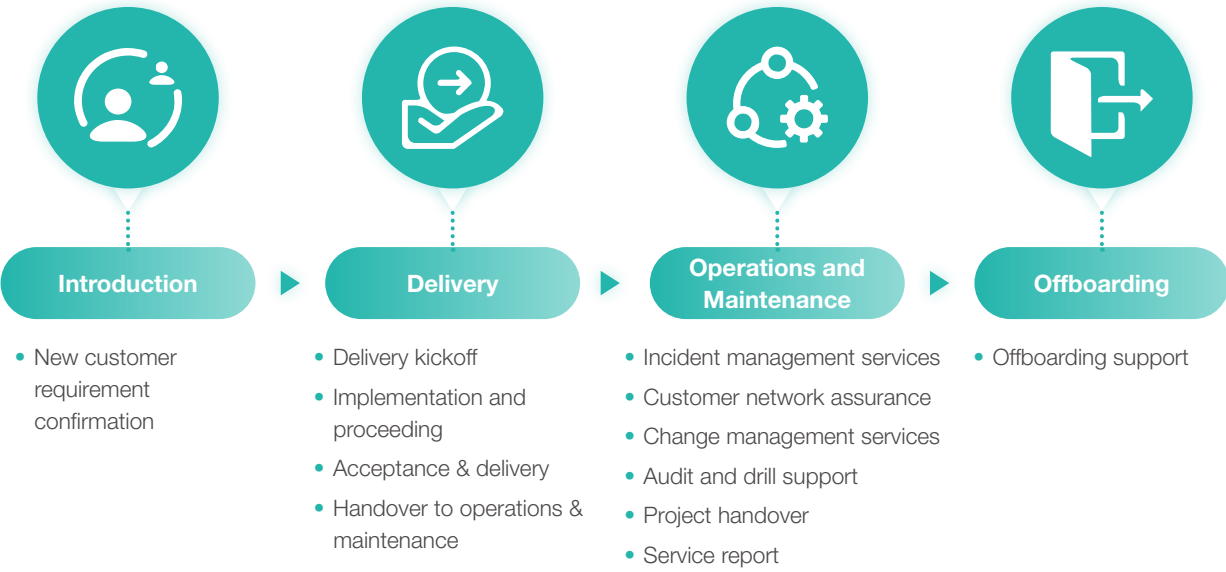| Customized Solutions	Modular Design	Prefabricated Production	Standardized Delivery	Intelligent Operations
Comprehensive Cutting-edge Technologies	**Full Infrastructure Coverage**	**Fully Integrated Production and Construction**	**End-to-end Delivery and Deployment Process**	**Fully intelligent field operations**
· Compatibility with air/water/liquid cooling · AC/DC adaptation · Flexible design	· Power supply, diesel generators · Cooling sources, air walls · IT systems, utility tunnels	· Centralized factory production · Pre-assembly and testing · On-site rapid delivery	· Digital simulation · Standardized construction · Engineering assembly	· Low-resource consumption · Green and low-carbon emissions · Low operational waste
From DC to AIDC **Fulfill diverse requirements**	**Six major modules** **DC rapid deployment**	**Parallel operations at factory site** **Improve quality, quantity, and speed**	**Standard process** **Systematic rapid deployment**	**AI-powered smart operations** **Driving green and zero-carbon development**

Customer Services

Stable and secure operations, along with efficient response to demands, are fundamental expectations customers have for data center services. GDS upholds a service philosophy grounded in transparency, efficiency, and care. With a customer-centric approach and the support of a skilled technical team, the Company continues to optimize service processes across all scenarios, strengthen feedback and response mechanisms, and advance digital transformation efforts to deliver high-quality products and services that meet evolving customer needs.

Standardized Services Across All Scenarios · Customer Feedback Management · Digital Transformation
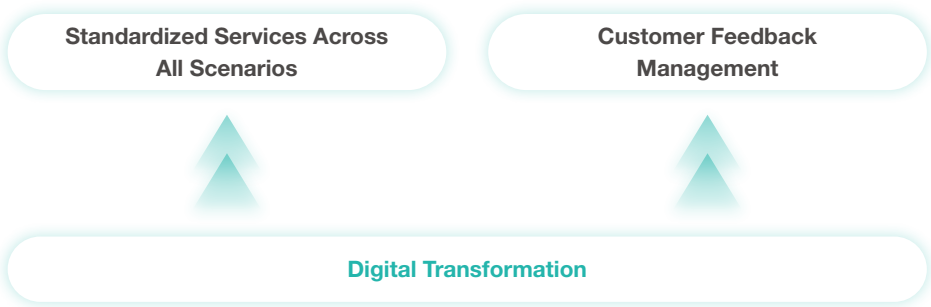
Standardized Services Across All Scenarios

GDS places great emphasis on every stage of customer interaction, extending standardized service across the entire lifecycle, from guided tours at first contact to final confirmation of departure. This ensures consistency at every critical touchpoint. By closely aligning with customer needs and continuously refining our approach through long-term practice and feedback, we are committed to delivering a highly satisfactory service experience throughout the entire process.

Full-Lifecycle Service Coverage

Introduction	Delivery	Operations and Maintenance	Offboarding
• New customer requirement confirmation	• Delivery kickoff • Implementation and proceeding • Acceptance & delivery • Handover to operations & maintenance	• Incident management services • Customer network assurance • Change management services • Audit and drill support • Project handover • Service report	• Offboarding support

Customer-Oriented Delivery System

GDS has established a customer-centric project delivery system with refined control processes to ensure high-quality project delivery. Adhering to the principle of "prioritizing customer needs", we meticulously confirm and plan every detail with clients to develop customized design and construction solutions. We also employ a multi-party comparison and verification model as part of our commitment to exceeding customer expectations in all facets of our business, guaranteeing reliable project implementation.

Initiation
- Hierarchical and classified planning
- Confirmation of project details

Design
- Customized client requirements/Adopting an international design architecture
- Formulation of construction plans

Procurement
- Supplier screening
- Procurement of materials and equipment

Handover Testing
- Onboarding conditions verified by pickup and maintenance team
- Project testing by third-party organizations

Construction
- Completion of construction in accordance with the plan
- Equipment adoption and electromechanical installation

Acceptance
- Acceptance by GDS, customers, government and other parties

Handover to O&M
- Initial configuration during operation and maintenance

GDS has amassed a wealth of mature delivery solutions for clients across various industries, as well as developed highly efficient and flexible delivery capabilities to meet customers' rapid deployment needs. We thoroughly understand and incorporate our clients' needs during the design phase, shifting from a service "supplier" to an "advisor" role. This approach effectively reduces future communication and adjustment of expenses. During the delivery, we implement a phased ordering and staged delivery approach to maximize front-loading of project milestones to enable coordination across timelines and ensure rapid response to client needs. At the same time, we optimize construction schedules to ensure efficient delivery within a reasonable timeframe.


Case

Multi-phase Delivery to Meet Diverse Customer Needs

In a particular project, GDS implemented a parallel phased delivery model to ensure prompt responses to client requirements, while maintaining acceptance standards consistently throughout the process. During the initial delivery phase, we conducted systematic reviews to identify and mitigate potential technical risks and process-related issues. For specific construction challenges, we developed proprietary tools to overcome process limitations, ensuring meticulous attention to detail. Throughout the entire delivery lifecycle, we proactively provide optimized solutions to further reduce management costs for customers by continuously summarizing key technical and physical security management points. To address structural protection and personnel safety during the project's phased delivery, we established clear access routes for different personnel groups and identified potential changes to future operations workflows. This ensured project safety and reliability. GDS established a comprehensive set of internal inspection standards for the delivery and acceptance phase that involved a coordinated approach across procedures, scope, tools, and timelines. As a result, a unique project delivery model was formed. By implementing a rigorous self-inspection process, we were able to reduce the number of issues identified during acceptance and the number of acceptance iterations, leading to a significant reduction in acceptance costs and ensuring successful project completion.

Service Quality Evaluation System

Since 2019, GDS has regularly carried out internal self-inspection activities in data centers—the Star-Rating Evaluation—to proactively identify and resolve issues ahead of client discovery, thereby enhancing daily operation and maintenance service capabilities. Evaluations are conducted from the client's perspective, with scoring based on property management quality, service standards, and disaster preparedness among others. The results are reported on a monthly basis, and each campus is required to implement timely corrective actions. As of the end of 2024, the star-rating program had been implemented at 70 multi-tenant data centers across 10 cities nationwide.

Service standards
Property management quality
Disaster preparedness

Three Major Dimensions of Star Rating Evaluation System
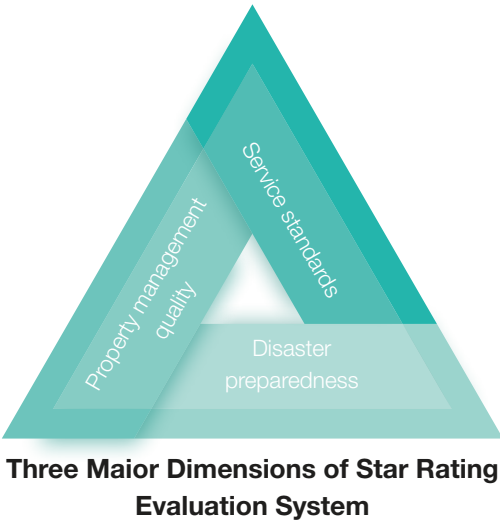
In addition, the Company has established a service review mechanism to systematically evaluate the operational efficiency of projects. This approach enables the early detection of potential risks and timely mitigation to minimize any potential losses. GDS convenes multiple annual review meetings with project managers to evaluate service performance of operational projects across three key areas: operational quality, service quality, and customer relationship management. These reviews also assess individual manager capabilities, forming the basis for targeted service strategies. To maintain technical leadership, GDS regularly delivers advanced technical training programs nationwide. To ensure that these best practices are captured and disseminated effectively, an internal knowledge-sharing mechanism has been developed. The adoption of these practices remains an integral component of the performance evaluation criteria for project managers, ensuring that all customers benefit from the latest technologies and verified methods.
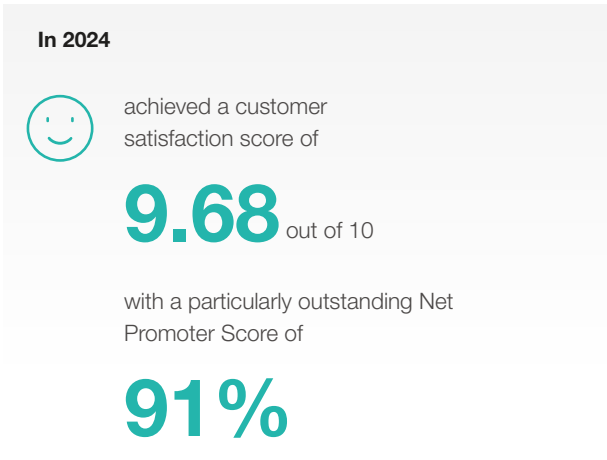
As of the end of 2024

across **10** cities nationwide

the star-rating program had been implemented at **70** multi-tenant data centers

High Net Promoter Score Underlying GDS's Service Reputation

We routinely commission third-party research firms to conduct customer satisfaction surveys, thereby acquiring comprehensive insights into client satisfaction, feedback, and referral intent across key service areas, including application deployment, project management, site operations, IT operations, sales and commercial support, and other aspects of our products and services. The surveys utilize a variety of methods, including quota sampling, online questionnaires, computer-assisted telephone interviews, and in-depth interviews, to gather information from clients across various industries. In 2024, GDS achieved a customer satisfaction score of 9.68 out of 10, with a particularly outstanding Net Promoter Score of 91%, far exceeding the benchmark for excellence. This outcome fully demonstrates customers' high recognition of our services.

In 2024

achieved a customer satisfaction score of

9.68 out of 10

with a particularly outstanding Net Promoter Score of

91%

Case

3·15 Customer Service Day

GDS actively enhances service experience through various customer engagement activities. In 2024, we once again hosted the annual "3·15 Customer Service Day", during which we engaged with our valued customers through a combination of online livestreams and face-to-face exchange sessions. The event was centered on industry trends and the Company's strategic direction, addressing topics, technologies, and solutions of interest to our clients. The number of participants and the volume of interactive comments reached record highs. Notably, peak online viewership during the livestream surged by 31.7% compared to the previous year.

By the end of 2024

peak online viewership during the livestream surged by

31.7%

compared to the previous year
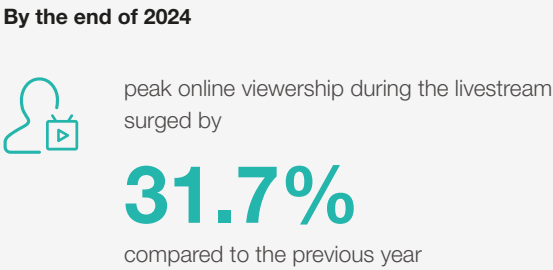
Case

Summer Service Themed Month

In an effort to combat seasonal challenges, including high temperatures, typhoons, and heavy rainfall, GDS initiated its "Summer Service Themed Month" in July. A variety of activities were organized, including case study sharing, summer-risks inspection campaigns, and interactive online co-creation with clients. The objective of these activities was to strengthen safety measures while enhancing the customer experience. This initiative was unanimously well-received by customers. Notably, the "7·24 Online Client Co-Creation" thematic event, which highlights the results of co-creation, achieved record-high engagement in both viewers and comments.
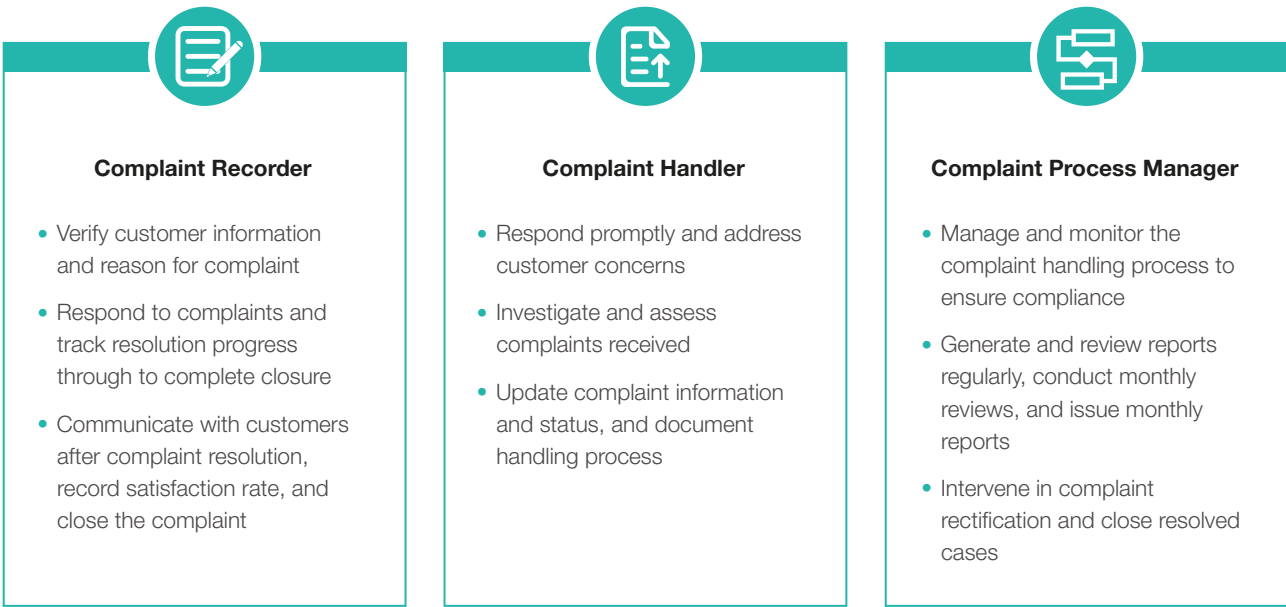
Customer Feedback Management

Customer feedback is of utmost importance to us. GDS has established a standard "Complaint Handling Procedure", which classifies and categorizes complaints, defines roles and responsibilities for designated personnel, and specifies the complaint acceptance procedures and necessary closure criteria. This guarantees that client requests are addressed and resolved in a timely and organized manner. In 2024, we received a total of 22 customer complaints, with a 100% resolution rate.

In 2024

with a

100%

resolution rate

Roles and Responsibilities in Complaint Handling

Complaint Recorder

- Verify customer information and reason for complaint
- Respond to complaints and track resolution progress through to complete closure
- Communicate with customers after complaint resolution, record satisfaction rate, and close the complaint

Complaint Handler

- Respond promptly and address customer concerns
- Investigate and assess complaints received
- Update complaint information and status, and document handling process

Complaint Process Manager

- Manage and monitor the complaint handling process to ensure compliance
- Generate and review reports regularly, conduct monthly reviews, and issue monthly reports
- Intervene in complaint rectification and close resolved cases
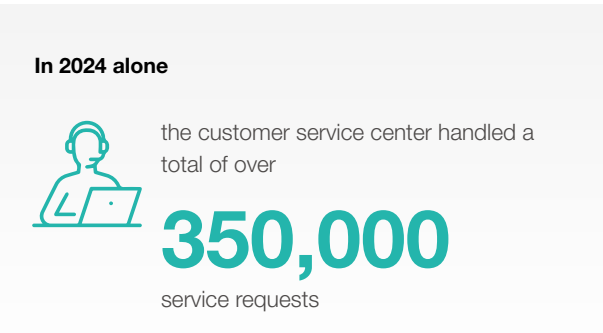
Digital Transformation

GDS continues to explore digital and intelligent customer service by building a smart digital platform, steadily achieving service digitization, business datafication, and data-driven business operations. We have progressively completed the development of the four-phase platform in accordance with the core demands of our business operations. This has enabled GDS to advance the digital and intelligent transformation of its service, delivery, and one - stop capabilities. GDS is also exploring ways to digitalize its service - related business data to optimize customer experience and service efficiency while reducing operating costs.

Delivery Management

The digitalization of the delivery focuses on both internal control and customer experience as key considerations. GDS has independently developed two delivery radars, Flow Deal and Custom DC, to facilitate closed-loop management for both standard projects and client-customized projects, while digitalizing the presentation of the delivery process. The Company employs delivery radar tools to analyze key project performance metrics, including on-time delivery, first-pass inspection rate, cost efficiency, delivery satisfaction, and cross-departmental collaboration. These tools not only generate comprehensive delivery summaries but also support daily oversight, project evaluations, and delivery reviews. This system provides clear visibility into project progress and risk assessment, ensuring efficient operations and reliable service delivery for clients.
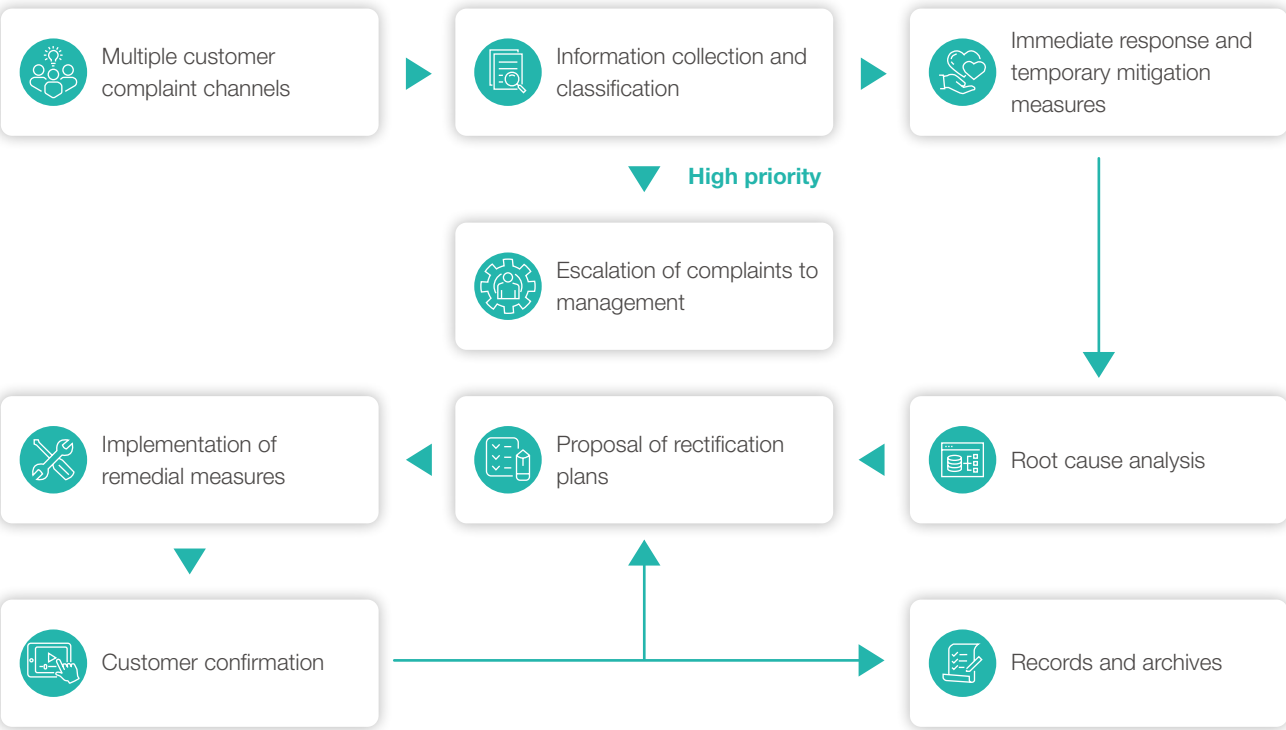
Enhancement Service Efficiency

To enhance service responsiveness, GDS has independently developed an integrated work order system leveraging innovative technology. We developed a system of standardized forms to facilitate automatic linkage between service requests and the work order system, eliminating the manual process of converting customer service requests into work orders. The work order integration system has significantly improved service response speed. In 2024 alone, the customer service center handled a total of over 350,000 service requests. In addition, GDS developed customized interfaces for large-scale clients, allowing their internal systems to connect directly with GDS's work order platform. This solution further streamlines feedback and request handling. It has also been widely adopted and well-received by multiple key customers.

In 2024 alone

the customer service center handled a total of over

350,000

service requests

Digital Customer Service Platform

As part of our digital transformation in service delivery, GDS has built a standardized customer service platform to enhance transparency and connect information across service nodes. This enhances customer experience with more convenient services. This platform streamlines the service experience by centralizing all requests related to access scheduling, remote operations, network services, infrastructure, and general support. Customers can also access real-time updates and detailed records of recent service activities.

Customer Complaint Handling Process

- Multiple customer complaint channels
- Information collection and classification
- Immediate response and temporary mitigation measures
- **High priority**
- Escalation of complaints to management
- Implementation of remedial measures
- Proposal of rectification plans
- Root cause analysis
- Customer confirmation
- Records and archives

Green Computing

GDS recognizes the systemic impact of climate change on the data center industry and has elevated climate action as a strategic priority within its sustainability agenda. The Company's strategy, guided by the IFRS Sustainability Disclosure Standard No. 2 – Climate-related Disclosures (IFRS S2) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), adopts a dual-track approach focusing on both adaptation and mitigation. This approach is designed to enhance climate resilience across infrastructure and supply chains while accelerating decarbonization through a systematic transition plan to ensure long-term sustainable growth.

6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION
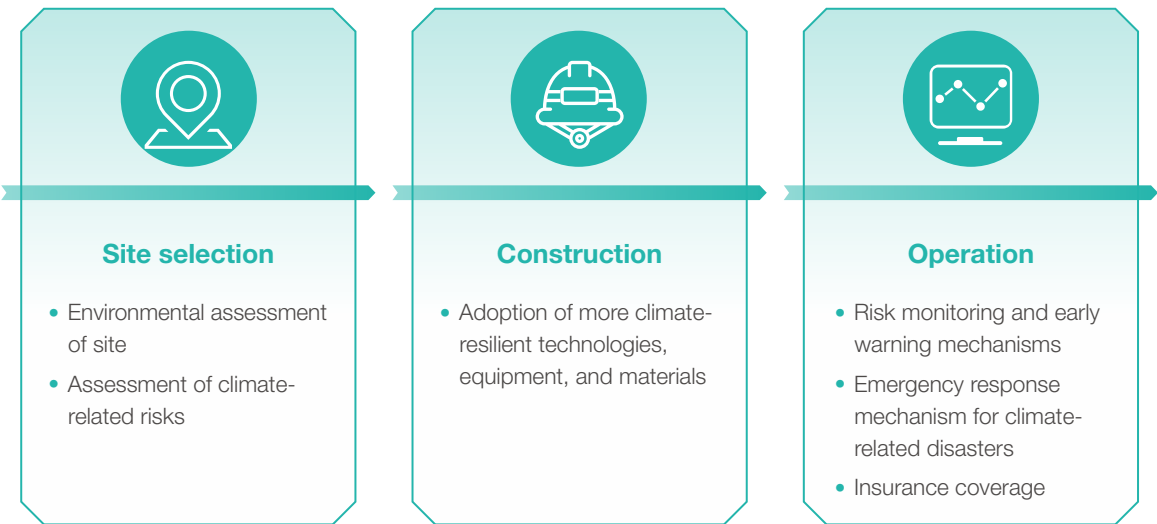
Climate Resilience: Enhancing Infrastructure Adaptability to Climate Change

Corporate Level

GDS incorporates climate risk assessment into every stage of its data center lifecycle. The Company's strategic approach to location selection and advanced technology deployment, including equipment and materials, enhances its resilience against extreme weather. In day-to-day operations, GDS leverages its Risk Index (RI) model and the Compass digital management platform to monitor climate-related risks in real time and activate early warning systems as needed. These ongoing efforts are further bolstered by clearly defined emergency response protocols and comprehensive insurance coverage, ensuring operational continuity.

Site selection
- Environmental assessment of site
- Assessment of climate-related risks

Construction
- Adoption of more climate-resilient technologies, equipment, and materials

Operation
- Risk monitoring and early warning mechanisms
- Emergency response mechanism for climate-related disasters
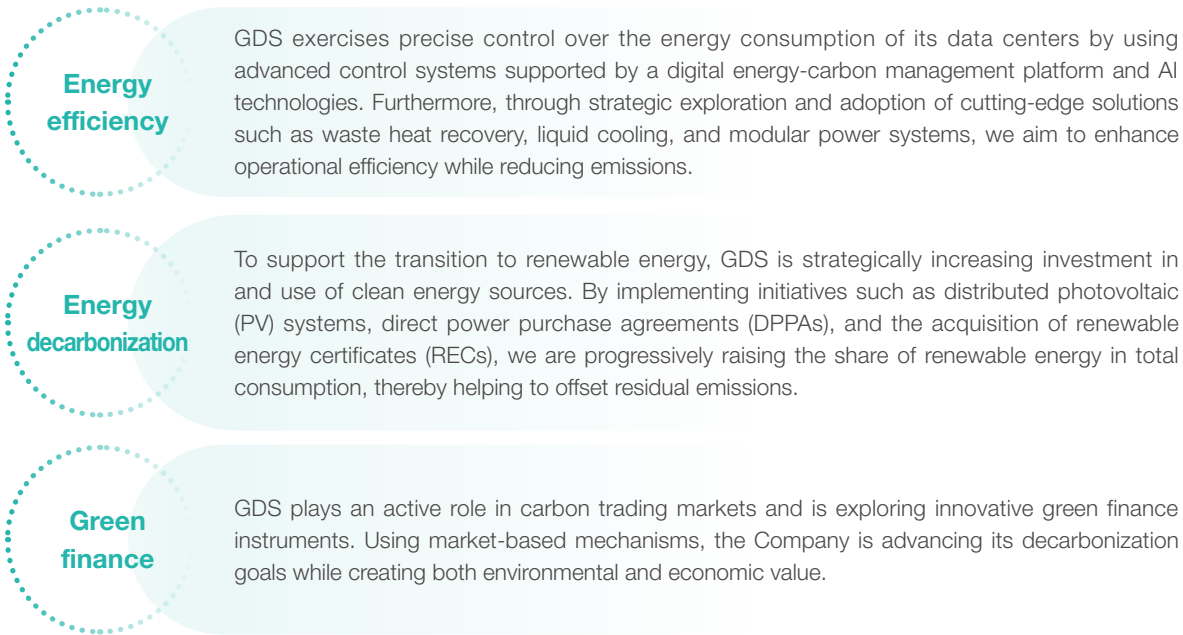- Insurance coverage

Supply Chain Level

By ensuring diversity in its supplier base and avoiding over-reliance on any single vendor, GDS effectively manages climate-related risks in supplier management and strengthens supply chain resilience. The Company conducts regular EHS audits of its suppliers and requires partners to sign a *Sustainable Development Commitment Letter*, which encourages responsible sourcing and capacity-building in sustainability. GDS also provides climate risk management training for suppliers to foster collective awareness and coordinated action across the value chain, amplifying the impact of climate adaptation efforts.

Road to Transition: Accelerating Decarbonization to Ensure Sustainable Development

GDS 2030 Renewable Energy and Carbon Neutrality Targets

Achieve **100%** renewable energy usage and **Carbon Neutrality** across all operations by 2030.

Energy efficiency

GDS exercises precise control over the energy consumption of its data centers by using advanced control systems supported by a digital energy-carbon management platform and AI technologies. Furthermore, through strategic exploration and adoption of cutting-edge solutions such as waste heat recovery, liquid cooling, and modular power systems, we aim to enhance operational efficiency while reducing emissions.

Energy decarbonization

To support the transition to renewable energy, GDS is strategically increasing investment in and use of clean energy sources. By implementing initiatives such as distributed photovoltaic (PV) systems, direct power purchase agreements (DPPAs), and the acquisition of renewable energy certificates (RECs), we are progressively raising the share of renewable energy in total consumption, thereby helping to offset residual emissions.

Green finance

GDS plays an active role in carbon trading markets and is exploring innovative green finance instruments. Using market-based mechanisms, the Company is advancing its decarbonization goals while creating both environmental and economic value.

GDS's climate strategy is delivering measurable benefits across environmental, social, and economic dimensions. Continuous improvements in energy efficiency, along with the deployment of distributed solar systems, have reduced operational costs. At the same time, investments in energy storage and participation in carbon and renewable energy certificate markets are opening up new avenues for value creation. Moving forward GDS will continue to advance its dual-track approach to climate resilience and low-carbon transition, contributing industry leadership and practical solutions in support of carbon neutrality and long-term sustainable development.
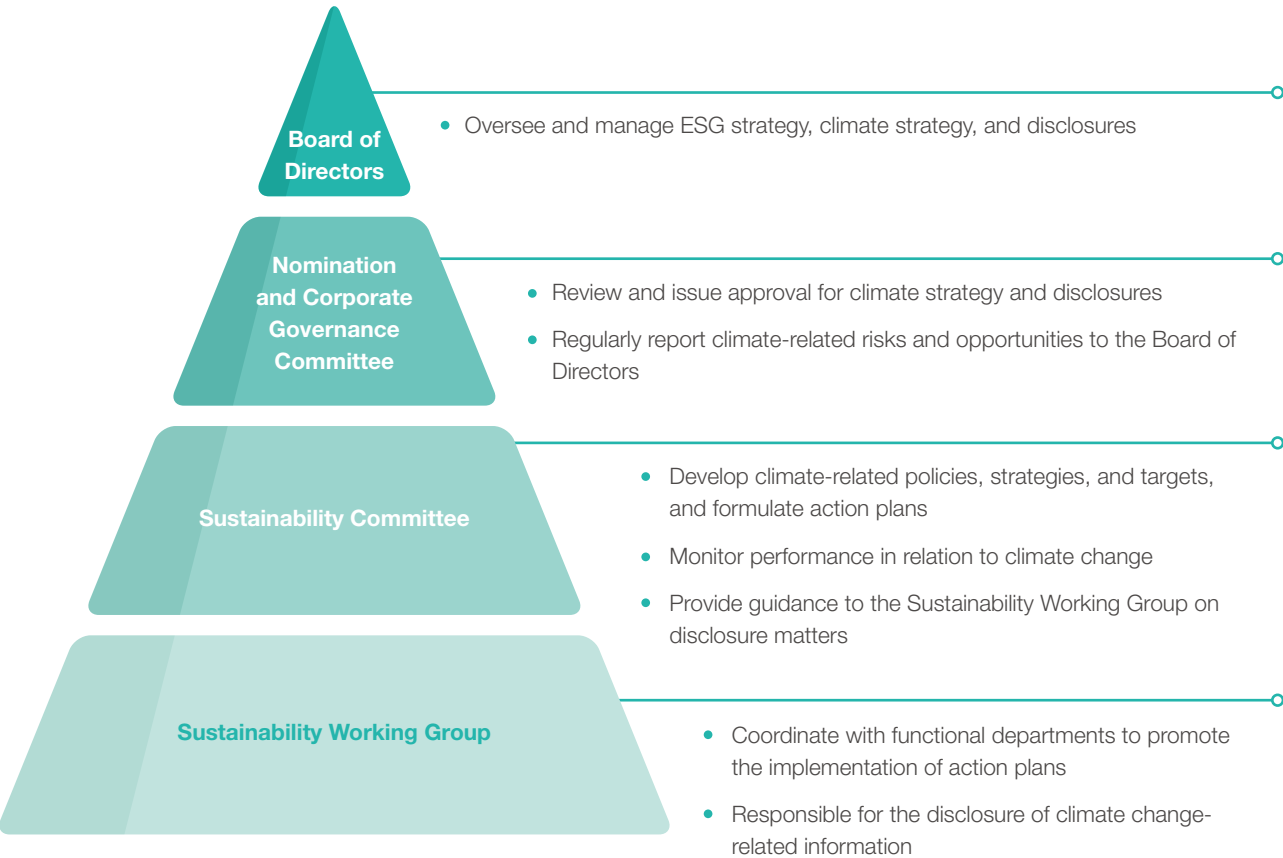
Climate Risk Management

In the face of an escalating global climate crisis, transforming energy systems and addressing intensifying climate risks have become central challenges to achieving sustainable development. As a leading player in China's high-performance data center industry, we recognize that digital infrastructure is a cornerstone of the future economy and a vital driver of the low-carbon transition. In alignment with the *Paris Agreement*, we promote energy conservation and emissions reduction by operating data centers intelligently and efficiently. Guided by climate disclosure frameworks from stock exchanges and the International Sustainability Standards Board (ISSB), we are strengthening our management of climate risks and opportunities, and actively catalyzing broader societal decarbonization efforts.

Climate Governance

GDS has established a climate governance structure led by the Board of Directors. This structure comprises the Board itself, as well as the Nomination and Corporate Governance Committee, the Sustainability Committee, and the Sustainability Working Group. The Sustainability Committee discussed and reviewed matters including the Company's climate strategy, management practices, and annual disclosures. These were submitted to the Nomination Committee for approval and subsequently reported to the Board along with a review of the Company's climate-related risks and opportunities.

GDS Climate Change Governance Leadership Structure

- Board of Directors
  - Oversee and manage ESG strategy, climate strategy, and disclosures
- Nomination and Corporate Governance Committee
  - Review and issue approval for climate strategy and disclosures
  - Regularly report climate-related risks and opportunities to the Board of Directors
- Sustainability Committee
  - Develop climate-related policies, strategies, and targets, and formulate action plans
  - Monitor performance in relation to climate change
  - Provide guidance to the Sustainability Working Group on disclosure matters
- Sustainability Working Group
  - Coordinate with functional departments to promote the implementation of action plans
  - Responsible for the disclosure of climate change-related information

Response Strategies

GDS is committed to integrating climate-related risks into its broader risk management framework. Over recent years, the Company has systematically identified and assessed climate-related risks and opportunities across its business operations and value chain. It has also conducted a thorough analysis of potential impacts under various climate scenarios and formulated targeted mitigation strategies.
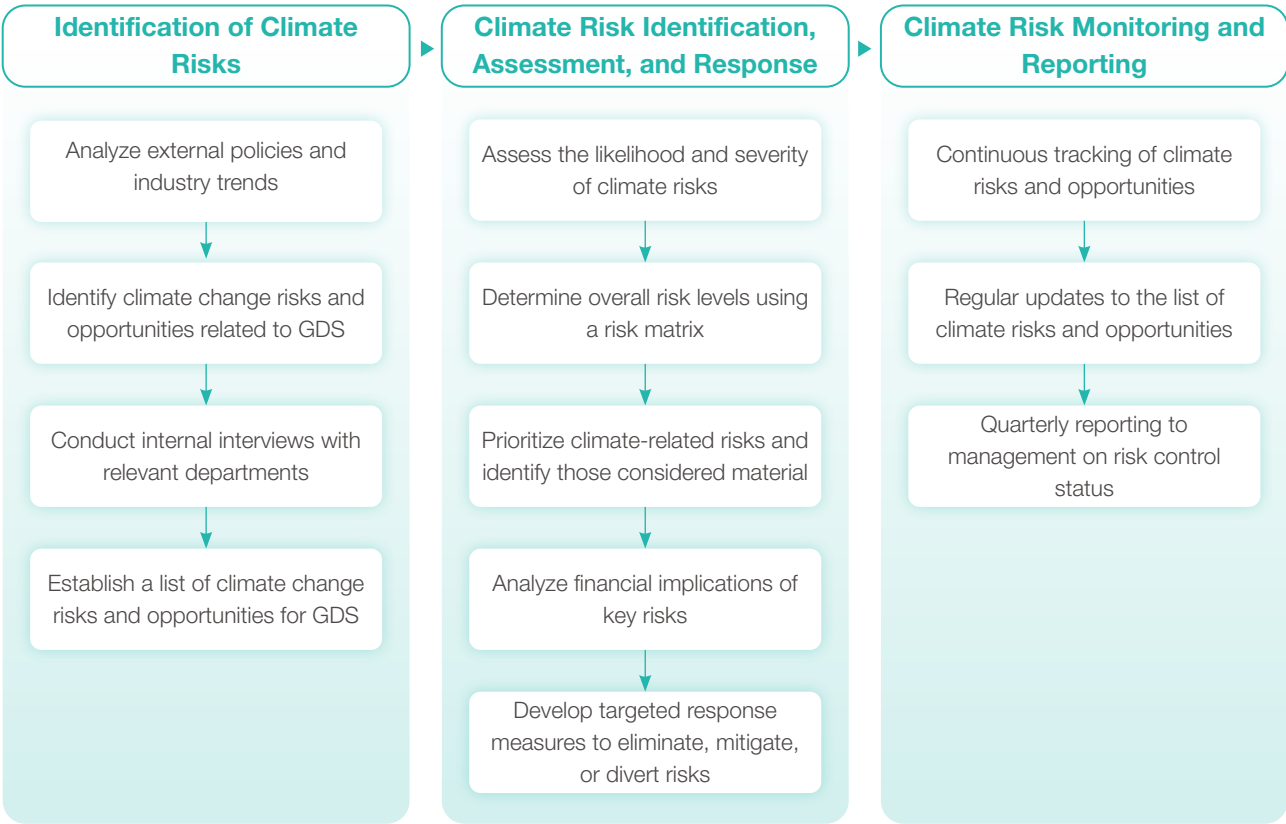
In 2024, GDS conducted a financial impact assessment of major climate risks that could affect sustainability. The evaluation quantified the influence of these risks on key financial factors such as asset values, operational costs, revenue, and profit. Based on this analysis, a climate transition plan was developed to optimize resource allocation and enhance climate resilience.

For detailed insights, refer to "Responding to Climate Risks" in the appendix.

Risk Management

GDS considers risk management to be a fundamental element in achieving its strategic objectives. Drawing on the Enterprise Risk Management (ERM) frameworks developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the World Business Council for Sustainable Development (WBCSD), and tailored to the Company's operational characteristics, climate risks have been fully integrated into our routine risk management register. During the past year, we have been working with the support of external experts and in accordance with our existing risk management system to assess the potential impact of climate change on our business strategy. Moving forward, we will continue to enhance mechanisms for identifying, assessing, managing, and reporting climate risks, with a focus on dynamically managing identified risks to ensure all significant climate risks remain under effective control.

Identification and Evaluation Process for Climate Change Risks and Opportunities

Identification of Climate Risks	Climate Risk Identification, Assessment, and Response	Climate Risk Monitoring and Reporting
Analyze external policies and industry trends	Assess the likelihood and severity of climate risks	Continuous tracking of climate risks and opportunities
Identify climate change risks and opportunities related to GDS	Determine overall risk levels using a risk matrix	Regular updates to the list of climate risks and opportunities
Conduct internal interviews with relevant departments	Prioritize climate-related risks and identify those considered material	Quarterly reporting to management on risk control status
Establish a list of climate change risks and opportunities for GDS	Analyze financial implications of key risks	
	Develop targeted response measures to eliminate, mitigate, or divert risks	

Indicators and Targets

Our ESG vision is anchored in the development of a smart infrastructure platform that fosters a sustainable future. As a practitioner of green technology innovation, we are committed to becoming an industry benchmark for low-carbon transformation in the digital era and have set cleantech innovation as the core strategy. We have committed to achieving operational carbon neutrality and 100% renewable energy use by 2030.

> **GDS's near-term 1.5 °C targets have been officially validated by SBTi**
>
> With 2023 as the baseline year, GDS has committed to reducing absolute Scope 1 and Scope 2 greenhouse gas emissions by 43.6% by 2030. In parallel with this initiative, the Company is committed to reducing Scope 3 emissions intensity, defined as emissions from purchased goods and services, fuel- and energy-related activities, and downstream leased assets. This target is set at a 51.6% reduction per dollar of value added.

In 2024, GDS avoided approximately 1,100,000 tCO_2e through various measures, such as improving energy efficiency, directly sourcing renewable electricity, generating power on site with photovoltaics, and procuring green certificates. In the same year, the Company reduced its annual Scope 1 and Scope 2 greenhouse gas emissions by 259,971 tCO_2e compared to the 2023 baseline, and received a rating of NZ-2 in Moody's NZA "Net Zero Assessment," becoming the first data center company to pass this assessment. This demonstrates the Company's advancement in emission reduction plans, which are aligned with the *Paris Agreement*. We will continue to enhance our low-carbon and sustainability initiatives by building a systematic monitoring mechanism focused on key performance indicators, such as Power Usage Effectiveness (PUE) and the percentage of green electricity procured. We are committed to enhancing our competitive standing in the low-carbon economy and ensuring transparency in reporting our decarbonization progress through a multi-dimensional approach, including technological innovation, smart energy management, and full-lifecycle carbon footprint control. For more information, please refer to the Environmental Section and Appendix (Key Metrics).

In 2024

GDS avoided approximately

1,100,000 tCO_2e

through various measures, such as improving energy efficiency, directly sourcing renewable electricity, generating power on site with photovoltaics, and procuring green certificates

Compared to the 2023 baseline, our annual Scope 1 and Scope 2 greenhouse gas emissions reduced by

259,971 tCO_2e

Energy Efficiency Management

GDS consistently places energy efficiency management at the core of its strategy with an unwavering commitment to driving green data center operations by continuously optimizing energy use and improving the energy structure. In 2024, the average annual PUE of our data centers was 1.24, with the most energy-efficient data center achieved a PUE of 1.13.

In 2024

The average annual PUE of our data centers was

1.24

> **GDS data center energy efficiency goals**
>
> The average annual PUE of data centers[12]
>
> reaches **1.2**

8,760-hour Operation

The Company has developed a comprehensive energy management system guided by the ISO 50001 Energy Management Manual. This system covers the entire process of policy, implementation, and evaluation and includes a series of standardized policy documents and digital management tools. Building on this foundation, the Company leverages its self-developed energy efficiency management platform to achieve intelligent control measures for lean lifecycle management of data center energy consumption.

In terms of operation, the platform aligns closely with the "8760-hour Operations" strategy. Intelligent scheduling and 24/7 real-time monitoring ensure consistent optimization of the physical infrastructure and energy consumption of its data centers throughout the year. The system can automatically identify abnormal energy consumption points and predict energy consumption trends in advance using the platform's algorithmic models. It can also dynamically adjust through the intelligent control system. For instance, the platform can adjust the cooling system's operating parameters in real time based on load and ambient temperature. This ensures that cooling demands are precisely matched, which minimizes energy consumption.

In terms of project implementation, the Company has continued to carry out special energy efficiency optimization projects. Meanwhile, we use algorithms to intelligently analyze and optimize parameters for data center equipment, lighting, and cooling systems. This reduces PUE values and raises the bar for data center energy efficiency management.

Energy Efficiency Improvement

Green Buildings

GDS adapted green concepts during the design and construction stages, and vigorously promoted green construction and green building certification for new data centers. By the end of 2024, a total of 42 data centers have obtained 56 green data center certifications.

By the end of 2024

42 data centers had obtained green certifications

87% of self-built data centers commissioned since 2020 have obtained or are applying for green building certifications

> **GDS Green Data Center Goals**
>
> To achieve **100%** green building certification of newly commissioned self-built data centers from 2020 onwards

[12] Data center come into operation after 2020, utilization rate ≥ 30%, with new technology and architecutre applied.

Digital Energy and Carbon Management System

The digital energy-carbon management platform is an integrated management system is established to cover the entire energy consumption and carbon emissions process. This enables full-chain digital management, from energy monitoring and carbon accounting to energy strategy optimization. The platform's built-in log management system provides robust data support for analyzing energy consumption.

The platform integrates three intelligent control modules. Module one provides real-time monitoring and early warnings, supported by a dynamic tracking system that spans the entire operational life cycle. AI algorithms automatically detect abnormal energy consumption and potential emission risks. This triggers multi-level alerts that are promptly sent to management terminals. Module two, intelligent optimization scheduling accurately identifies links with high energy consumption by integrating data, and then automatically generates optimization recommendations. The third module focuses on carbon accounting and traceability. It delivers precise carbon footprint calculations and enables multidimensional emissions benchmarking for data centers, campuses, and other units.

Additionally, the platform integrates energy management with carbon asset management. It offers traditional efficiency metrics, such as PUE and water usage effectiveness (WUE), and generates associated carbon data, such as carbon intensity and emission reduction potential. These features provide enterprises with a solid scientific foundation on which to develop their carbon neutrality strategies. Through this platform, enterprises can refine the management of their energy consumption and carbon emissions, propelling the green and low-carbon transformation towards greater heights.

AI-Powered DC Energy Efficiency Improvement

GDS leverages AI to enhance cooling and automation systems, enabling dynamic and precise control of cooling modes while continuously monitoring equipment parameters. This minimizes manual intervention and applies lean management techniques to increase operational efficiency and reduce power consumption. In collaboration with Tsinghua University's Artificial Intelligence Research Institute (AIR), GDS has continuously achieved new progress in energy optimization.

- Jointly developed an AI-powered energy optimization system for Internet data centers (IDCs) that automatically adjusts cooling conditions in real-time to improve overall energy efficiency. This system has already been deployed in commercial operations.

- In collaboration with AIR, GDS launched the "Green and Low-carbon O&M of AI Algorithm-empowered Computing Infrastructure" project. The initiative successfully developed and implemented the world's first intelligent energy optimization solution for data center air-side cooling systems. The solution has been in stable operation for over 2,000 hours in large-scale commercial data centers, achieving a 14% to 21% reduction in air-side cooling energy consumption. This breakthrough highlights the significant potential of AI technologies in industrial control applications. The project received the "ISCT'24 Innovation of the Year" award in November 2024 and was also awarded first prize in the "2024 Benchmark Application Case Competition for High-Quality Development of Computing Networks" by the Shanghai Computing Power Network Association in February 2025.

The solution has been in stable operation for over

2,000 hours

in large-scale commercial data centers

achieving a

14%-21%

reduction in air-side cooling energy consumption

Self-developed Industrial-grade Smart Terminals (AI Box) Enhancing Intelligent Energy-saving for Cooling Systems

AI Box's core functions focus on two innovative algorithm systems dedicated to providing intelligent energy-saving solutions for refrigeration systems.

- The precision air conditioning energy-saving adjustment algorithm jointly developed with Tsinghua University builds an intelligent tuning model based on the safe operation boundary. By collecting real-time temperature, humidity, energy consumption and other data, it dynamically optimizes the air conditioning settings and achieves 15%-25% energy-saving efficiency without compromising equipment safety, suitable for strict environmental control needs of data centers and precision laboratories.

achieves

15%-25%

energy-saving efficiency without compromising equipment safety[13]

- A smart regulation algorithm for the cold source side is jointly developed with Shanghai Jiao Tong University. Blending thermodynamic characteristics of cooling systems with AI optimization, the algorithm holistically refines operational parameters of equipment such as chillers, cooling pumps, and cooling towers, automatically computing and implementing optimal control strategies to reduce comprehensive energy consumption of cold source systems by 12%-20% while enhancing stability of refrigeration efficiency.

reduce comprehensive energy consumption of cold source systems by

12%-20%

while enhancing stability of refrigeration efficiency[13]

Both algorithmic frameworks support local deployment and cloud-based collaboration, enabling millisecond-level response through edge computing capabilities, and delivering an integrated 'secure + energy-efficient + intelligent' cooling system optimization solution for enterprises.

[13] Comparison with industry averages for similar systems or the performance of equivalent systems within the Company.

Diverse Energy-Saving Technology Retrofits

The Company has always remained committed to the energy-saving technology upgrade and transformation of data centers. Through a series of innovative initiatives, we continuously optimize energy utilization efficiency and reduce energy consumption. In order to achieve high efficiency and energy conservation, the Company actively explores and applies cutting-edge technologies to promote the development of data centers towards green, low-carbon, and intelligent directions.

Case

Hybrid Cooling Solution

GDS has installed a hybrid air–liquid dual-coil cooling system that integrates air and liquid cooling to provide efficient, flexible temperature control. By adjusting the air-to-liquid ratio based on operational needs, the system ensures optimal cooling performance while improving energy efficiency and reducing PUE. Its innovative design, which eliminates the need for traditional chillers, integrates air and liquid cooling systems with an outdoor cooling source, ensuring a simple structure, flexible deployment, space-saving, high compatibility, reliable operation, and energy efficiency. The solution has been implemented in locations including Changshu and Langfang, with a total deployment exceeding 150 MW. To date, PUE has been improved by 8–10% compared with the traditional chiller design, and electricity consumption has been reduced by around 25,000 MWh.

PUE has been improved by

8–10%

compared with the traditional chiller design

electricity consumption has been reduced by around

25,000 MWh

Case

Waste Heat Recovery: Diesel Generator Heat Pump Application

To ensure standby diesel generators remain ready for immediate use, it is essential to regulate their engine jackets at a constant temperature of 35 to 40°C throughout the year. In conjunction with technology partners, GDS has upgraded the conventional electric heating method by a water-source heat pump system that captures and recovers waste heat from the machine room. This heat is re-purposed to warm the engine jackets using hot air, while also facilitating the cooling of the machine room water. Not only does this solution improve energy efficiency, but it also reduces electricity consumption. Each generator has the capacity to save up to 50,000 kWh of electricity on an annual basis. Looking ahead, GDS endeavors to broaden the scope of its heat recovery solutions by exploring similar applications in areas such as office heating and battery room climate control.

At the Pujiang Zero-Carbon Data Center Campus, GDS has implemented a number of innovative initiatives to improve its energy efficiency and sustainability performance, including:

Leveraging a joint R&D project with Shanghai Jiao Tong University on plate-type liquid cooling technology, the center adopted an advanced liquid cooling system that enables variable frequency control of cooling towers.

Modular uninterruptible power supply (UPS) systems were implemented to improve overall data center efficiency, power availability, and operations and maintenance effectiveness.

A waste heat recovery system has been deployed for the collection and reuse of residual heat from data center operations. In 2024, the Pujiang Data Center was recognized in the "Top 10 Outstanding Waste Heat Utilization Cases in Shanghai", a program led by the Shanghai Municipal Commission of Economy and Informatization and the Shanghai Energy Efficiency Center, for its cooling water waste heat recovery for heating project.

A diversified approach to energy management and efficiency enhancement has enabled the Pujiang Data Center to be named a National Green Data Center in the internet sector for three consecutive years, reinforcing its role as a sustainable industry benchmark.

Renewable Energy

Renewable energy, as a key enabler of low-carbon data center operations, remains a strategic focus for GDS. We are constantly exploring innovative applications for renewable energy, striving to deliver environmental, economic and social benefits in a balanced and synergistic manner.
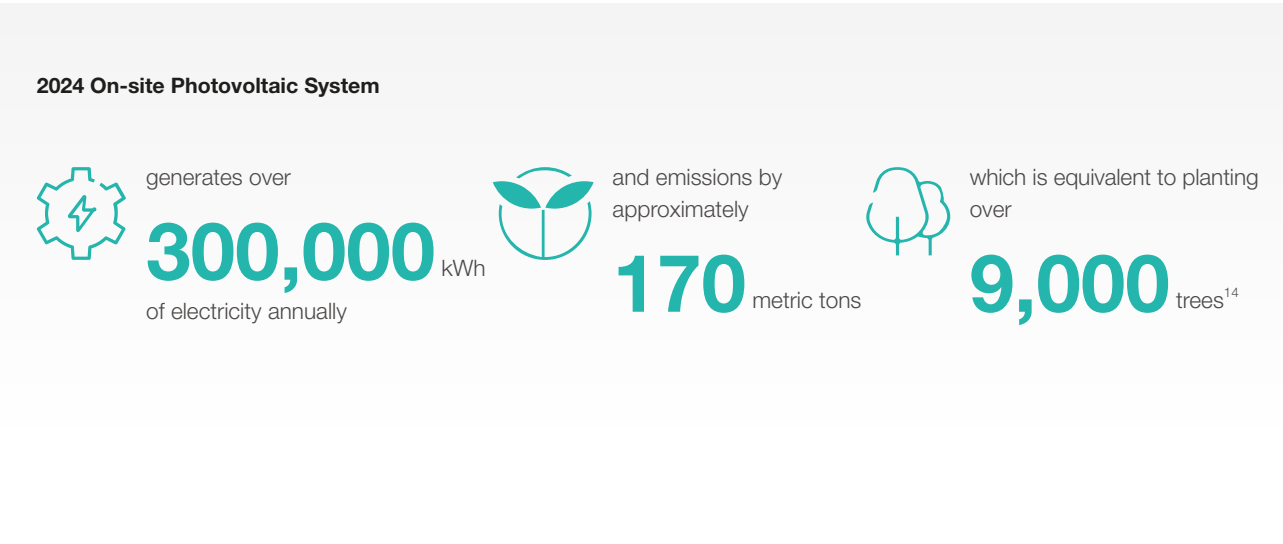
Optimizing Energy Structure

While maintaining high operational efficiency in its data centers, GDS leverages a wide range of technologies such as solar power generation, energy storage systems, and green power trading mechanisms to deliver low-carbon, high-performance solutions to our customers. These initiatives, anchored in our core operations, play a critical role in driving decarbonization across the entire value chain.

Application of Renewable Energy Technologies

GDS continues to expand the application of renewable energy technologies, making it one of the Company's key strategic directions for green transformation. The Company vigorously promotes distributed photovoltaics, achieving 100% photovoltaic coverage and power generation in the installable areas of its data centers in Shanghai and Changshu. In 2024, we expanded our renewable energy initiatives to data centers in Beijing, Tianjin and Langfang, where additional distributed PV systems were commissioned. As of June 2025, GDS has added 2.2 MW of distributed photovoltaic capacity, with total installed capacity expected to reach 13.6 MW by the end of the year.

GDS has also established a dedicated renewable energy procurement team to drive its carbon neutrality ambitions. By strategically combining Direct Power Purchase Agreements (DPPAs) with Renewable Energy Certificates (RECs), we continue to increase the share of clean energy in our overall energy mix. In the future, we aim to gradually expand our use of DPPAs while reducing our reliance on RECs. In addition, we offer our customers support in procuring and allocating renewable energy, thus promoting a broader engagement in the transition to a low-carbon economy across the entire value chain.

2024 On-site Photovoltaic System

generates over

300,000 kWh

of electricity annually

and emissions by approximately

170 metric tons

which is equivalent to planting over

9,000 trees[14]

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[14] As stated by the Ministry of Ecology and Environment, a tree can absorb 18.3 kilograms of carbon dioxide annually, with the estimated results for reference only.
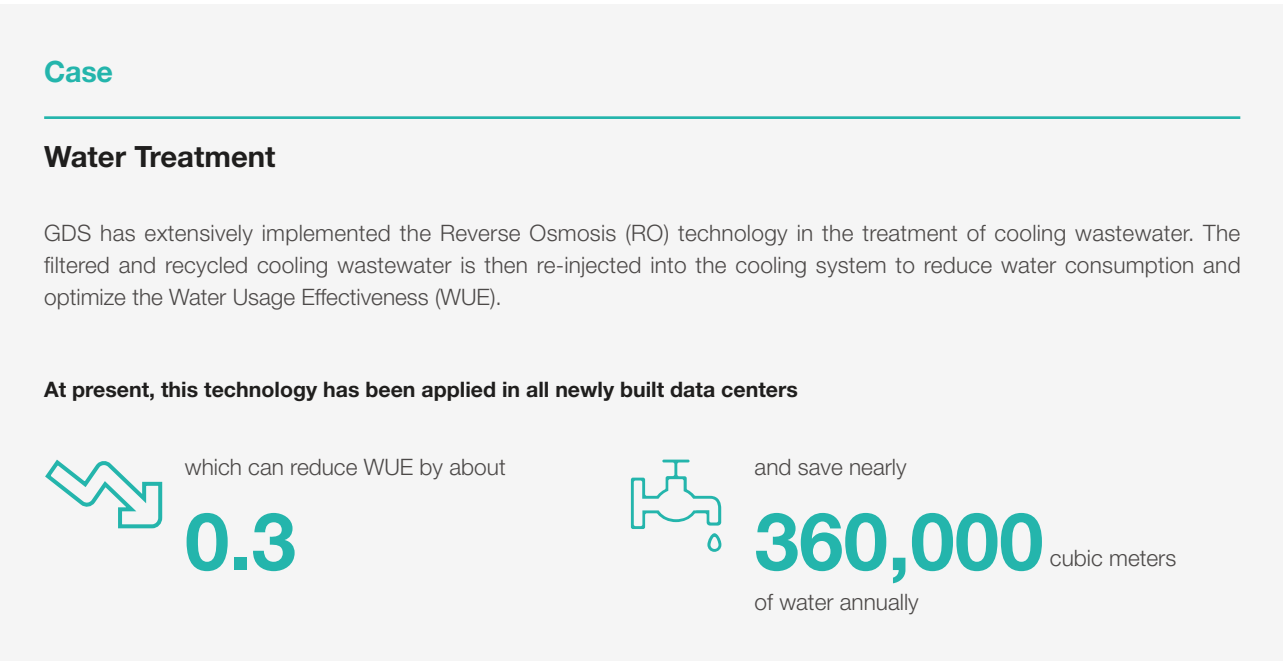
Water Resource Management

Water is a critical resource for daily operations and a key component of cooling systems. It plays an essential role in the safe and environmentally friendly functioning of data centers. Moreover, the increasing attention from national policies and client-side sustainability targets on water use efficiency (WUE) has imposed higher requirements on us. In recognition of the importance of responsible water management and integrated utilization, GDS actively adopts innovative water-saving technologies to continually improve efficiency in water use across its operations.

Improving Water Use Efficiency

GDS adheres to stringent water quality monitoring protocols to ensure ongoing compliance with the operational standards mandated by its data centers. Through comprehensive analysis and precise adjustments, the Company maximizes the efficient use of water resources. Our Beijing-based water quality laboratory is equipped with state-of-the-art facilities and a dedicated team of experts who regularly test and analyse water samples from various data center facilities. These results form the basis for the team's tailored water treatment recommendations, supporting refined chemical treatment, ultrapure water management, and optimized discharge frequency, thereby ultimately enhancing overall water use efficiency (WUE) across operations.

Intensive Use of Water Resources

To enhance water resource efficiency, GDS has adopted advanced technologies such as alternating electric field treatment and membrane-based electrochemical processes. These methods utilize electromagnetic and electrochemical mechanisms to reduce the scaling of cooling water systems, thereby extending water circulation cycles and decreasing overall discharge volumes. In addition, GDS has implemented rainwater harvesting and graywater reuse initiatives across its data center campuses to promote more intensive and efficient water use. Prospective innovations under consideration include dual-coil air handlers and other water-less technologies, which aim to reduce water consumption at the source.

Case

Water Treatment

GDS has extensively implemented the Reverse Osmosis (RO) technology in the treatment of cooling wastewater. The filtered and recycled cooling wastewater is then re-injected into the cooling system to reduce water consumption and optimize the Water Usage Effectiveness (WUE).

At present, this technology has been applied in all newly built data centers

which can reduce WUE by about

0.3

and save nearly

360,000 cubic meters

of water annually

Waste Management

At GDS, we are committed to compliance with all applicable national laws and regulations governing waste management. This guarantees the proper handling and disposal of waste, thereby preventing environmental pollution. The Company undertakes a comprehensive, end-to-end approach to managing the storage, transportation, and disposal of waste across its operations.

▶ Electronic Waste

GDS has established uniform standards for the disposal of waste electrical and electronic equipment, exploring and practicing the recycling and reuse of e-waste. This approach ensures the efficient use of resources and promotes the development of a circular economy.

Hazardous Waste ◀

GDS is committed to adhering to all regulatory requirements concerning the management of hazardous waste. As part of our Hazardous Waste Management Program, we have established formal procedures to ensure the proper handling and disposal of such materials. Licensed third-party providers are engaged in the disposal process to ensure safety and compliance.

▶ General Waste

GDS is committed to promoting green office initiatives while fostering a strong sense of environmental responsibility among its employees. The Company has adopted digital office systems to minimize paper consumption and promote efficient, intelligent work processes. Concurrently, GDS implements continuous awareness initiatives emphasizing environmental stewardship, waste segregation, and sustainable practices, integrating these principles into its corporate culture.

Carbon Markets and Green Finance

Carbon markets and green finance provide financial support for technological innovations in low-carbon transitions and the development of sustainable infrastructure. To achieve this, GDS is exploring a dual-track approach that combines market-based incentives with financial tools. This strategy will drive the Company's low-carbon transition while aligning environmental outcomes with commercial value creation.

GDS actively explores various finance instruments, including carbon pledges, carbon repurchase agreements, sustainability-linked asset-backed securities (ABS), and new infrastructure REITs. Their goal is to manage and monetize carbon-related assets. These efforts contribute to the establishment of diverse green-financing channels that support both corporate and industry-wide sustainable growth. In addition to participating in China's national emissions trading scheme, GDS is gradually becoming involved in the China Certified Emission Reduction (CCER) voluntary offset market to tap into broader market-driven opportunities.

In 2024

GDS's total carbon trading volume reached

113,334 metric tons

approximately

RMB **11** million

revenue generated

Case

China's First "Asset Backed Securities (ABS) for Data Center"

In March 2025, GDS successfully launched the CITIC Securities – GDS 2025 Phase 1 Data Center ABS (Sustainability-Linked), raising RMB 1.6092 billion. In April 2025, the ABS was listed on the Shanghai Stock Exchange. This is the first ABS in China's data center industry, providing long-term funding for digital infrastructure in the AI era. This strategic initiative also represents a significant advancement in the transformation of the industry, shifting from a capital-intensive asset ownership model to a more asset-light operational approach. Moving forward, GDS will explore more innovative financing methods to drive industry upgrades, contributing to the high-quality development of China's data center sector.

Growing Network

GDS's core vision has always been to build a mutually beneficial ecosystem with all stakeholders. We are committed to bringing benefits to society through our expertise and influence as a corporation as we strive to share the fruits of development with employees, value chain partners, and local communities. At GDS, we prioritize the professional growth of our employees by maintaining a safe and fulfilling work environment. We leverage technological capabilities and industry expertise to drive value chain transformation. Moreover, we are committed to making a positive impact through meaningful, purpose-driven actions.

A Rewarding Workplace

GDS respects employees' rights and interests and is committed to fostering a workplace environment that is equal, inclusive, and rewarding. Through standardized talent management systems, comprehensive policies on compensation and benefits, measures to protect employee rights, and development training programs that are holistic in nature, we create a workplace where growth is shared and co-created with our employees.

Talent Development Strategy and Employment

People are the cornerstone of the Company's growth. GDS has put in place a systematic talent pipeline strategy and a talent review mechanism, along with succession planning for key roles, laying the foundation for a well-defined talent development framework.
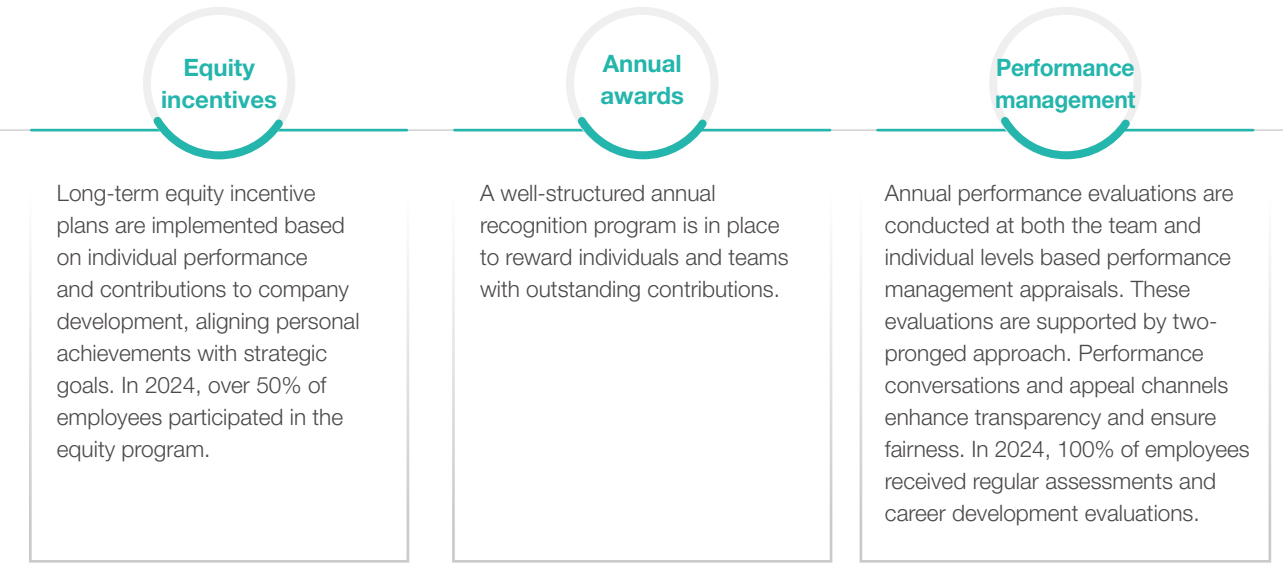
The Company continuously refines its human resources management system by implementing fair, transparent, and standardized processes for recruitment and internal mobility. These safeguards help eliminate bias and employment discrimination caused by various factors while ensuring equal opportunities for all candidates. In the same vein, GDS establishes yearly diversity goals. When qualifications are equal, priority is given to candidates who contribute to team and company diversity while fulfilling the role requirements.

GDS firmly upholds the principles of the UN *Universal Declaration of Human Rights* and relevant international human rights conventions. We strictly comply with local laws, regulations, and industry standards in our operational regions. Specifically, we prohibit child labor and forced labor, ensure equal pay for equal work, as well as respect and protect all employees' legal rights to freedom of association. With the *GDS Code of Business Conduct* and *Employee Handbook*, we have implemented a systematic process for managing employee rights, demonstrating our dedication to responsible corporate governance. There were no incidents involving child labor, forced labor, or violations of Indigenous rights identified during the reporting period.

Performance Management and Compensation & Benefits

GDS has built a community of shared value between the Company and its employees by establishing a fair and competitive compensation and benefits system, along with long-term incentive mechanisms.

Equity incentives

Long-term equity incentive plans are implemented based on individual performance and contributions to company development, aligning personal achievements with strategic goals. In 2024, over 50% of employees participated in the equity program.

Annual awards

A well-structured annual recognition program is in place to reward individuals and teams with outstanding contributions.

Performance management

Annual performance evaluations are conducted at both the team and individual levels based performance management appraisals. These evaluations are supported by two-pronged approach. Performance conversations and appeal channels enhance transparency and ensure fairness. In 2024, 100% of employees received regular assessments and career development evaluations.

We ensure compensation fairness and compliance by providing wages no lower than the statutory minimum and offering performance-based bonuses to reflect individual value. All social insurance contributions are paid in full, in accordance with local regulations.

GDS fosters a supportive work-life balance. Flexible working hour, working-from-home arrangements, and compensatory time off are all available to employees as needed. In addition to competitive compensation, all employees enjoy a range of benefits, including paid leave, access to wellness support programs, a dedicated mental health hotline, and participation in various holiday events. On-duty data center staff are also provided with lunch or meal allowances. Moreover, we treat part-time employees and contractors equally: we provide them with commercial accident insurance, allow them equal access to company cultural activities, and offer them opportunities for regular employment.

Employee Benefits

All employees

- Five social insurances and one housing fund
- Annual physical examination
- Additional commercial insurance for employees and their children
- Special accident insurance
- High temperature and heatstroke prevention subsidy
- Holiday benefits
- Paid parental leave for the primary caregiver

Female employees
- Maternity leave and breastfeeding leave

Male employees
- Paid parental leave for the non-primary caregiver

Employees requiring assistance
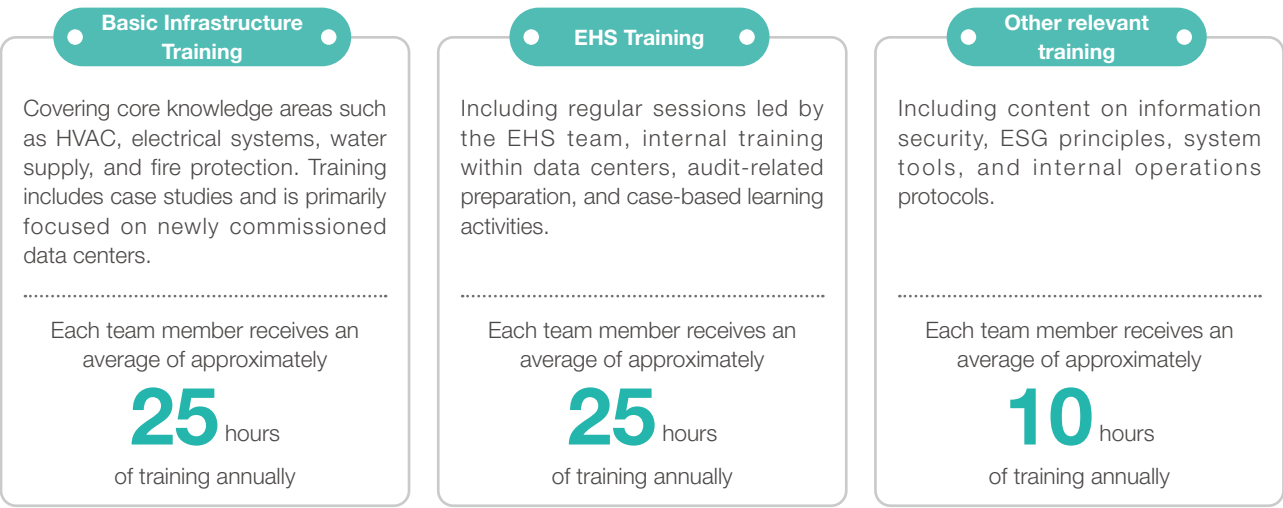- Support for employees in need

Talent Growth and Development

GDS continues to foster a sustainable talent development system by offering comprehensive career support and clearly defined, equitable promotion pathways. This initiative equips employees with the tools they need to advance professionally and achieve their full potential. The Company consistently rolls out a wide range of internal and external training programs, with tailored development tracks designed for different roles and levels. Annual training plans are formulated based on the Company's mid- to long-term strategy as well as the manpower and technical skills of each business department. AI-related training resources have also been integrated into company- and department-level learning platforms. In addition, GDS has implemented a company-wide policy that supports external training opportunities and encourages employees to pursue further education. Individuals engaged in academic pursuits or pursuing certifications in critical operational roles, including high-voltage and low-voltage electrical work, refrigeration, and fire safety, are eligible for reimbursement of related expenses. In 2024, the Company has reimbursed more than 600 professional skill certifications applied by the employees.

To strengthen compliance awareness among employees, GDS conducted several company-wide training sessions throughout the year, covering key topics in Environmental, Health and Safety (EHS), compliance management, and information security. In 2024, the Company hosted seven GDS lectures for all employees, with a total of more than 1,500 participants. These lectures were led by both internal and external speakers. Targeted training programs were also delivered based on job responsibilities and levels, with a focus on areas such as sales, project management, and finance. In the same year, GDS launched an online training and assessment platform which incorporates both general corporate knowledge and customized training content tailored to each data center, thereby significantly expanding the reach of training and enhancing the efficiency of online assessments.

In 2024

the Company hosted

7 GDS lectures for all employees

with a total of more than

1,500 participants

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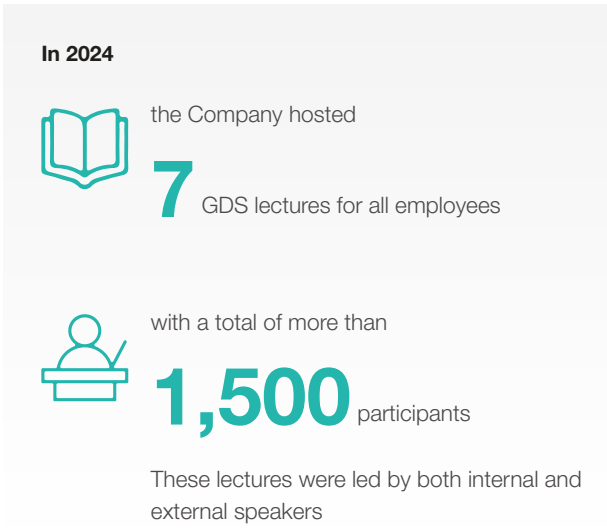
Comprehensive Training Framework for DC Operations Team

The GDS DC Operations Team provides employees with comprehensive knowledge and skill training as well as experience sharing through a well-established training system:

Basic Infrastructure Training	EHS Training	Other relevant training
Covering core knowledge areas such as HVAC, electrical systems, water supply, and fire protection. Training includes case studies and is primarily focused on newly commissioned data centers.	Including regular sessions led by the EHS team, internal training within data centers, audit-related preparation, and case-based learning activities.	Including content on information security, ESG principles, system tools, and internal operations protocols.
Each team member receives an average of approximately **25** hours of training annually	Each team member receives an average of approximately **25** hours of training annually	Each team member receives an average of approximately **10** hours of training annually

GDS strategically values the complementary strengths of emerging talent and experienced professionals to ensure the Company's long-term, sustainable growth. We conduct regular reviews of talent pipelines and succession plans in key departments, forming a comprehensive mechanism that encompasses strategic alignment, organizational evolution, identification of critical roles, competency model development, high-potential talent identification, and action planning across the entire process. This systematic approach supports the development of clear career pathways, develops new pools of talent for key roles, and builds a reserve of high-potential talent aligned with future business expansion. In 2024, the Company further refined its policies regarding the recruitment of former employees by formalizing the procedures involved in recruitment and onboarding. These updates endeavor to attract top talent back to the organization, thereby improving the professionalism and precision of rehire decisions.

Comprehensive, Multi-Channel Training System

Program	Overview	Trained Employees
Skills and knowledge development training	**High-Potential Talent Development Program:** Utilize project-based training to enhance participants' strategic thinking, problem-solving skills, and comprehensive organizational perspective. **Specialized Bootcamps:** Customize course content to enhance management skills and collaborative communication capabilities by introducing external experts and conducting digital acumen assessments. **Training Courses:** Thematic training courses are conducted to accelerate the development of mid-level leadership.	Mid-level managers
Job-specific development training	**Employee Development Programs:** Specialized training on information technology, personal privacy and data protection, EHS, and three-level safety education to help employees in information security, operations, and other departments stay updated on the latest technological trends and tools.	Employees in key departments such as IT and operations
	Rising Sun Program: An intensive onboarding program for on-duty interns, designed to help entry-level operations staff transition into live work scenarios and build a strong foundation in frontline skills. **Golden Eagle Program:** Targeted at management trainees to enhance project management expertise and technical proficiency for future professional managers and technical specialists. **Golden Lion Program:** Developed for high-potential mid-level managers to strengthen comprehensive management capabilities. **Blue Lion Program:** Utilize mentorship, potential assessments, and role alignment strategies to identify and nurture future leaders who meet GDS's standards for youthfulness and global outlook.	Junior newcomers, technical professionals, and mid-level management talents in the Operations & Maintenance Team
General Training	**New Employee Onboarding:** Training for new hires to help them quickly adapt to the Company environment and job requirements.	New employees (including graduate traineeship and apprenticeship)
	Compliance & Information Security Training: Organize specialized compliance sessions, including anti-corruption training and related topics, as well as information security awareness training.	All employees

The Fifth "Lion Camp" Embarks on a New Chapter

Launched in 2016 by GDS, Lion Camp is dedicated to cultivating the next generation of professionals in the fields of products, technologies, and operations tailored to the demands of intelligent computing centers. The fifth session of the "Lion Camp" was held in Shanghai in October 2024 after a five-year hiatus. It brought together design and operations teams from different regions to foster internal innovation through brainstorming and to align with the strategic direction of the global enterprise through the sharing of experiences.

At the opening ceremony, Liang Yan, Co-President of China Region, Zhang Kejing, Executive Vice President, and other members of the management team were present to offer guidance and support. Revolving around the themes of "Inheritance and Reinvention" and "Organizational Endogenous Power", business elites from various departments engaged in in-depth dialogues across technical, product, and management dimensions. In these dialogues, they drew on their professional development experiences and expertise. During the interactive session, the seasoned members of the Red Lion faction, who have strong professional expertise and a pragmatic approach, generously shared their knowledge. The Blue Lion faction, which consisted of newcomers who dared to break traditions, were full of creativity and imagination with their breakthroughs using unconventional thinking. The interaction between veteran and new members highlighted the immense potential of the "Lion Camp" in terms of inheritance and reinvention. It also fully demonstrated the innovative legacy value of the data center operations team's "REUNITE, RECHARGE, RESTART" philosophy. This helps new members broaden their horizons, refine their skills, expand their business, and propels them onto a broader stage to achieve rapid, long-term growth.

Employee Communication

GDS places strong emphasis on employee feedback and has established diverse communication channels to respect every voice while fostering a healthy, open internal communication environment.

Suggestion Box for Improvements	The Company has set up a suggestion box to encourage employees to proactively contribute ideas and provide constructive suggestions on various issues, including business development and management optimization.
Golden Idea Award	This initiative recognizes employees who contribute creative ideas and practical solutions. If an idea is adopted, the Company will provide a corresponding reward to the employee.
GDS Wisdom Magazine	This internal publication shares company updates, business news, and lifestyle tips to strengthen communication and connection between the Company and its employees.
Executive Dining Events	Regular breakfast and lunch meetings are hosted in different regions, providing employees direct opportunities to engage with senior leadership personnel on company strategy, business performance, and key issues of concern.
HR Employee Complaint Channel	A dedicated employee complaint channel is implemented for the regular collection of feedback and resolution of employee demands. Employees can submit feedback via hr@gds-services.com or the HR hotline at 021-20292378 (7×24 hours service). The HR Department will respond to submissions within two working days.
Employee Satisfaction Survey	Satisfaction surveys are conducted for all employees every year to better understand employees' experiences, gather actionable feedback, and implement concrete improvement measures.

Case

2024 Employee Satisfaction Survey

The 2024 employee satisfaction survey was conducted anonymously among all employees via questionnaires, covering dimensions such as organizational alignment, leadership and management, work rewards, and engagement behavior. A total of 94.6% of employees selected the highest satisfaction rating. For several consecutive years, GDS has maintained an overall satisfaction score above 90, indicating a consistently high level of employee engagement. Based on the 2024 employee satisfaction survey results, we have compiled comprehensive analytical reports at the company-wide and departmental levels. These reports have been utilized to facilitate discussions that explore the survey findings and identify potential areas for improvement across various departments. GDS also held multiple regional workshops to discuss the findings and formulate optimization strategies, further enhancing organizational effectiveness.
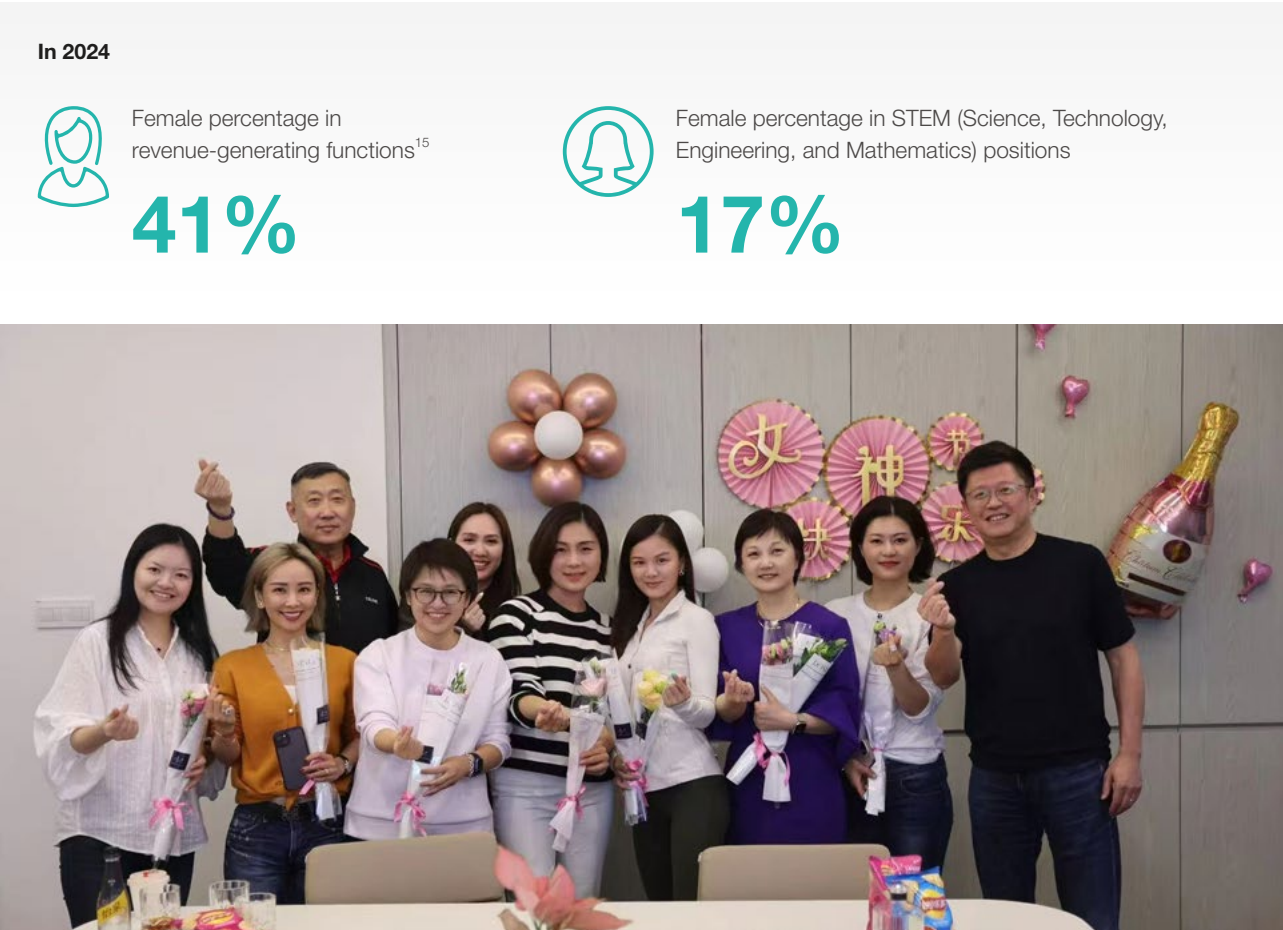
Diversity, Fairness and Inclusion

GDS values and respects the uniqueness of each employee. We are committed to fostering an inclusive and collaborative work environment that provides equal opportunities to employees from diverse backgrounds and experiences, enabling each and every one of them to realize their potential. We continue to promote workplace diversity and implement policies in areas such as gender equality, pay equity, personnel management, employee care, and recruitment processes. We establish clear goals, regularly evaluate the implementation results, and incorporate the concept of diversity and inclusion into new employee training.

GDS is committed to ensuring that employees are free from any form of discrimination or harassment. We take such matters seriously and encourage employees to report any related issues. Confirmed violations are addressed with disciplinary actions, up to and including termination of employment, depending on the severity of the offense. The Company also emphasizes anti-discrimination, anti-harassment, and employee rights protection through quarterly onboarding training, raising awareness and reinforcing our values. No incidents of discrimination or harassment were reported at GDS in 2024.

Promoting Gender Equality

We prioritize the protection of female employees' rights and offer benefits such as parental leave, breastfeeding leave, and special holiday care. To support the career development of female employees, the Company has established gender ratio assessment metrics in key departments to ensure adequate female representation in leadership and critical roles. We also highlight and celebrate the achievements of women through various internal channels, encouraging women to voice their perspectives and showcase their strength as females in the workplace.

In 2024

Female percentage in revenue-generating functions[15]

41%

Female percentage in STEM (Science, Technology, Engineering, and Mathematics) positions

17%

[15] Refers to functions involved in sales or directly contributing to the production of products or services.

Employee Health and Safety

GDS attaches great importance to Environmental, Health, and Safety (EHS) management. In line with local regulations and industry standards, the Company has established a comprehensive safety framework covering various work environments, including offices, data centers, and construction sites. The effectiveness of implementation and system operation is regularly evaluated and monitored by management. The Company has established multiple internal policies to clarify safety responsibilities, risk identification, and response procedures. To ensure a safe work environment, all employees are required to sign safety responsibility agreements that outline individual safety duties and obligations. This guarantees that employees understand and adhere to the proper safety operating procedures during work, thereby reducing accidents and injuries. Since 2020, the Company has passed the ISO 45001 Occupational Health and Safety Management System certification for five consecutive years.

In 2024, the Company implemented a smoking control campaign across all office locations, conducted annual health examinations for all employees, and arranged occupational health screenings for specific data center roles. These efforts are a testament to our ongoing commitment to fostering a safe and healthy work environment.

In 2024

100%

employee physical examination rate

0

deaths caused by work-related injuries

Total recordable incident rate (TRIR) as

0.098

EHS Safeguards

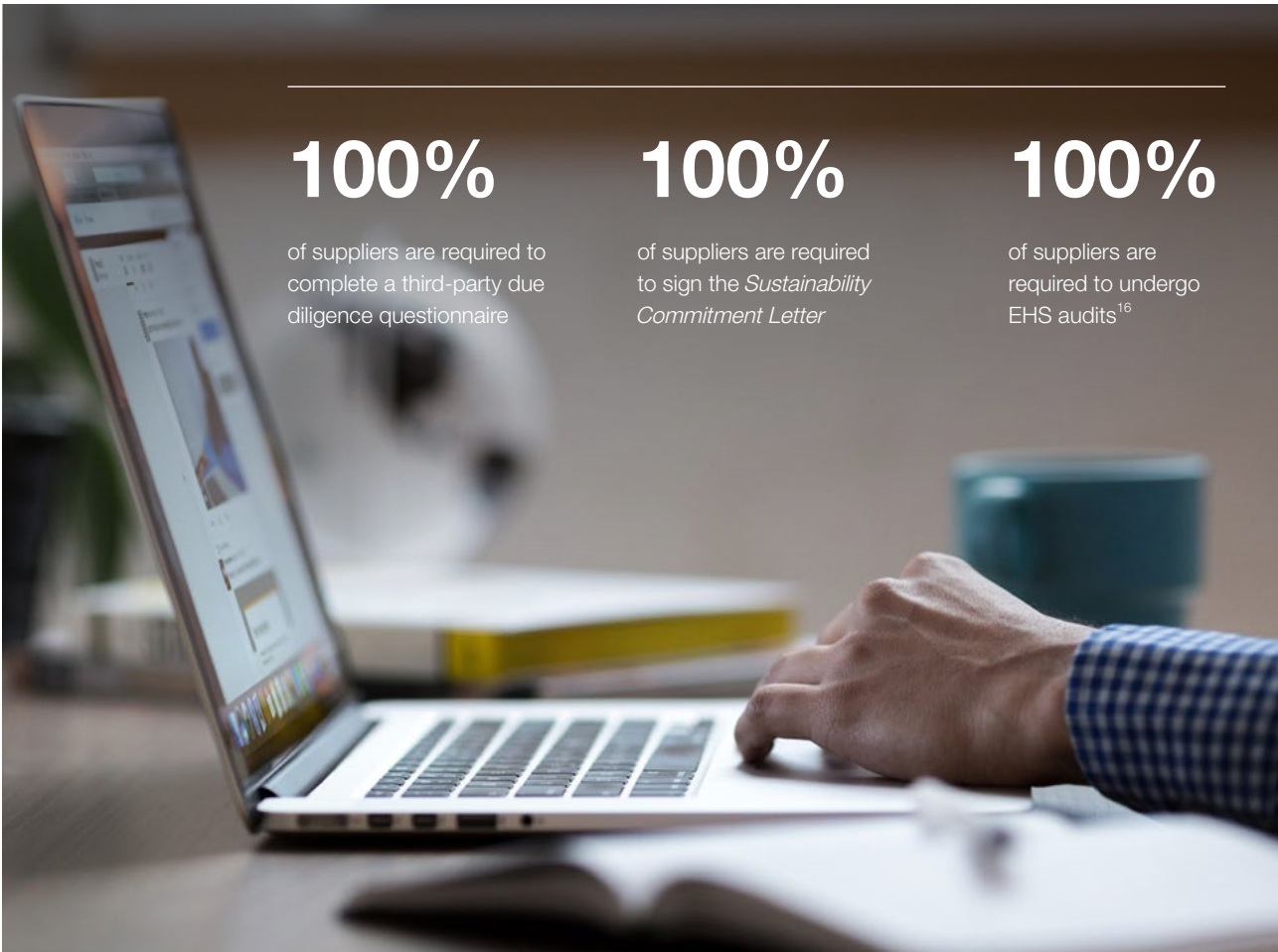|	
Risk Assessment and Control	Conduct regular workplace evaluations to identify potential health and safety risks and implement appropriate control measures correspondingly.
Safety Emergency Drills	Organize regular emergency drills across all offices and data centers to ensure employees are familiar with emergency procedures, evacuation routes, and the locations of safety equipment and emergency facilities.
Personal Protective Equipment (PPE)	Provide frontline employees with necessary PPE, such as safety helmets, goggles, reflective vests, etc.
EHS Employee Feedback Mechanism	Encourage employees to participate in EHS management by reporting potential safety issues and offering suggestions for improvement.
AED Equipment Configuration	Equip all data centers and office locations with automated external defibrillators (AEDs) and ensure a sufficient number of certified staff available at each site to operate the devices effectively and provide rescue during emergencies.
Mental Health Support	A 24-hour psychological hotline service is available to all employees, providing them with access to professional psychological support and consultation when needed, thus allowing them to manage workplace stress and maintain good mental health.

Vitality & Vibrancy

GDS promotes the building of a pleasant and enjoyable work environment through a variety of engaging activities. The Company fosters a positive and engaging workplace culture through a variety of team-building and wellness activities. We integrate corporate values into cultural and recreational events, including birthday celebrations, festivals, annual gatherings, care packages for data center teams, and employee club initiatives. These activities are meticulously planned to cultivate a sense of belonging and enhance team cohesion. In 2024, GDS's "Season of Gratitude" campaign was closely aligned with GDS's corporate values, fostering a deeper emotional connection and shared purpose among employees. Concurrently, the "Cloud Carnival" fair featured interactive and creative games that encouraged teamwork and innovation. Each event is strategically linked to our company culture, contributing to a cohesive and unified organizational environment.

Sustainable Supply Chain Management

GDS is committed to a supply chain philosophy centered on partnership, shared growth, and long-term collaboration. We have implemented a comprehensive supplier management system that promotes responsible procurement practices. We ensure the stability and security of the supply chain through dynamic risk radar monitoring, and work closely with suppliers to build a secure, resilient, and sustainable supply chain using our capabilities and platform resources.

Full Process Management for Suppliers

GDS has established a *Supplier Code of Conduct* and implemented a comprehensive management system covering the entire process from qualification, contracting, and execution to performance evaluation. We integrate our sustainable development goals into the supplier management process and prioritize suppliers who are equally committed to sustainability. We require suppliers to complete rigorous internal due diligence, sign a *Sustainability Commitment Letter*, and conduct on-site inspections of their sustainable performance in areas such as safety, labor, environment, and energy.

100%
of suppliers are required to complete a third-party due diligence questionnaire

100%
of suppliers are required to sign the *Sustainability Commitment Letter*

100%
of suppliers are required to undergo EHS audits[16]

Supplier Management Process

Onboarding Phase	Execution Process	Performance Appraisal	Management and Offboarding
• Sustainability Commitment Letter • Qualifications and background checks • Bid response • Contract management • Risk management	• Construction/ production • Installation and commissioning/ acceptance • EHS management • After-sales service	• Quality assessment • Delivery and cost control • After-sales service and responsiveness • Disciplinary and compliance review • EHS and sustainable development	• Regular supplier evaluations • Issue rectification • Disqualification of unqualified suppliers

Supply Chain Risk Management

GDS actively manages risks in all aspects of the supply chain, and uses a third-party "supply chain risk radar" to dynamically monitor and evaluate risk information such as supplier violations and fines, helping us to identify supplier risks in advance and strengthen management and control. In 2024, the total number of suppliers participating in the performance evaluation was 1,017, all of which have passed the risk radar system evaluation.

In 2024

number of suppliers participating in the risk evaluation

1,017

all of which have passed the risk radar system evaluation

Supplier Empowerment

The Company is committed to building a sustainable supply chain ecosystem by empowering its suppliers. Through targeted training on environmental protection and carbon management, GDS supports partners in strengthening their green operational capabilities. To further promote best practices, GDS has established the annual ESG Supplier Awards, recognizing outstanding partners across key areas such as sustainability contributions, technological innovation, and service quality. These awards are designed to encourage the broader adoption of sustainable and low-carbon practices throughout the supply chain.

[16] EHS audits are only applicable to engineering and equipment suppliers.

Driving the Transformation of the Value Chain

GDS deeply integrates with national development strategies, collaborating with partners across the industrial and value chains to drive the transformation of various industries toward intelligent intensification and green, low-carbon directions through standards leadership, industry-academia-research integration, and technological empowerment.

Actively Participating in Industry Planning and Development

GDS actively aligns with national development strategies and works closely with stakeholders across both the industrial and value chains. The Company participated in the National Data Administration's "15th Five-Year" infrastructure planning research and provided benchmark practical cases for the China Society of Administrative Reform's *Digital Government Construction* initiative. We also actively engage in formulating multiple standards across various levels, including the national standard GB/T 44989-2024 *Evaluation of Green Data Centers*, the Beijing local standard DB11/T 1764.11-2023 *Water Quota Part 11: Data Centers*, and five industry standards related to AI energy-saving technologies, digital management, and equipment intelligence, such as *Technical Requirements for AI-Based Energy Saving in Data Centers*. In terms of technological innovation, GDS participated in the Ministry of Industry and Information Technology's data center energy management platform development, leveraging its operational capabilities to boost industry progress.

Promoting Technological Advancement through Industry-academia-research Integration

Guided by an innovation-driven approach, GDS continues to deepen collaboration between industry, academia, and research to strengthen its digital capabilities. In July 2024, the Company further strengthened its strategic collaboration with top-tier research institutions. As a part of its contractual obligations, GDS engaged with the Yangtze River Delta "AI+" Industrial Innovation Consortium, fostering collaboration with Tsinghua University's Institute for AI Industry Research (AIR) on the "AIDC Intelligent Computing Research Platform Phase II" project. This initiative aimed to expedite the commercialization of technological advancements, contributing to the enterprise's strategic goals.

GDS has consistently promoted collaborations between industry, academia, and research, partnering with Tsinghua University's AIR Institute, Shanghai Jiao Tong University, and Nanyang Technological University in Singapore. These collaborations focus on areas such as AI control, energy efficiency optimization, and predictive maintenance for HVAC equipment failures. Collectively, these efforts are driving AI to reshape the "efficiency brain". Among these initiatives, the AI fault prediction model, developed in collaboration with Shanghai Jiao Tong University, overcomes the limitations of traditional diagnostic methods. The model optimizes maintenance plans through predictive maintenance, provides scenario-specific precision alerts to enhance operational efficiency, and proactively avoids unplanned downtime to improve system availability and business continuity. This multidimensional data analysis system captures risks in real time and avoids false alarms caused by data fluctuations. Alarms persist until the system recovers, which significantly enhances the precision and stability of risk identification. Through technological innovation, GDS has deeply integrated AI-powered risk prediction into its operational framework. At the same time, we also leverage intelligent solutions to improve infrastructure reliability and inject technological momentum into sustainable development.

Enabling Partners' Digital and Intelligent Transformation

With years of operational expertise, GDS has developed comprehensive data center management processes and tools. The Company also supports clients in operating their self-built data centers by offering customized services and solutions. In partnership with local enterprises, GDS drives intelligent computing upgrades, helping them enhance management efficiency and competitiveness through advanced operations and maintenance systems. Additionally, GDS publishes technical white papers on information and data security each year, outlining best practices and sharing operational insights to promote collective progress across the industry.

GDS also actively participates in industry dialogue to advance digital transformation through knowledge sharing and ecosystem collaboration. In June 2024, GDS co-hosted the "China Intelligent Computing Ecosystem Development Conference - 2024 AIDC Tech Day" with China IDC Circle under the theme "Powerful Computing, Envisioning the Future". The event brought together experts from the China Academy of Information and Communications Technology, Tsinghua University, and representatives from leading enterprises to discuss opportunities, challenges, ecosystem collaboration, technological innovation, as well as energy optimization in the intelligent computing industry. In July 2024, GDS attended the 9th Banking Digital Technology Summit, during which we shared insights on banking digitalization, providing a robust intelligent computing foundation for the financial sector to support the development of technology-driven finance.

Case

"Collaborating with GDS for a Sustainable Future" ESG Theme Day

In January 2024, GDS hosted its ESG Theme Day under the banner "Collaborating with GDS for a Sustainable Future". The event brought together strategic customers, ESG consulting firms, partners, suppliers, top universities and representatives from non-profit organizations. Through roundtable discussions, case studies, and technical exchanges, participants explored key topics such as collaborative decarbonization across the value chain, multicultural practices, and AI applications in sustainability. At the event, GDS and Alibaba Cloud signed the GDS-Alibaba Cloud Intelligent Data Center Energy Conservation and Emission Reduction Memorandum, and engaged with stakeholders across the value chain to discuss and explore practical carbon reduction pathways.
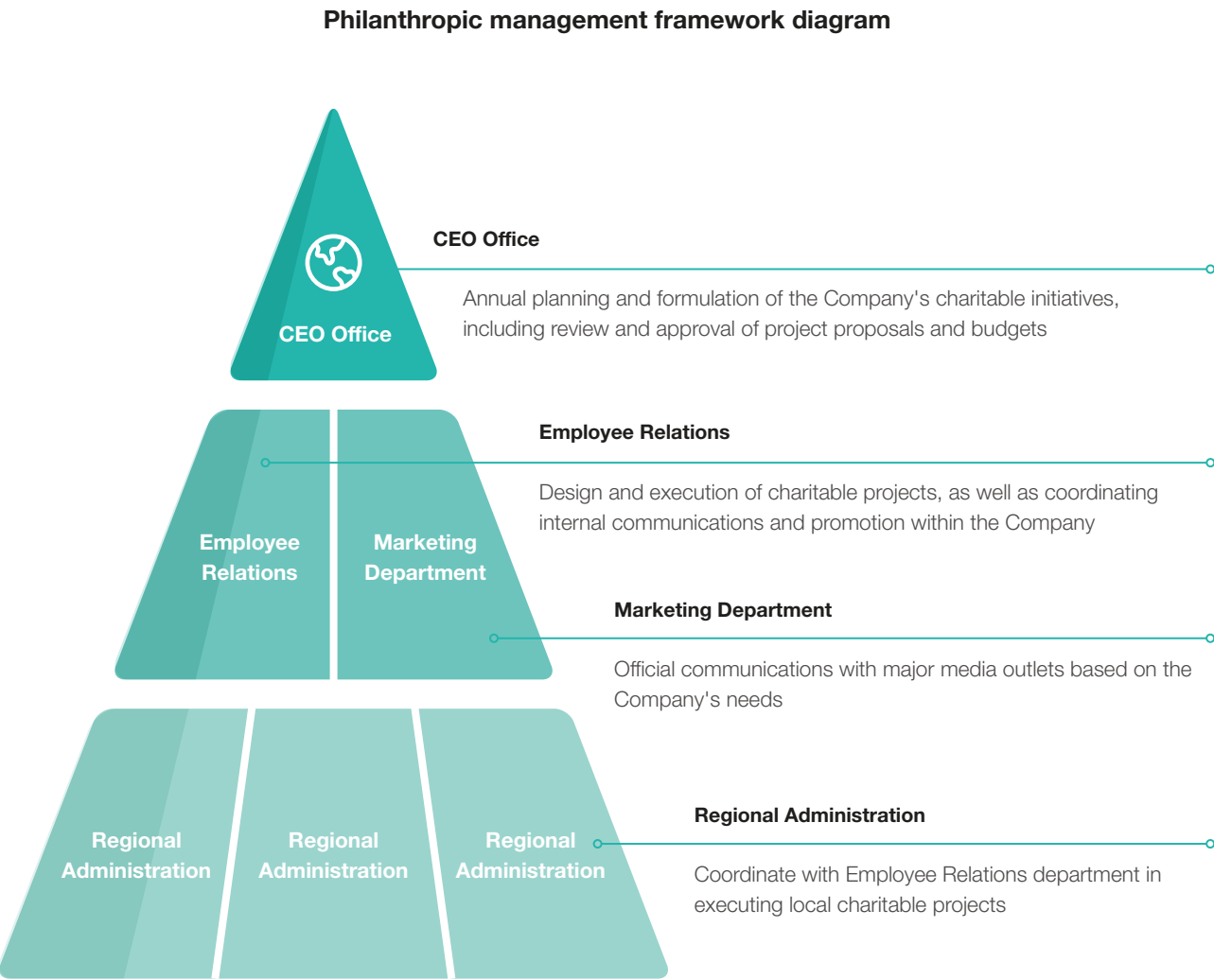
Public Welfare and Social Contribution

As a responsible provider of digital infrastructure services, GDS has always prioritized the creation of social value. Guided by our core values of integrity, humility, driven, empathy, and honesty, we focus our efforts on supporting orphans and people with disabilities, advancing rural education, and promoting science and education to serve national development. Through these initiatives, we aim to maximize the value of every contribution we make.

Charity Management

At GDS, we are dedicated to transforming our public welfare philosophy into tangible social value. To systematically manage our philanthropic efforts, we have established a structured framework encompassing strategic planning, project execution, communication and outreach, and regional implementation. This framework is supported by a continually evolving governance system. In 2024, we introduced the *Charitable Project Management System* to formalize and standardize the execution of our philanthropic initiatives. In the past year, GDS contributed a total of RMB 2.3 million in charitable donations.

Philanthropic management framework diagram

CEO Office

Annual planning and formulation of the Company's charitable initiatives, including review and approval of project proposals and budgets

Employee Relations

Design and execution of charitable projects, as well as coordinating internal communications and promotion within the Company

Marketing Department

Official communications with major media outlets based on the Company's needs

Regional Administration

Coordinate with Employee Relations department in executing local charitable projects

Demonstrating Social Value Through Charity

Caring and Supporting Orphans and Children with Disabilities

In 2024, GDS partnered once again with the Chunhui Bo'ai Foundation in Beijing for the third consecutive year to participate in Tencent's "99 Charity Day" Corporate Matching Campaign. The initiative, titled "You donate RMB 1, GDS donates RMB 10", encouraged the public to participate in spreading compassion. The 2024 campaign garnered 3,094 individual donors, raising a total of RMB 173,041.71 in funds. All funds were allocated to the "Beijing Chunhui Care Home" program to help critically ill orphans and children with disabilities recover and find loving families.

That same year, we donated another RMB 300,000 to the "Shanghai Chunhui Care Home" project to support the medical treatment of children with disabilities. A delegation from the GDS CEO Office, including Executive Vice President of Administration Ms. Gao Beihua, visited the home in person. They provided guidance to the children, assisting them in learning the traditional craft of lacquer fan making while showing them warmth and care.

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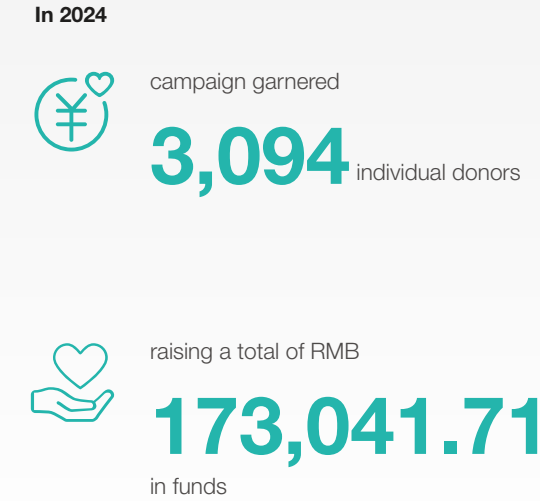
Expanding Digital Horizons for Rural Youths

GDS continues to support the development of rural education. In the past, we donated RMB 250,000 through the Hunan Honghui Education Development Foundation's "Dream Builder Project", which funded two growth camps for nearly 300 rural children, helping them enhance their holistic skills. As part of the program, a visit to GDS's Shanghai Pujiang Data Center was organized in June 2024 for 12 recent high school graduates from Anxiang County and Zhuzhou City in Hunan Province. Held at a pivotal point in their lives, the visit aimed to broaden their perspectives and inspire new possibilities for the future.

Developing a New Framework for University-Enterprise Collaboration in Science and Education

Through continuous financial investment, we aim to establish a model that integrates science, technology, and education to promote national prosperity, facilitated by collaborative innovation between educational institutions and businesses. In 2024, we furthered our sponsorship of the GDS-Named Professorship and Young Scholar Program at the Tsinghua University Institute for AI Industry Research (AIR). This initiative seeks to attract internationally renowned scholars and promising early-career researchers, with the aim of accelerating breakthroughs in AI innovation. GDS has pledged a total donation of RMB 10 million to the program, with RMB 8 million contributed by 2024.

Case

Tech for Good – Joined with Buy42 to Power Philanthropy

Buy42 is a social welfare organization that operates charity stores and promotes the recycling of items that are not in use. It is also dedicated to providing welfare and employment opportunities for special needs groups. In line with the same public welfare concept, the GDS Operations & Maintenance Team volunteered their spare time and successfully developed a "one-stop digital solution for donations" for the Buy42 charity stores. The team developed the entire process independently, from demand analysis to product launch. They adopted a "Mini Program + Web Backend" management model, achieving comprehensive innovation in the store's digital operations.

Currently, Buy42 is gradually implementing this system in stores nationwide. The mini-program is also being tested online simultaneously. The GDS Operations & Maintenance Team will continue to update the system to version 2.0, showcasing the immense value of "Tech for Good" and the spirit of volunteerism.

Buy42's philanthropic philosophy has also resonated strongly across departments of GDS, with employees joining the ranks of donors in droves. After gaining an in-depth understanding of the original intent behind Buy42's public welfare model, the Data Center Operations and Maintenance teams across GDS's national regions collectively pledged to become monthly donors. This profoundly showcases their commitment to social good, innovative empowerment, and inclusive values, as well as their exceptional team spirit.

More than half of the shop managers in the Buy42 stores are individuals with disabilities. Implementing the digital donation system can improve post-donation processing efficiency six to ten times. This addresses bottlenecks in key steps, such as donation collection, classification, pricing, and shelving. As a result, the company can achieve rapid business growth with limited manpower.

The system effectively supports the store's nationwide strategic expansion, which broadens donation coverage while simplifying cross-regional operational processes. This lays a solid technical foundation for scalable development.

The system provides a clear view of the entire process, from item donation to final sale. Donors can track the status of their donated goods in real time via the mini program, which greatly enhances trust in the Buy42 stores among donors and the public.

The system significantly alleviates the workload of partners with disabilities. Through intelligent and standardized process design, every member can collect donations more easily and efficiently, bringing out the warmth and inclusiveness of technology.

Efficiency Leap · Empowerment & Expansion · Care & Burden Reduction · End-to-End Transparency

Resilient Governance

Stable and continuous corporate development is contingent upon the implementation of robust corporate governance. GDS adheres strictly to applicable laws, regulations, and industry standards, upholding rigorous internal controls and business ethics to guide corporate conduct. Through a robust information security governance framework, the Company ensures data and privacy protection, safeguards the rights and interests of all stakeholders, and builds a solid foundation for sustainable, high-quality growth.

5 GENDER EQUALITY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Corporate Governance

GDS continues to refine its governance system, enhancing standardized operations and decision-making transparency. The Company's Board of Directors has established four standing committees, namely the Executive Committee, the Nomination and Corporate Governance Committee, the Audit Committee, and the Remuneration Committee. In our management practices, we strive to achieve integrated, sustainable development that aligns economic performance with environmental and social value. In 2024, GDS held a total of 12 board meetings, with the attendance rate of directors reaching 82%. We ensure the effective operation of the Board of Directors by establishing election procedures and conducting regular elections. Directors serve three-year terms, and Annual General Meetings are held to conduct elections based on term expirations.

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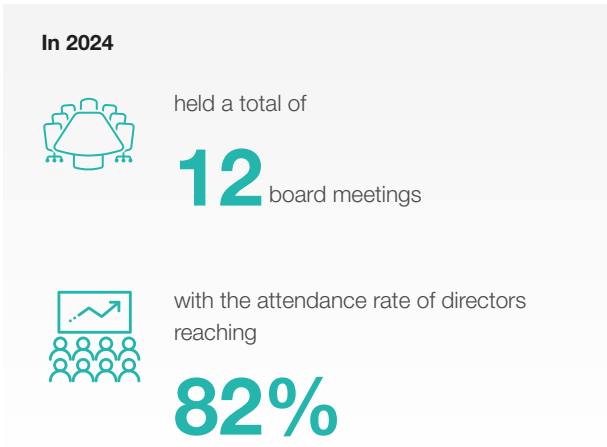
GDS board members are appointed based on their professional capabilities and industry experience without any restrictions on ethnicity, race, gender, age, etc. As of the end of 2024, the Board of Directors consists of 11 members, including 5 independent directors and 2 female directors. Board members offer a diverse range of industry backgrounds and specialized expertise, spanning finance, internet, data centers, and real estate. They also possess extensive experience in private equity, accounting, auditing, information security, and corporate governance. Moreover, the internationalized composition of the Board broadens the Company's global perspective and drives cross-border business development.
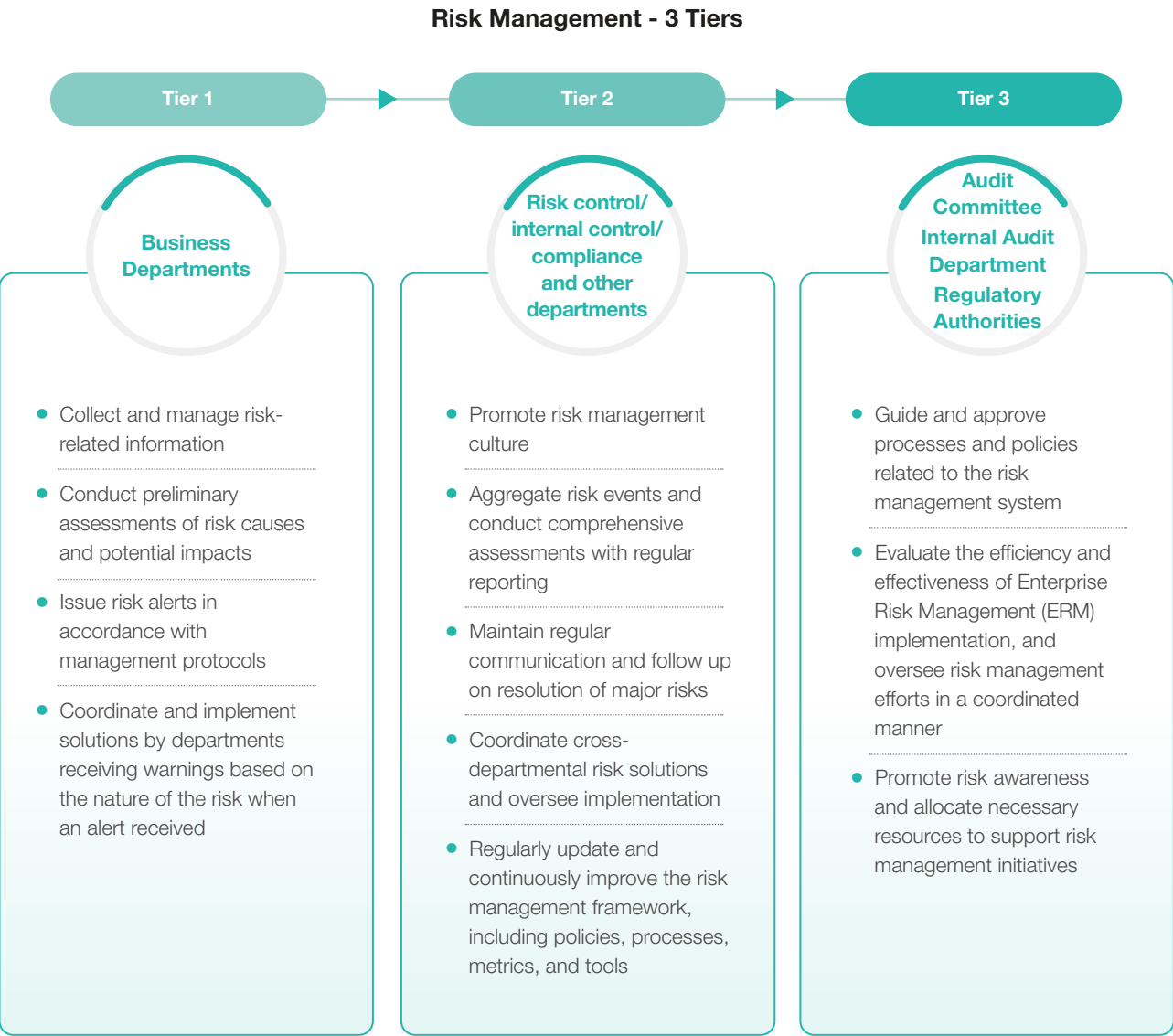
Risk Management

Risk management and internal controls are of the utmost importance at GDS, and the Company continuously optimizes its risk governance processes. In order to ensure the Company's long-term health and operational stability, a standardized and disciplined management system has been implemented.
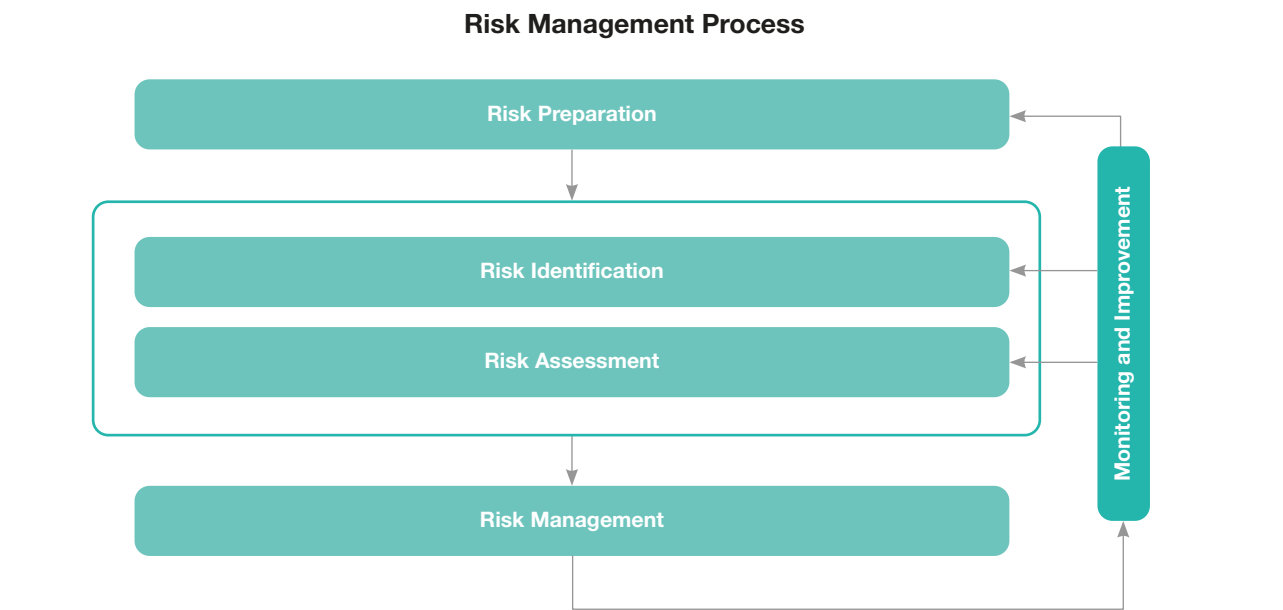
Risk Management System

A robust risk management system is the cornerstone of GDS's stable growth. Risk management is an integral component of both corporate governance and daily operations. We have formulated a tripartite risk management structure and a meticulously systematized risk reporting process to guarantee the efficacy of the risk management system. The risk management department regularly reports significant risk exposures, mitigation measures, and related business requirements to the Board of Directors and the Audit Committee while operating under their oversight and guidance.

Risk Management - 3 Tiers

Tier 1	Tier 2	Tier 3
Business Departments	**Risk control/ internal control/ compliance and other departments**	**Audit Committee Internal Audit Department Regulatory Authorities**
• Collect and manage risk-related information	• Promote risk management culture	• Guide and approve processes and policies related to the risk management system
• Conduct preliminary assessments of risk causes and potential impacts	• Aggregate risk events and conduct comprehensive assessments with regular reporting	• Evaluate the efficiency and effectiveness of Enterprise Risk Management (ERM) implementation, and oversee risk management efforts in a coordinated manner
• Issue risk alerts in accordance with management protocols	• Maintain regular communication and follow up on resolution of major risks	• Promote risk awareness and allocate necessary resources to support risk management initiatives
• Coordinate and implement solutions by departments receiving warnings based on the nature of the risk when an alert received	• Coordinate cross-departmental risk solutions and oversee implementation	
	• Regularly update and continuously improve the risk management framework, including policies, processes, metrics, and tools	

Risk Management Process

GDS has established its risk management framework based on the *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and has developed a *Risk Assessment Management Guidelines* accordingly. The *Guidelines* are reviewed and updated annually in line with policy changes, business developments, and information technology needs to ensure continued relevance and effectiveness.

The Company has implemented a comprehensive risk assessment and management mechanism. We conduct risk exposure reviews on a quarterly basis, which will help us to identify and address potential risks, both financial and non-financial, as they arise in our operations. The objective is to establish a comprehensive and effective risk prevention and control system. Regular risk assessments are conducted company-wide, covering all employees and encompassing key areas such as data center colocation services, customer service, business support systems, and information and document security. GDS employs a risk management framework to systematically assess and categorize risks based on their potential impact, likelihood, and the potential loss they could incur. Identified risks are systematically documented and addressed through comprehensive management procedures, thereby strengthening the Company's operational resilience.

Risk Management Process

Risk Preparation
- Determine the scope of risk assessment based on the external environment, industry status, company business situation, and historical incidents
- Identify key stakeholders relevant to the business

Risk Identification
- Determine business-critical processes through impact analysis and identify associated risks

Risk Assessment
- Determine the scope, probability and potential degree of impact of each risk
- Classify risk levels, namely "severe", "high", "moderate" and "acceptable", and establish criteria for acceptable risk levels

Risk Management
- Unacceptable Risks: Discuss and formulate corrective control measures by relevant business departments, leadership, and technical experts
- Acceptable Risks: Retain existing control measures or adopt baseline controls to meet minimum risk management requirements

Monitoring and Improvement
- Monitor the implementation of risk management processes
- Periodically test the effectiveness of risk management processes through methods like stress testing and risk control self-assessments
- Promptly address identified deficiencies and optimize management processes

Response to Emerging Risks

GDS remains vigilant in monitoring external environmental shifts, proactively identifying emerging risks. By implementing timely and effective countermeasures, the Company supports steady growth through forward-looking, strategic planning.

The rapid advancement of artificial intelligence has significantly increased demands for computing power and energy across related industries. Traditional data center models are now confronted with unprecedented challenges concerning product design, delivery, and power systems. The rapid evolution of market demands is also accelerating product iteration cycles, directly impacting business operations and brand reputation. GDS continues to drive product innovation to meet the demands of the high-computing era, steadily advancing its capabilities in data center planning, construction, operations, and maintenance. Through strategic energy structure optimization and accelerated adoption of renewable energy, we are proactively addressing the expanding challenges of sustainable transformation.

Since the announcement of China's Dual Carbon goals, there has been an increased focus on environmental regulations, leading to higher expectations for sustainability in the data center industry. This has prompted GDS to continue investing in green transformation initiatives. We prioritize energy efficiency and water resource management at the core of our operations, leveraging advanced technologies to reduce resource consumption. At the same time, we have taken steps to increase our involvement in renewable energy and carbon markets, adopting a multifaceted approach to enhance our overall sustainability management.
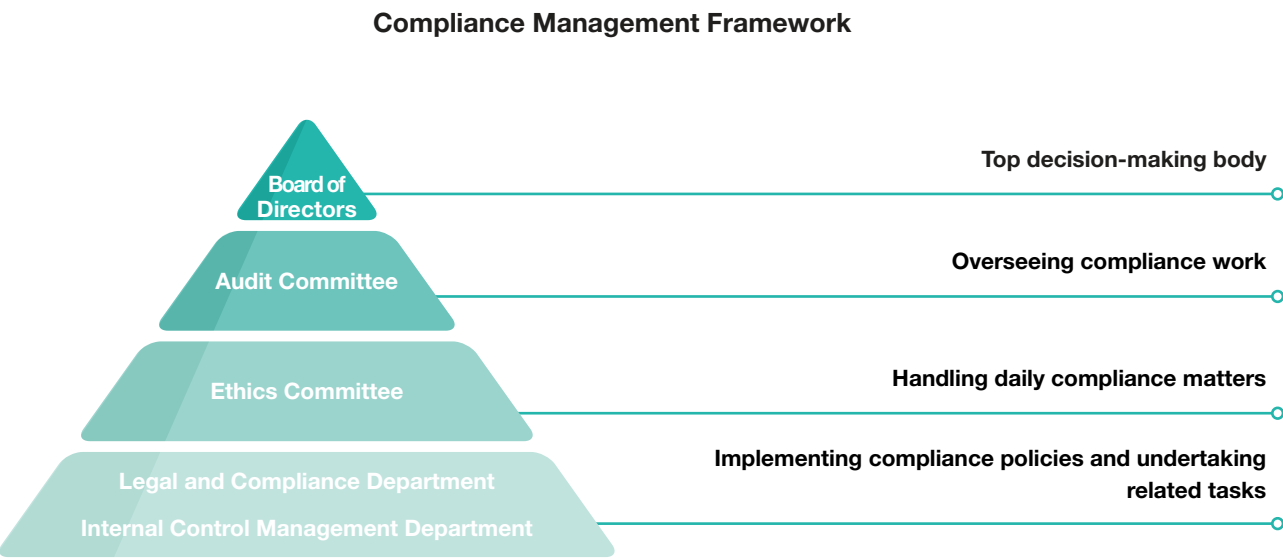
Building a Risk Management Culture

To address key and emerging risk areas, the Company brings together internal and external expertise to deliver focused risk management training through lectures, online course, workshops, and other tailored formats. Covering topics such as information security, privacy protection, sustainable development, and EHS, these sessions are designed to build employees' awareness and strengthen their ability to respond effectively to risks.

Compliance Management

Sound compliance management and high-standard business ethics are fundamental to GDS's steady business growth. We constantly refine our compliance and business ethics policy framework, incorporating compliance management into daily operations to prevent and mitigate risks, while fostering business growth and sustainable development through rigorous and robust planning.

Comprehensive Compliance Management Framework

GDS adheres to rigorous compliance standards in corporate governance, supplier management, and information disclosure. A dedicated legal team provides professional support across asset management, financing, and business development activities. To ensure effective implementation of compliance policies, the Company has established a tiered management structure and set measurable targets such as compliance reporting completion rates and the number of non-compliance incidents.

Compliance Management Framework

Board of Directors	**Top decision-making body**
Audit Committee	**Overseeing compliance work**
Ethics Committee	**Handling daily compliance matters**
Legal and Compliance Department / **Internal Control Management Department**	**Implementing compliance policies and undertaking related tasks**

Anti-corruption and Anti-bribery

GDS remains focused on ensuring the regional applicability of its compliance framework. By analyzing regulatory requirements in its operating locations, the Company continuously updates and enhances internal policies. At the end of 2023, GDS revised its internal anti-corruption policies and procedures to align with anti-bribery and compliance standards across all jurisdictions in which it operates. To comprehensively evaluate the implementation of these policies, GDS conducted its biennial anti-corruption audit in 2024, covering all business operations, alongside ongoing third-party due diligence reviews.

Throughout 2024, GDS launched ethical business conduct initiatives targeting both internal and external stakeholders. Externally, we has signed or renewed anti-bribery and anti-corruption commitments with multiple clients through agreements or integrity commitment declarations. Internally, a gift declaration policy was introduced, along with enhanced reporting and approval processes for gifts. Stricter controls on client-facing gifts and hospitality were put in place to ensure that all gift and reimbursement requests are thoroughly reviewed. During the reporting period, GDS did not incur any expenses related to political contributions or political lobbying.

Asset and Intellectual Property Protection

Company assets are key resources that are essential to maintaining profitability and competitive advantage. GDS stipulates that all employees are required to safeguard company assets and ensure they are utilized effectively. We have taken appropriate measures to prevent damage, theft, or misuse of the Company's assets.

GDS places equal emphasis on the protection of intellectual property (IP), a vital intangible asset. The Company has established 10 internal policies, including the *GDS Intellectual Property Management Guidelines*, and formed a cross-functional Intellectual Property Committee responsible for technical assessments, policy development, and day-to-day decision-making. To continuously enhance its intellectual property management system, GDS has established a targeted evaluation framework that scores eight key dimensions: IP strategy, overall management, patent-related human resources, patent management, trademark management, software copyright management, trade secret protection, and dispute resolution mechanisms. This comprehensive approach provides a clear view of the current management landscape and highlights areas for improvement. Furthermore, we conduct regular IP risk monitoring, deploying an IP management system to improve management efficiency while analyzing the latest patent information and industry trends. In 2024, the Company completed 9 research reports on industry-related patent topics and 2 patent risk inventories, offering valuable insights to support GDS's intellectual property protection, patent management, and global expansion efforts. To encourage innovation, the Company revised its *Annual IP Incentive Implementation Plan* in 2024 to better recognize the value of patent contributions from technical staff. In 2024, GDS secured 49 new patents, increasing its total patent portfolio to 269.

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Scores Eight Key Dimensions

- IP Strategy
- Trademark Management
- Overall Management
- Software Copyright Management
- Patent-related Human Resources
- Trade Secret Protection
- Patent Management
- Dispute Resolution Mechanisms
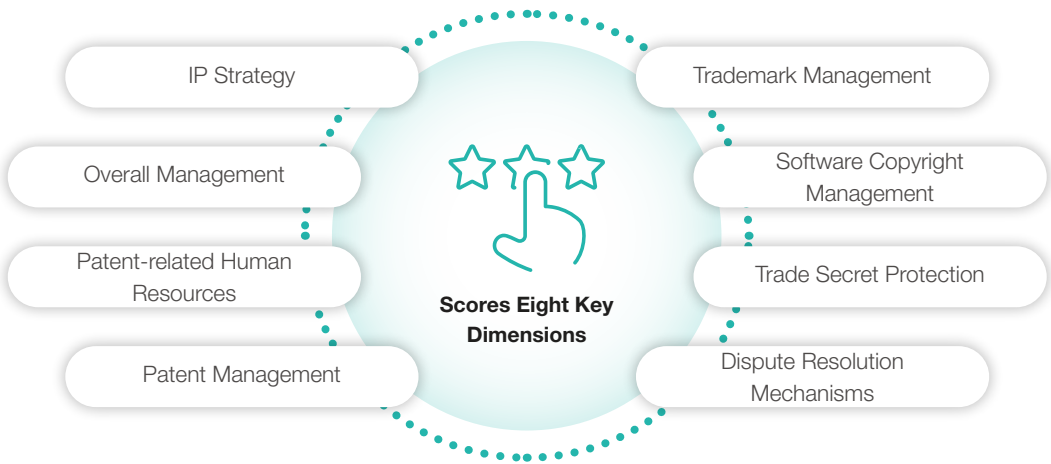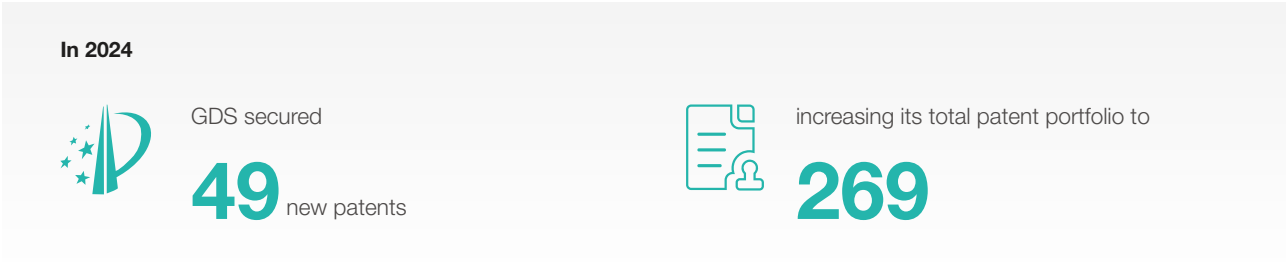
Responding to Emerging Compliance Requirements

Amid a rapidly changing external environment, GDS proactively addresses emerging compliance requirements to ensure resilient operations. At the end of 2023, we officially released the *Export Control Compliance Policy* and *Sanctions Compliance Policy* to further strengthen and refine our overall compliance framework. We also conducted training on export control and sanctions compliance, covering key concepts, regulatory frameworks, types of restrictions, and practical tools and methods for third-party screening in business operations. To ensure alignment with GDS's export control and sanctions compliance policies, a comprehensive review of all third parties involved in business activities is being carried out in 2024. With the aim of supporting policy implementation, GDS initiated a regular Comprehensive Screening List (CSL) check in 2024 for all third parties[17] involved in business interactions, ensuring full compliance in its operational practices.

Building a Culture of Compliance

GDS encourages employees and external individuals to report various violations through multiple channels, contributing to the Company's steady and long-term development. GDS has established a *Whistleblowing System* to ensure all credible grievance reporting and escalation from employees and external individuals are addressed promptly and effectively. Additionally, the *Whistleblower Protection System* safeguards the confidentiality and security of those who report misconduct, helping to prevent retaliation and fostering a culture of integrity.

> ⚠ **Reporting Channels**
>
> ---
>
> **Email** Ethics@gds-services.com   **Telephone** +86-021-5831 5858

GDS fosters a culture of corporate compliance and enhances employees' understanding of intellectual property through a combination of WeChat official account campaigns and in-person training initiatives. In 2024, the Company published 16 articles on IP-related topics and conducted 5 in-person training sessions, using awareness-building efforts to support the global expansion of its patents. In November of the same year, we conducted a compliance training and disclosure campaign for all full-time and temporary employees to enhance their anti-corruption awareness and response capabilities. At the same time, all employees of the company have signed the Code of Conduct, received relevant training, and incorporated them into the salary and performance assessment of the employees.

In 2024

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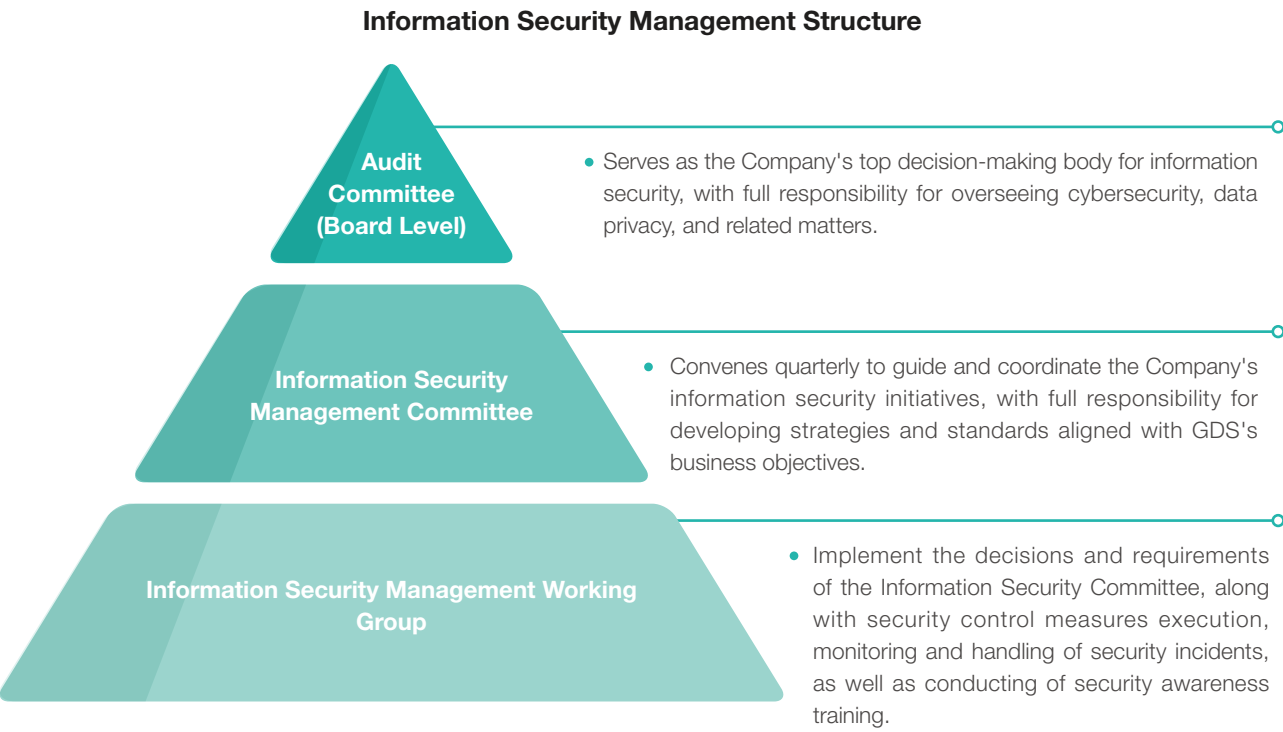**5** in-person training sessions

[17] Third parties include, but are not limited to, customers, suppliers, investors/partners and recipients of entertainment/gifts.

Data and Privacy Security

Data security and privacy protection are fundamental commitments and core values of GDS, upheld in relation to its customers, partners, and society at large. As a global leader in high-performance data center operations, GDS adheres to the principle of prioritizing security, customer-centricity, and technology-driven operations. We consider data security to be vital to the Company's success, and as such, we have built a full lifecycle protection system based on strict compliance standards, innovative technologies, and transparent governance.

Robust Information Security Governance System

GDS aligns its security practices with China's *National Security Law*, *Data Security Law*, and *Personal Information Protection Law*. As the highest supervisory body authorized by the Board of Directors, the Audit Committee has established a sound information security management framework and governance system, and is fully responsible for the coordinated monitoring of network security, data privacy, compliance risks and other risks. Leveraging AI technology, GDS has developed an integrated intelligent security framework capable of rapidly detecting and responding to cyber threats, ensuring the security of the Company's core data assets. In 2024, GDS enhanced several data protection policies and security-related systems, such as the *Data Protection and Privacy Security Management System* and the *Information System Data Backup and Restoration Management System*. A new *Sensitive Personal Information Handling Consent Form* was also introduced to regulate the collection and processing of personal data. In accordance with the latest requirements of the U.S. Securities and Exchange Commission (SEC), we have completed the optimization of the end-to-end incident response mechanism and conducted relevant drills. GDS continues to raise employee awareness of cybersecurity and successfully intercepted multiple attempted cyberattacks in 2024. No safety accidents were reported throughout the year.

Information Security Management Structure

Audit Committee (Board Level)
- Serves as the Company's top decision-making body for information security, with full responsibility for overseeing cybersecurity, data privacy, and related matters.

Information Security Management Committee
- Convenes quarterly to guide and coordinate the Company's information security initiatives, with full responsibility for developing strategies and standards aligned with GDS's business objectives.

Information Security Management Working Group
- Implement the decisions and requirements of the Information Security Committee, along with security control measures execution, monitoring and handling of security incidents, as well as conducting of security awareness training.

GDS's data security and privacy protection policies apply to all employees, ensuring that everyone is aware of and understands the relevant management regulations on privacy security and information security outlined in the *Employee Handbook*. These responsibilities are clearly defined to safeguard the Company's information assets and operational stability. Information security-related indicators have also been incorporated into employee performance evaluations.

Comprehensive Protection of Data Privacy and Security

Strengthening Business Continuity

GDS has built a robust business continuity framework that standardizes operational protocols during and after incidents to ensure seamless recovery. Our infrastructure is built on an "Infrastructure as Code" architecture to allow for rapid restoration of services following disruptions, provided system data integrity remains intact. This is complemented by sufficient redundant architecture to ensure system availability. Key datasets include database systems, object storage systems, and system configuration files, which are comprehensively backed up, so as to improve the operability, timeliness, and precision of business continuity strategies and plans. In addition, the Company regularly conducts annual audits of the ISO 22301 international standard and comprehensive self-assessments and self-reviews.

According to the results of a comprehensive self-assessment based on the GB/T 42581 standard
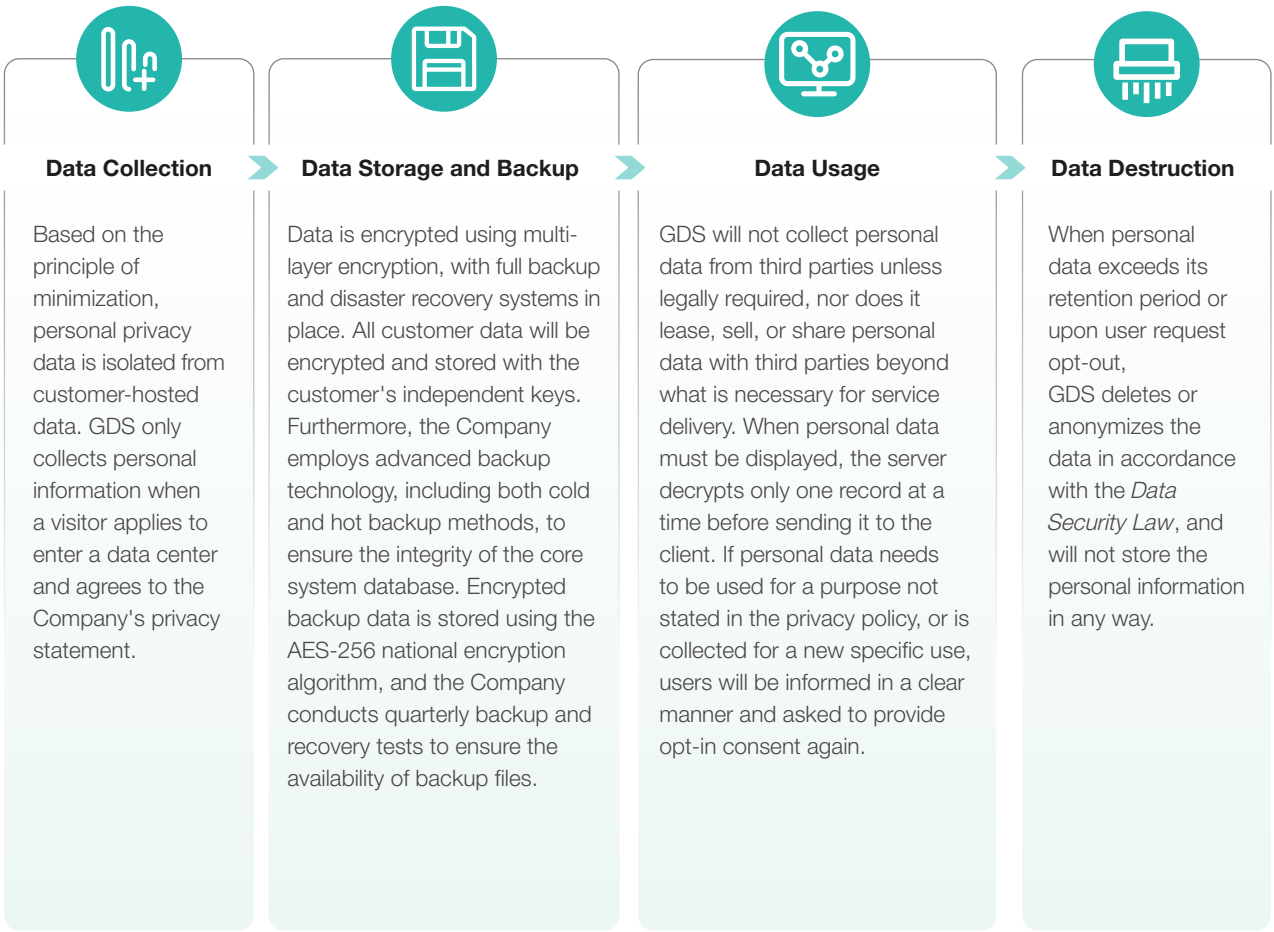
95%

of the infrastructure in GDS's self-operated data centers has attained the industry's highest benchmark in business continuity standards, demonstrating our leadership in corporate operational resilience

Full Lifecycle Data Security and Privacy Protection

GDS integrates data security and privacy considerations at the earliest stages of product development. For customer-facing applications, we implement Web Application Firewalls (WAFs), perimeter firewalls, and other measures, while also mapping out the scope of public network exposure. For internal platforms, differentiated access controls and network policies are applied as needed. Furthermore, GDS enforces a strict segregation between production and development and testing environments to prevent production data from flowing into the development and testing systems. Prior to system deployment, vulnerability scans and penetration tests are conducted to ensure product security.

Data Lifecycle Management

Data Collection

Based on the principle of minimization, personal privacy data is isolated from customer-hosted data. GDS only collects personal information when a visitor applies to enter a data center and agrees to the Company's privacy statement.

Data Storage and Backup

Data is encrypted using multi-layer encryption, with full backup and disaster recovery systems in place. All customer data will be encrypted and stored with the customer's independent keys. Furthermore, the Company employs advanced backup technology, including both cold and hot backup methods, to ensure the integrity of the core system database. Encrypted backup data is stored using the AES-256 national encryption algorithm, and the Company conducts quarterly backup and recovery tests to ensure the availability of backup files.

Data Usage

GDS will not collect personal data from third parties unless legally required, nor does it lease, sell, or share personal data with third parties beyond what is necessary for service delivery. When personal data must be displayed, the server decrypts only one record at a time before sending it to the client. If personal data needs to be used for a purpose not stated in the privacy policy, or is collected for a new specific use, users will be informed in a clear manner and asked to provide opt-in consent again.

Data Destruction

When personal data exceeds its retention period or upon user request opt-out, GDS deletes or anonymizes the data in accordance with the *Data Security Law*, and will not store the personal information in any way.
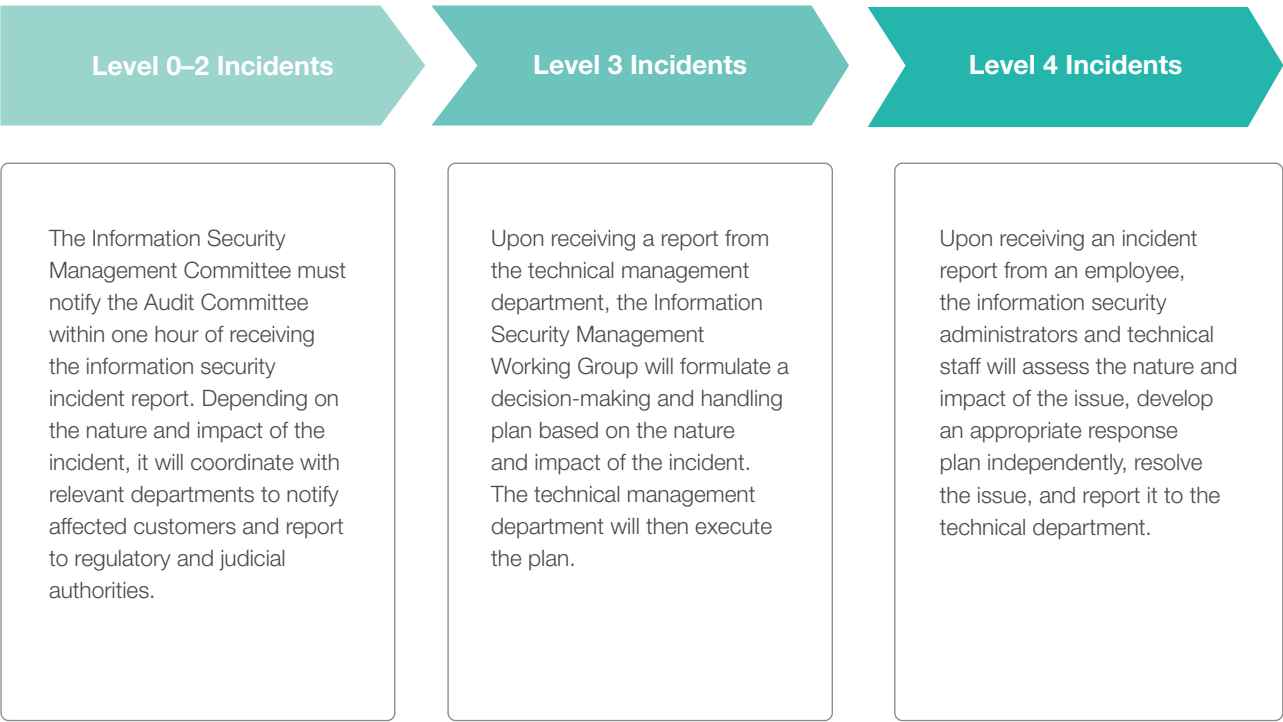
AI-Enhanced Information Security Risk Alerts

GDS attaches great importance to data security and privacy protection during product development and service delivery. Utilizing AI as a fundamental element, the Company has developed a comprehensive intelligent security framework that employs real-time monitoring and threat-blocking capabilities to swiftly detect and respond to cyberattacks. By incorporating AI-driven automation and orchestration technologies, GDS has significantly enhanced the efficiency of its security operations. The Company focuses on the integration of AI in data security to ensure the protection of core data assets. GDS has developed a closed-loop incident response process for IT system disruptions and cyberattacks, consisting of five stages: monitoring, response, remediation and recovery, reporting, as well as review and improvement. Large language models are used for information security risk early warning and incident response tracking. Large model technology is used to identify risks related to cybersecurity and personal data privacy by aggregating backend logs and generating risk alerts tailored to GDS's specific network operations and business scenarios. This AI-powered solution enables automatic threat tracing and localization, improving efficiency by approximately 30 times compared to manual methods. The average incident response time has been reduced from one hour to just two minutes.

Information Security Incident Classification Management

In addition, the Company encourages employees to report information security incidents[18] through a dedicated security email or by contacting the Information Security Team. In collaboration with the Working Group, the Team follows the *Information Security Incident Management Policy* to categorize and classify incidents based on root cause, manifestation, and severity of the incidents. In such cases, customized escalation and resolution procedures are initiated accordingly.

Level 0–2 Incidents	Level 3 Incidents	Level 4 Incidents
The Information Security Management Committee must notify the Audit Committee within one hour of receiving the information security incident report. Depending on the nature and impact of the incident, it will coordinate with relevant departments to notify affected customers and report to regulatory and judicial authorities.	Upon receiving a report from the technical management department, the Information Security Management Working Group will formulate a decision-making and handling plan based on the nature and impact of the incident. The technical management department will then execute the plan.	Upon receiving an incident report from an employee, the information security administrators and technical staff will assess the nature and impact of the issue, develop an appropriate response plan independently, resolve the issue, and report it to the technical department.

[18] Information security incidents are classified into five levels, ranked from highest to lowest severity— Level 0: Extremely serious incident; Level 1: Serious incident; Level 2: Relatively significant incident; Level 3: Moderate incident; Level 4: General incident.

Supplier Information Security Management

Managing third-party information security is critical to the secure operation of GDS's business. GDS has established a comprehensive management system and rigorous management system for supplier information security management. As part of the system, suppliers are required to comply with relevant laws and regulations and maintain strict confidentiality throughout the engagement. At the same time, suppliers are managed through a structured process that includes pre-qualification screening and tiered assessments. Technical requirements such as data desensitization, vulnerability remediation, and third-party audit responsiveness are clearly defined to ensure compliance, security, and operational stability throughout the supplier lifecycle.

Development of Information Security Culture and System

GDS consistently conducts internal and external information security audits to ensure the Company's reliable operations. The Audit Committee organizes regular internal audits and engages independent third-party firms to audit the information security system in accordance with SOC 2 and ISO standards. GDS also cooperates with audits from the National Financial Regulatory Administration and customers. In 2024, the Company verified compliance requirements across its domestic data centers with ISO 27001 and ISO 27701 standards and successfully obtained the ISO 27001 Information Security Management System Certification, ISO 27701 Privacy Information Management System Certification, and Network Security Level Protection Level 3 Certification. In accordance with the telecom regulatory requirements, GDS also submitted third-party assessment reports for expert review. The Company maintains rigorous standards in conducting cybersecurity level protection assessments, ensuring comprehensive readiness for subsequent Level 4 certification.

In 2024, GDS invited external cybersecurity experts to conduct red team/blue team exercises. These exercises helped technical teams build coordination and rapid response skills, enhancing the technical team's security response and collaboration capabilities while continuously optimizing system security. In addition, we conducted several phishing simulations by sending deceptive emails to evaluate employees' responses to real phishing attacks. Employees who failed the simulation received targeted online training. Employees who fail the test twice in a row will receive a written warning. Furthermore, the Company also continues to carry out a series of relevant training for all employees to continuously reinforce awareness of cybersecurity and data protection.

GDS has developed an end-to-end information security assurance system for supplier collaboration:

Bidding and Selection Phase

GDS conducts certification audits of suppliers' information security management systems, carries out data transmission security assessments and asset sensitivity risk analyses, and clearly defines security responsibilities within contractual agreements. During the bidding process, suppliers are required to comply with the *Supplier Information Security Technical Management Requirements* and sign a *Sustainable Development Commitment Letter*.

Equipment Deployment Phase

The security team conducts thorough penetration tests for the optical control system and performs compliance checks on all security technical measures, including antivirus software. Equipment must pass all inspections before being permitted to enter the data center.

Day-to-Day Cooperation Phase

GDS maintains ongoing oversight of its suppliers' security measures through a variety of assessments, including vulnerability scanning, penetration testing, dynamic risk assessments, and compliance audits. A complete review of major software versions is conducted every three years. Following the review, suppliers must address any vulnerabilities identified, with subsequent analysis to complete a closed-loop management mechanism of "inspection-rectification-verification". In 2024, GDS conducted its triennial penetration testing exercise for suppliers.

Cooperation Termination Phase

Regular evaluations and formal termination procedures are firmly established. Suppliers that fail to meet information security standards are promptly disengaged to ensure the overall security and reliability of the supply chain.

Appendix

Responding to Climate Risk

GDS assessed the physical risks using Shared Socioeconomic Pathways (SSPs[20]) from the IPCC[19] Sixth Assessment Report (AR6), selecting SSP2-4.5[21] and SSP5-8.5[22] scenarios. For transition risks, the Company adopted the IEA's[23] Net Zero Emissions by 2050 Scenario (NZE[24]) and Announced Pledges Scenario (APS[25]). A combination of qualitative and quantitative methods was employed to assess risk likelihood and severity across business operations and value chain activities under various climate scenarios and timeframes.

Concurrently, we implemented our internal enterprise risk management framework to evaluate climate-related risks and opportunities across our operations and value chain. We evaluated risk likelihood and severity under various climate scenarios and time horizons using both qualitative and quantitative methods[26]. This produced a comprehensive analysis of climate impacts on our business.

Based on the analysis of these specific scenarios, GDS engages external experts and convenes a series of climate-focused workshops, under the leadership of the Sustainability Task Force. These sessions brought together departments across the organization to identify potential climate risks and opportunities and to assess the Company's overall climate resilience.

[19] Intergovernmental Panel on Climate Change (IPCC): This intergovernmental body was established in 1988 by the World Meteorological Organization (WMO) and the United Nations Environment Program (UNEP).

[20] With a combination of socio-economic factors (e.g., population, economic growth, technological development) and climate policies, purely climate-physical pathway RCPs provide more comprehensive analyses of future scenarios.

[21] SSP2-4.5: Assuming a slow decline in global GHG emissions after peaking in the middle of the century, the global average temperature in this scenario rises between 2°C and 3°C relative to pre-industrial levels.

[22] SSP5-8.5: Assuming that global GHG emissions continue to increase towards the end of the century, this scenario results in a global average temperature increase of more than 4°C relative to pre-industrial levels.

[23] The International Energy Agency (IEA) is an autonomous agency within the OECD framework. Its primary objective is to promote energy cooperation among member countries.

[24] Net Zero Emissions by 2050 Scenario (NZE)

[25] Announced Pledges Scenario (APS)

[26] We have defined the timeframes for our climate risk and opportunity analysis as follows: the short-term is from now until 2025; the medium-term is from 2025 to 2030; the medium-to-long-term is from 2030 to 2040; and the long-term is from 2040 to 2050.

Results of Comprehensive Analysis of Entity Risks

Risk Type	Time Frame	Impact	Initiatives for Response
Acute - Floods	Short-term	The increasing frequency and severity of floods may directly damage company-owned properties, facilities, and equipment, as well as assets across the entire value chain.	• Assess historical natural disaster records during site selection and select locations in accordance with regulatory guidelines. • Monitor extreme weather during construction and implement contingency plans as well as secure appropriate insurance coverage for risk mitigation.
Acute - Typhoons	Long-term	Typhoons can result in physical damage to infrastructure and equipment, disrupt power supply, and pose threats to data centers and facilities across the value chain, also affecting construction progress.	• Perform regular maintenance and structural reinforcement during operations, and incorporate these systems with early warning systems to prevent disasters.
Acute - Droughts	Short-term	As droughts intensify, regional water supplies may face interruptions, leading to rising water costs and potential operational disruptions for the Company.	• Prioritize the use of water-efficient cooling systems in site and design planning to reduce reliance on water resources. • Develop emergency water supply plans to ensure water availability in emergencies. • Maximize the efficiency of water usage by optimizing strategies such as promoting graywater reuse and rainwater harvesting.
Acute - Extreme Heat	Long-term	Extreme heat poses a risk to the cooling systems of data centers, leading to a higher failure rate for critical equipment, which in turn raises safety concerns and operational costs. High temperatures may also result in electricity shortages and increase the maintenance and operation costs for both the Company and its partners.	• Optimize cooling system design based on local temperature to ensure stable and efficient performance. • Monitor the performance of equipment in real time during periods of extreme heat. In the event of such conditions, activate pre-defined emergency protocols, such as enhanced heat dissipation and adjusted workloads. • Provide heat-protection supplies for staff to ensure safety and stable operations.
Chronic - Sea Level Rise	Long-term	Rising sea levels pose a significant threat to the flood resilience of coastal data centers, with the potential to cause significant damage to facilities. Coastal erosion also may compromise underground cables and infrastructure and result in disruption to data transmission.	• Assess sea level rise risks during site planning; elevate equipment and improve drainage systems to enhance their effectiveness during floods. • Regularly monitor sea level trends in operational areas and assess infrastructure exposure. This will allow us to safeguard our assets.
Chronic - Mean Temperature Increase	Long-term	A sustained increase in average temperatures is likely to reduce the efficiency of existing heating and cooling systems, resulting in a significant increase in cooling energy demand across operational sites.	• Analyze historical and projected temperature data during site selection and allow for sufficient temperature-control redundancy to cope with extreme weather conditions. • Continuously upgrade equipment and optimize performance to mitigate the operability challenges posed by elevated temperatures. • Reinforce seasonal maintenance, particularly inspecting cooling and ventilation systems to ensure reliable performance in high-temperature settings.

Results of Comprehensive Analysis of Transformation Risks

Risk Type	Time Frame	Impact	Initiatives for Response
Policy – Regulatory requirements for existing products and services	Short to long term	The global carbon neutrality trend is accelerating the construction of green data centers. The industry needs to improve its emission management and promote the use of cleaner energy to comply with local policies. Concurrently, carbon pricing mechanisms may lead to higher operational costs.	• Adhere strictly to international and domestic standards; improve management of GHG emissions at all operating locations. • Implement green design guidelines, giving priority to areas with energy and natural resource endowments, to achieve green sustainability throughout the life cycle of the data center. • Increase the amount of clean energy and drive energy-efficiency levels beyond policy requirements. • Strategically position carbon assets management and engage in carbon market initiatives to reduce compliance risks.
Policy – Litigation risk	Medium to long term	If environmental risk management is inadequate or carbon emissions exceed limits, the Company may face regulatory reviews and reputational risks. Given GDS's satisfactory progress in its carbon emissions, the likelihood of violation is relatively low.	• Stay up to date on global sustainability trends to ensure compliance and respond promptly to changes in regulations. • Enhance carbon data management and improve the quality of environmental disclosure.
Technology – Transition to low-emission technologies	Medium to long term	The Company needs to accelerate the adoption of energy-efficient technologies, such as liquid cooling, to meet PUE requirements. Otherwise, it will face the risks of being left behind technologically and facing increased costs.	• Systematically evaluate and adopt low-carbon technologies, ensuring they are feasible and effective through pilot studies. • Strengthen in-house innovation and accelerate the large-scale application of low-carbon technologies through pilot projects. • Focus on advanced technologies such as liquid cooling and intelligent O&M to build a digital carbon-reduction system.
Market – Rising energy costs	Medium to long term	Volatility in energy prices may impact data center operations. The Company must expedite the shift to a low-carbon energy mix by using less carbon-based energy sources to manage cost risks and mitigate potential supply disruptions.	• Pay attention to energy supply and clean energy costs in each data center location, actively promote the use of clean energy sources like solar power, set internal targets for green power usage, and track progress annually to reduce electricity cost volatility. • To achieve our goal of being carbon neutral by 2030, the Company is collaborating with energy providers to reduce the cost of procuring renewable energy. • Develop and apply high-efficiency cooling technologies to improve cooling performance; monitor and manage overall PUE across facilities.
Market – Shifts in customer behavior	Short to long term	Growing demands for low-carbon services make customers more inclined to low-carbon service providers. Being unable to meet these expectations may lead to market share loss and declining revenue.	• Survey and understand customers' needs to accurately meet their demand for green services. • Apply low-carbon principles to the entire process of site selection and construction; combine renewable energy with innovation to create green data center solutions.

Risk Type	Time Frame	Impact	Initiatives for Response
Reputation – Increased stakeholder concern or negative feedback	Medium to long term	Failing to address climate issues or provide timely information to investors may trigger investor concerns and lead to a decline in valuation.	• Adhere to sustainability disclosure standards; enhance transparency and strengthen communication with stakeholders.

Results of Comprehensive Analysis of Climate Opportunities

Type of Opportunity	Time Frame	Impact	Response Measures
Resource Optimization	Short- to long-term	The Company can reduce operating costs through efficient energy management and adopting low-carbon technologies.	• Use modular solutions and clean transportation methods to reduce the carbon emissions from equipment transport and minimize construction waste. • Employ digital tools to enhance the design and construction processes, and prioritize the use of eco-friendly building materials. • Build a platform that visualizes energy management to make operations more efficient. • Increase power density per rack and collaborate with partners in the industry to improve energy-saving technologies.
Energy Transition	Short- to long-term	Optimizing the energy mix can reduce overall energy expenditures.	• Accelerate the transition to clean energy by gradually replacing diesel generators with HVO fuel or hydrogen. • Develop distributed energy networks to support the grid's responsiveness in real time and ensure reliable power.
Innovation in Products and Services	Short- to long-term	Rising internal and external demands for low-carbon services present opportunities for revenue growth.	• Deepen the development of green data center solutions and collaborate across the industry chain to refine the low-carbon service ecosystem. • Establish a collaborative customer carbon management system to deliver full lifecycle energy efficiency services.
Market Expansion	Short- to long-term	Digital transformation enables both cost efficiency and revenue expansion.	• Leverage green infrastructure standards to expand into international markets. • Develop systems that combine hardware and software to create new data center clusters.
Climate Resilience	Short- to long-term	Being prepared for risks can help the Company manage and control unexpected costs.	• Set up a system to assess the climate risks and incorporate climate-adaptation indicators during site selection. • Integrate digital twin technology to make facilities more resistant to disasters.
Technological Innovation	Medium to long term	Commercializing patented technologies may generate premium returns and carbon market benefits and continuous innovation provides potential for long-term cost reduction.	• Build a platform for open innovation and work with academic institutions to develop technologies for carbon capture and storage. • Increase the application of advanced technologies such as immersion cooling in home data centers.

Financial Impact Assessment

GDS conducted a financial risk assessment focused on physical climate risks that could significantly impact operations. These risks include extreme heat, extreme cold, drought, and typhoons. GDS also assessed major transition risks related to increasingly strict resource and energy management requirements. We looked at opportunities like developing and using low-carbon technology, as well as managing renewable energy and carbon assets. The assessment was based on a review of the Company's past financial data, interviews with key departments, and literature review. The goal was to understand how climate risks could affect the Company's production, operations, and business strategy.

We ran a detailed analysis for major operational locations across the country. It included topics like technical expenditure on equipment and facilities, insurance investment for people and property, and costs on extreme weather response. The evaluation focused especially on understanding how these factors may affect costs, asset value, and profitability. Using current costs and three-year trend data, this report estimates the financial impact of climate change in the short, medium, and long term. These insights are meant to help the Company decide how to deal with climate risks. We estimate that extreme weather, including high temperatures, cold snaps, and typhoons, will have a financial impact on us of approximately 10-20 million per year. Meanwhile, in 2024, we continued to invest in PUE retrofits, photovoltaic, and energy storage projects and gained approximately 40 million in energy cost savings, continuously engaged in carbon market and gained 11 million in carbon assets and allowances.

Financial Analysis of Significant Risks and Opportunities

Risk Type		Factors Driving Financial Impact	Annual Financial Impact (RMB)
Extreme weather Such as heatwaves and cold spells	Physical Risk	• Additional costs caused by extreme weather (heatwaves, cold spells, droughts) and resource shortages (power/water) include: rising utility bills, equipment maintenance/upgrades (cooling/heating/water-saving), emergency response/recovery expenses, staff subsidies, backup infrastructure investments, and systemic risk mitigation, while water-saving measures (e.g., graywater reuse) may partially offset expenditures.	• About 10-20 million
Typhoons	Physical Risk	• Disaster prevention costs throughout a data center's lifecycle, including: risk assessment during site selection; procurement of weather monitoring systems and emergency supplies during construction; and equipment weatherproofing, insurance, emergency response, typhoon-season utility spikes, disaster recovery, and preparedness drills during operations.	• About 1-5 million
Tightened Management of Resources and Energy and low-Carbon Technology Development and Application	Risk/ Opportunity	• Capital expenditures for mandatory carbon monitoring systems • Increased CAPEX for energy-efficient retrofits and green certifications • Higher OPEX due to renewable energy procurement. • Reduce data centre carbon emissions, improve energy efficiency and differentiate competitiveness through technological innovation.	• Continue to invest in PUE retrofit, photovoltaic, and energy storage project • Reduce electricity costs by about 40 million

Risk Type		Factors Driving Financial Impact	Annual Financial Impact (RMB)
Renewable Energy and Carbon Asset Portfolio Management	Opportunity	• Through green power procurement and carbon trading, generate additional income from quota transfer on top of its own carbon emission excellence, bringing more opportunities for the company and realising the closed loop of 'Emission Reduction - Profit'. • Promote the use of renewable energy such as photovoltaic to reduce electricity costs.	• Obtain additional revenue of about 11 million

Transition Plan

The intensifying global climate change presents us with unprecedented challenges. The frequent extreme weather events, rising sea levels, and loss of biodiversity underscore the pressing need for immediate action. In response, we have developed a comprehensive decarbonization framework that encompasses the entire value chain. Through technological innovation, operational transformation, and ecosystem collaboration, we are systematically progressing toward a high-efficiency, zero-carbon, and circular business model.

Transition Objectives

GDS is unwavering in its commitment to achieving operational carbon neutrality and 100% renewable energy use by 2030. Our objective is to integrate sustainability into every facet of our business operations. In order to ensure effective tracking of the transition plan and assess the real-world impact of strategic initiatives, we have established organization-wide transition targets.

	Use of Renewable Energy and Carbon Neutrality	To achieve 100% renewable energy use and operational carbon neutrality by 2030.
	Construction of Green Data Centers	To achieve 100% green building certification of newly commissioned self-built data centers from 2020 onwards
	Improving Data Center Energy Efficiency	Annual average PUE of 1.20

Use of Renewable Energy

We are promoting the large-scale adoption of renewable energy through a multifaceted energy framework. This framework includes market-based green power trading, on-site renewable generation, and green certificates. We are committed to fostering partnerships with energy providers and renewable technology companies to ensure wider access to clean energy. Moving forward, we will continue to explore emerging energy technologies and models, such as hydrogen fuel cells and integrated energy systems that combine generation, the grid, load, and storage. These efforts will further accelerate our energy transition and establish a robust foundation for achieving 100% renewable energy operations by 2030.

Construction of Green Data Centers

GDS is committed to environmental responsibility and employs lifecycle-based design principles when developing next-generation digital infrastructure with low carbon emissions. Our objective is to guarantee that all data centers constructed since 2020 comply with relevant local green building certification standards.

- We have formulated a comprehensive green design framework encompassing key indicators such as overall data center energy performance, equipment efficiency, water recycling rates, and thermal insulation.

- During the construction phase, we implement an end-to-end environmental management approach by using eco-friendly materials, sourcing materials locally, using recycling technologies for construction waste, and implementing dedicated soil and water conservation plans.

Improving Data Center Energy Efficiency

As a core metric of data center energy efficiency, GDS's Power Usage Effectiveness (PUE) has met leading global standards. Our advanced energy-saving systems and intelligent energy management platforms enable real-time, dynamic optimization. We have successfully concluded pilot testing of state-of-the-art technologies, including liquid cooling, refrigerant pumps, and AI-based performance tuning, in locations such as Shanghai. At the same time, we have been developing a portfolio of patented innovations to support future large-scale implementation.

Sustainable Development Goals

Topic	Key Indicators	2030 Targets
Environment	Carbon Neutrality	Operational carbon neutrality (i.e., Scope 1 and 2)
	Percentage of Renewable Energy	100%
	Data Center[27] Annual PUE	1.2
	Total Waste Volume and Recycling Rate	Total waste volume reduced by 5% compared to 2024
		100% reusable, recyclable, or compostable of non-hazardous waste
	Green Building Ratio	Achieve 100% green building certification of newly commissioned self-built data centers from 2020 onwards
Society	The percentage of female employees[28]	⩾ 20%
	Female percentage in Senior Management	⩾ 30%
	Diversity in Recruitment	Ensure gender equality in the recruitment process, with female candidates accounting[28] for at least 30%
	Absence Rate	Employee absence rate ⩽ 3.5%
	Total Recordable Incident Rate (TRIR)	⩽ 1.0

[27] Data centers commissioned after 2020, with a utilization rate above 30%, and constructed using new technologies and architectures.

[28] The scope of statistics does not encompass 24/7 operations and maintenance roles.

Topic	Key Indicators	2030 Targets
Governance	Compliance and Anti-corruption Training	All full-time employees
	Business Ethics Compliance System Certification	Ongoing Third-Party Certification of the Compliance System
	Proportion of Independent Directors	⩾ 40%
	Anti-corruption Audits	Audit once every two years to assess the implementation of anti-corruption policies and regulations
	Cybersecurity Training	All full-time employees

Key Performance Indicators (KPI) Table[29] [30]

Environmental Performance Table

Indicators	2024	2023	2022
Greenhouse Gas (GHG) Emissions			
Total GHG emissions (location-based) (metric tons of CO_2 equivalent)	3,795,396	4,396,860	3,709,431
Total GHG emissions (market-based) (metric tons of CO_2 equivalent)	2,480,007	3,365,038	2,676,437
Scope 1	63,279	35,373	55,967
Scope 2 (location-based)	2,537,785	2,708,764	2,877,503
Scope 2 (market-based)	1,389,065	1,676,942	1,844,509
Scope 3 (location-based)	1,194,332	1,652,723	775,961
Scope 3 (market-based)	1,027,663	-	-
Scope 3-1 Purchased goods and services	93,151	684,423	-
Scope 3-2 Capital goods	28,010	33,060	-
Scope 3-3 Fuel and energy related activities	550,360	525,698	-
Scope 3-4 Upstream transportation and distribution	7,929	26,419	-
Scope 3-5 Waste generated in operations	99	136.88	-
Scope 3-6 Business travel	1,349	793	-
Scope 3-7 Employee commuting	619	637	-
Scope 3-8 Upstream leased assets	171	189	-
Scope 3-13 Downstream leased assets (location-based)	512,640	381,359	-
Scope 3-13 Downstream leased assets (market-based)	345,971	-	-
Scope 3-15 Investments	5	5	-

[29] Certain figures in the table have been rounded, which may result in minor discrepancies between subtotals and totals. These differences are within the acceptable range of calculation error and do not indicate any distortion of the data.

[30] Some data was not disclosed in 2022 and/or 2023 and is represented by "–" in the table.

Indicators	2024	2023	2022
GHG emission intensity (location-based) - Scope 1 + Scope 2 (metric tons of CO_2 equivalent per million USD Revenue)	1,839	1,957	2,170
GHG emissions intensity (market-based) - Scope 1 + Scope 2 (metric tons of CO_2 per million USD Revenue)	1,027	1,221	1,406
Total carbon trading volume (metric tons)	113,334	61,788	89,226

Energy Consumption

Average PUE of data centers	1.24	1.28	1.29
Average PUE of the best-performing data center during the reporting period	1.13	1.15	1.15
Average PUE of self-developed data centers	1.28	1.28	1.29
Total energy consumption (GWh)[31]	6,256	5,429	5,045
Gasoline (liters)	32,760	37,607	-
Diesel (liters)	816,037	766,606	660,935
Renewable energy & RECs (GWh)	2,141	1,809	1,811
Percentage of renewable energy in total consumption (%)	40	38.0	35.9
Energy intensity (MWh/1,000 USD)	3.68	3.87	-

Green Buildings

Percentage of self-built data centers commissioned since 2020 that have obtained or are in the process of applying for green building certification (%)	87	87	77
Total number of LEED certifications (units)	25	25	19
Total number of ODDC green data center certifications (units)	17	17	17
Total number of ODDC low-carbon/zero-carbon data center certifications (units)	5	4	4
Total number of green data center certifications issued by the Ministry of Industry and Information Technology (units)	9	8	8
Total number of green data center certificates obtained (units)	56	54	48
Total number of data centers that have obtained green certificates (units)	42	41	34

Waste Management

Total solid waste (metric tons)	739	810	-
Total hazardous waste (metric tons)	2,510	2,384	-
Hazardous waste recovery rate (%)	100	100	100

Water Resource Management

Total water consumption (metric tons)	8,061,445	7,056,290	6,806,451
Water consumption intensity (metric tons/1,000 USD)	5.56	5.03	-
WUE	1.66	1.72	1.74

[31] Energy consumption figures encompass both Build-Operate-Transfer (B-O-T) and self-developed projects.

Social Performance Table

Indicators		2024	2023	2022
Products and Services				
Number of data centers certified with Uptime M&O (units)		26	36	26
Number of regions certified with Uptime M&O (units)		4	4	4
Number of complaints regarding products or services		22	15	19
Complaint response rate (%)		100	100	100
Complaint resolution rate (%)		100	100	100
Customer satisfaction score (out of 10)		9.68	9.65	9.62
Net promoter score (%)		91	85	88
Employment Management				
Total number of employees[32] (persons)		2,276[33]	2,345	2,185
Number of part-time employees (persons)		153	-	-
Employees by age (%)	30 years old and under	30	34	35
	Between 30 and 50 years old	67	63	62
	50 years and older	3	2	3
Employees by ethnicity (%)	Han ethnicity	96	89	92
	Other ethnic minorities	4	11	8
Employees by nationality (%)	Foreign employees	0.2	-	-
Employees - by region (%)	Chinese Mainland	99	-	-
	Hong Kong, Macao, and Taiwan regions	1	-	-
Percentage of managerial staff (%)		1	-	-
Percentage of technical staff (%)		3	-	-
Percentage of employees with disabilities (%)		1	-	-
Employee turnover rate (%)		13	17	14
Employee turnover rate by gender (%)	Male employees	14	-	-
	Female employees	7	-	-
Employee turnover rate by age (%)	30 years old and under	14	-	-
	Between 30 and 50 years old	13	-	-
	50 years and older	16	-	-
Employee turnover rate by job level (%)	Frontline employees	13	-	-

[32] All data on the total number of employees, as well as statistics by gender, age, and function, pertain exclusively to full-time employees of GDS.

[33] The number of employees decreased in 2024, due to the company's ongoing efforts to workforce efficiency optimization, as well as some employees being transferred overseas.

Indicators		2024	2023	2022
Employee turnover rate by job level (%)	Middle management	9	-	-
	Senior management	13	-	-
Voluntary turnover rate (%)		11	13	-
Voluntary turnover rate by gender (%)	Male employees	12	-	-
	Female employees	6	-	-
Voluntary turnover rate by age (%)	30 years old and under	12	-	-
	Between 30 and 50 years old	11	-	-
	50 years and older	10	-	-
Voluntary turnover rate by job level (%)	Frontline employees	12	-	-
	Middle management	7	-	-
	Senior management	13	-	-
Number of newly hired employees (persons)	Total number of new employees	402	551	597
	Number of newly hired male employees	364	490	505
	Number of newly hired female employees	38	61	92
Employee satisfaction survey scores		90+	90+	90+

Training and Development

Indicators		2024	2023	2022
Percentage of employees who undergo regular performance and career development evaluations (%)	Male employees	100	100	100
	Female employees	100	100	100
Internal employee transfer proportion (%)		7	9	12
Percentage of employees receiving training by job level (%)	Frontline employees	100	-	-
	Middle management	100	-	-
	Senior management	100	-	-
Percentage of employees receiving training by gender (%)	Male employees	100	-	-
	Female employees	100	-	-
Average investment in employee training (RMB)		438	-	-
Average annual training hours per employee (hours)		32.4	32.1	36.4
Average annual training hours by level (hours)	Grassroots staff	35.9	36.2	40.7
	Middle management staff	11.8	7.0	16.7
	Senior management staff	7.7	5.4	8.1
Average annual training hours by gender (hours)	Male employees	36.0	36.4	-
	Female employees	12.5	8.5	-

Indicators		2024	2023	2022
Diversity, Fairness, and Inclusion				
Proportion of female employees at each level/function (%)	Percentage of female employees	23	15	15
	Percentage of women in middle management	27.75	27	25
	Proportion of women in senior management	31.58	30	37
	Female percentage in revenue-generating roles	41	-	-
	Proportion of women in STEM positions	17	-	-
Gender pay ratio by job level (female to male) (%)	Frontline employees	129	128	109
	Middle management	111	117	111
	Senior management	121	108	98
Gender pay gap among employees (%)	Average salary difference	-8	-9	-17
	Median pay gap	2	6	-3
	Median bonus gap	6	1	4

Parental Leave

Indicators		2024	2023	2022
Employees entitled to parental leave (persons)	Total number	2,276	-	-
	Male employees	1,938	-	-
	Female employees	338	-	-
Employees who took parental leave (persons)	Total number	141	-	-
	Male employees	109	-	-
	Female employees	32	-	-
Number of employees who returned to work after parental leave during the reporting period (persons)	Total number	141	-	-
	Male employees	109	-	-
	Female employees	32	-	-
Number of employees who returned after parental leave and remained employed after 12 months (persons)	Total number	132	-	-
	Male employees	102	-	-
	Female employees	30	-	-
Return-to-work rate of employees who took parental leave (%)	Total	100	-	-
	Male employees	100	-	-
	Female employees	100	-	-
Retention rate of employees who took parental leave (%)	Total	94	-	-
	Male employees	94	-	-
	Female employees	94	-	-

Indicators	2024	2023	2022
Total number of weeks of paid parental leave taken by the primary caregiver within the year	38	-	-
Total number of weeks of paid parental leave taken by non-primary caregivers within the year	122	-	-

Occupational Health and Safety

Indicators	2024	2023	2022
Number of working hour (hours)	10,236,193	7,102,091	10,332,814
Employee physical examination rate (%)	100	100	100
Total recordable incident rate (TRIR)	0.098	0.085	0.16
Number of recordable work-related injuries (persons)	5	3	9
Number of severe work-related injuries (persons)	0	0	0
Number of deaths caused by work-related injuries (persons)	0	0	0
Mortality rate due to work-related injuries (%)	0	0	0

Supplier Management

Indicators	2024	2023	2022
Percentage of suppliers required to complete third-party due diligence questionnaires (%)	100	100	100
Percentage of suppliers required to sign the *Sustainability Commitment Letter* (%)	100	100	100
Percentage of suppliers required to undergo EHS audits (%)	100	100	100
Total number of suppliers	1,017	1,472	1,559
- By region: East China	412	480	587
- By region: North China	384	448	554
- By region: South China	183	213	250
- By region: West China	38	44	52
- By region: Hong Kong SAR, Macao SAR and overseas countries/regions	-	287	116

Charity

Indicators	2024	2023	2022
Amount of philanthropic investment (RMB 10,000)	230	250	-

Corporate Governance Performance Table

Indicators		2024	2023	2022
Corporate Governance				
Board composition	Independent directors (persons)	5	5	5
	Proportion of independent directors (%)	42	45	45

Indicators		2024	2023	2022
Board composition	Female directors (number)	2	2	2
	Percentage of female directors (%)	17	18	18
Number of Board Meetings (times)		12	13	10

Compliance and Anti-corruption

Indicators	2024	2023	2022
Audits of the implementation of anti-corruption policies	Company-wide, conducted every two years		
Percentage of employees who received compliance and anti-corruption training (%)	100	100	100

Intellectual Property Management

Indicators	2024	2023	2022
Number of new patent applications (units)	49	55	48
Total number of patent applications (units)	269	220	172
Percentage of invention patents in the current year (%)	47	49	54
Number of newly authorized patents (units)	18	35	30
Total number of authorized patents (units)	159	141	111
Number of newly added software copyrights (units)	28	20	32
Total number of software copyrights (units)	231	203	171
Newly added trademarks (units)	22	74	1
Total number of trademarks (units)	245	223	149

Data and Privacy Security

Indicators		2024	2023	2022
Major cybersecurity incidents (occurrences)		0	0	0
Total monetary loss due to legal proceedings related to user privacy (RMB)		0	0	0
Number of data breaches (times)		0	0	0
Percentage of personal data breach incidents (%)		0	0	0
Total number of employees and users affected by data breaches (persons)		0	0	0
Number of service disruptions due to performance issues (times)		0	0	0
Total customer downtime (days)		0	0	0
Number of substantiated complaints concerning breaches of customer privacy (cases)	Number of substantiated complaints from external parties	0	0	0
	Number of complaints from regulatory authorities	0	0	0
Total number of confirmed incidents of customer data breaches, thefts, or losses (cases)		0	0	0
Percentage of employees who have received data security training (%)		100	100	100

GRI Sustainability Reporting Standards Content Index

Instructions	This Report has been prepared by GDS with reference to the Global Reporting Initiative (GRI) Standards. The reporting period covers January 1, 2024, to December 31, 2024.
GRI 1 Used	GRI 1: Foundation 2021

GRI Standards	Disclosure	Sections in the Report
GRI 2: General Disclosures 2021	2-1 Organizational details	Our Business
	2-2 Entities included in the organization's sustainability reporting	Reporting Scope
	2-3 Reporting period, frequency, and contact point	Reporting Scope Contact Us
	2-4 Restatements of information	/
	2-5 External assurance	External Assurance Independent Assurance Report
	2-6 Activities, value chain, and other business relationships	Our Business Materiality Assessment Stakeholder Identification and Communication
	2-7 Employees	Key Performance Indicators (KPI) Table
	2-8 Workers who are not employees	Key Performance Indicators (KPI) Table
	2-9 Governance structure and composition	Corporate Governance
	2-10 Nomination and selection of the highest governance body	Corporate Governance
	2-11 Chair of the highest governing body	Corporate Governance
	2-12 Role of the highest governance body in overseeing sustainability impacts	Corporate Governance Sustainability Governance Climate Risk Management Risk Management Compliance Management Data and Privacy Security
	2-13 Delegation of responsibility for managing sustainability impacts	Sustainability Governance Climate Risk Management Risk Management Compliance Management Data and Privacy Security
	2-14 Role of the highest governance body in sustainability reporting	Materiality Assessment Sustainability Governance
	2-15 Conflicts of interest	/
	2-16 Communication of key issues	Stakeholder Identification and Communication

GRI Standards	Disclosure	Sections in the Report
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Sustainability Governance
	2-18 Evaluation of the performance of the highest governance body	/
	2-19 Remuneration policy	Performance Management and Compensation & Benefits
	2-20 Process to determine remuneration	Performance Management and Compensation & Benefits
	2-21 Annual total compensation ratio	/
	2-22 Statement on sustainable development strategy	Sustainable Development Strategy
	2-23 Policy commitments	Sustainability Governance Climate Risk Management Waste Management A Rewarding Workplace Employee Health and Safety Charity Management Risk Management Process Compliance Management Data and Privacy Security
	2-24 Embedding policy commitments	Sustainability Governance Climate Risk Management Charity Management Corporate Governance Risk Management System Compliance Management Data and Privacy Security
	2-25 Processes to remediate negative impacts	Customer Feedback Management
	2-26 Mechanisms for seeking advice and raising concerns	Stakeholder Identification and Communication Customer Feedback Management Employee Communication Building a Culture of Compliance
	2-27 Comply with laws and regulations	Robust Information Security Governance System Key Performance Indicators (KPI) Table
	2-28 Membership associations	/
	2-29 Approach to stakeholder engagement	Stakeholder Identification and Communication
	2-30 Collective bargaining agreements	/
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment
	3-2 List of material topics	Materiality Assessment
	3-3 Management of material topics	Materiality Assessment
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Business Key Performance Indicators (KPI) Table

GRI Standards	Disclosure	Sections in the Report
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate Risk Management Combating Climate Change
	201-3 Defined benefit plan obligations and other retirement plans	Performance Management and Compensation & Benefits
	201-4 Financial assistance received from government	/
GRI 202: Market Presence 2016	202-1 Ratios of standard entry-level wage by gender compared to local minimum wage	/
	202-2 Proportion of senior management hired from the local community	/
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Driving the Transformation of the Value Chain
	203-2 Significant indirect economic impacts	/
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	/
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-corruption and Anti-bribery
	205-2 Communication and training on anti-corruption policies and procedures	Building a Culture of Compliance
	205-3 Confirmed incidents of corruption and actions taken	Anti-corruption and Anti-bribery
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	/
GRI 207: Tax 2019	207-1 Approach to tax	/
	207-2 Tax governance, control, and risk management	/
	207-3 Stakeholder engagement and management of tax-related issues	/
	207-4 Country-by-country reporting	/
GRI 301: Materials 2016	301-1 Materials used by weight or volume	/
	301-2 Recycled input materials used	/
	301-3 Reclaimed products and their packaging materials	/
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Key Performance Indicators (KPI) Table
	302-2 Energy consumption outside the organization	Key Performance Indicators (KPI) Table
	302-3 Energy intensity	Key Performance Indicators (KPI) Table
	302-4 Reduction of energy consumption	Energy Efficiency Management Key Performance Indicators (KPI) Table
	302-5 Reductions in energy requirements of products and services	Energy Efficiency Management
GRI 303: Water and Effluents 2018	303-1 Organizational interactions with water as a shared resource	Water Resource Management
	303-2 Management of water discharge-related impacts	Water Resource Management
	303-3 Water withdrawal	Key Performance Indicators (KPI) Table
	303-4 Water discharge	Key Performance Indicators (KPI) Table

GRI Standards	Disclosure	Sections in the Report
GRI 303: Water and Effluents 2018	303-5 Water consumption	Key Performance Indicators (KPI) Table
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	GDS has no operational sites located in or adjacent to areas of high biodiversity value outside protected areas.
	304-2 Significant impacts of activities, products, and services on biodiversity	
	304-3 Habitats protected or restored	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	
GRI 305: Emissions 2016	305-1 Direct (Scope1) GHG emissions	Key Performance Indicators (KPI) Table
	305-2 Energy indirect (Scope2) GHG emissions	Key Performance Indicators (KPI) Table
	305-3 Other indirect (Scope3) GHG emissions	Key Performance Indicators (KPI) Table
	305-4 GHG emissions intensity	Key Performance Indicators (KPI) Table
	305-5 Reduction of GHG emissions	Key Performance Indicators (KPI) Table
	305-6 Emissions of ozone-depleting substances (ODS)	/
	305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	/
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management
	306-2 Management of significant waste-related impacts	Waste Management
	306-3 Waste generated	Key Performance Indicators (KPI) Table
	306-4 Waste diverted from disposal	/
	306-5 Waste directed to disposal	/
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Full Process Management for Suppliers
	308-2 Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain Management
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Key Performance Indicators (KPI) Table
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Performance Management and Compensation & Benefits
	401-3 Parental leave	Performance Management and Compensation & Benefits Key Performance Indicators (KPI) Table
GRI 402: Labor/ Management Relations (2016)	402-1 Minimum notice periods regarding operational changes	/
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Employee Health and Safety
	403-2 Hazard identification, risk assessment, and incident investigation	Employee Health and Safety
	403-3 Occupational health services	Employee Health and Safety
	403-4 Worker participation, consultation, and communication on occupational health and safety	Employee Communication Employee Health and Safety

GRI Standards	Disclosure	Sections in the Report
GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety	Employee Health and Safety
	403-6 Promotion of worker health	Employee Health and Safety
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health and Safety
	403-8 Workers covered by an occupational health and safety management system	Employee Health and Safety Key Performance Indicators (KPI) Table
	403-9 Work-related injuries	Employee Health and Safety Key Performance Indicators (KPI) Table
	403-10 Work-related ill health	Employee Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Talent Growth and Development Key Performance Indicators (KPI) Table
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Growth and Development
	404-3 Percentage of employees receiving regular performance and career development reviews	Key Performance Indicators (KPI) Table
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Corporate Governance Talent Development Strategy and Employment Diversity, Fairness, and Inclusion
	405-2 Ratio of basic salary and remuneration of women to men	Key Performance Indicators (KPI) Table
GRI 406: Anti-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Talent Development Strategy and Employment Diversity, Fairness, and Inclusion
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Talent Development Strategy and Employment
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Talent Development Strategy and Employment
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Talent Development Strategy and Employment
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	/
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples and actions taken	Talent Development Strategy and Employment
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Demonstrating Social Value Through Charity
	413-2 Operations with significant actual and potential negative impacts on local communities	/
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Full Process Management for Suppliers
	414-2 Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain Management
GRI 415: Public Policy 2016	415-1 Political contributions	Anti-corruption and Anti-bribery
GRI 416: Customer Health and Safety 2016	416-1 Assessment of health and safety impacts of product and service categories	/
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	/

GRI Standards	Disclosure	Sections in the Report
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	/
	417-2 Incidents of non-compliance concerning product and service information and labeling	/
	417-3 Incidents of non-compliance concerning marketing communications	/
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Robust Information Security Governance System

Nasdaq's *ESG Reporting Guide* Content Index

	Disclosure		Sections in the Report
E1 Greenhouse Gas Emissions	E1.1	Total CO_2 equivalent for Scope 1 GHG Emissions (if applicable)	Key Performance Indicators (KPI) Table
	E1.2	Total CO_2 equivalent for Scope 2 GHG Emissions (if applicable)	Key Performance Indicators (KPI) Table
	E1.3	Total CO_2 equivalent for Scope 3 GHG Emissions (if applicable)	Key Performance Indicators (KPI) Table
E2: Emission Intensity	E2.1	Total GHG emissions per output scale factor	Key Performance Indicators (KPI) Table
	E2.2	Total non-GHG emissions per unit of output	/
E3 Energy Usage	E3.1	Total amount of energy directly consumed	Key Performance Indicators (KPI) Table
	E3.2	Total amount of energy indirectly consumed	Key Performance Indicators (KPI) Table
E4 Energy Intensity		Total direct energy usage per output scaling factor	Key Performance Indicators (KPI) Table
E5 Energy Mix		Percentage: Energy usage by generation type	Key Performance Indicators (KPI) Table
E6 Water Usage	E6.1	Total water consumption	Key Performance Indicators (KPI) Table
	E6.2	Total amount of water reclaimed	/
E7 Environmental Operations	E7.1	Does your company follow a formal environmental policy? Yes/No	Energy Efficiency Management Water Resource Management Waste Management
	E7.2	Does your company follow specific waste, water, energy, and/or recycling polices? Yes/No	Energy Efficiency Management Water Resource Management Waste Management
	E7.3	Does your company use a recognized energy management system? Yes/No	Energy Efficiency Management
E8 Climate Oversight/ Board		Does the Board of Directors oversee and/or manage climate-related risks? Yes/No	Sustainability Governance Climate Risk Management
E9 Climate Oversight/ Management		Does your Senior Management Team oversee and/or manage climate-related risks? Yes/No	Sustainability Governance Climate Risk Management
E10 Climate Risk Exposure		Total amount invested, annually, in climate-related infrastructure, resilience, and product development	/

		Disclosure	Sections in the Report
S1 CEO Pay Ratio	S1.1	Ratio: CEO total compensation to median FTE total compensation	/
	S1.2	Does your company report this metric in regulatory filings?	/
S2 Gender Pay Ratio		Ratio: Median male compensation to median female compensation	Key Performance Indicators (KPI) Table
S3 Employee Turnover	S3.1	Percentage: Year-over-year change for full-time employees	Key Performance Indicators (KPI) Table
	S3.2	Percentage: year-over-year change in part-time employee turnover rate	/
	S3.3	Percentage: Year-over-year change for contractors and/or consultants	/
S4 Gender Diversity	S4.1	Percentage: Total enterprise headcount held by men and women	Key Performance Indicators (KPI) Table
	S4.2	Percentage: Entry- and mid-level positions held by men and women	/
	S4.3	Percentage: Senior- and executive-level positions held by men and women	Key Performance Indicators (KPI) Table
S5 Temporary Worker Ratio	S5.1	Percentage: Total enterprise headcount held by part-time employees	/
	S5.2	Percentage: Total enterprise headcount held by contractors and/or consultants	/
S6 Non-discrimination		Does your company follow a sexual harassment and/or non-discrimination policy?	Diversity, Fairness, and Inclusion
S7 Injury Rate		Percentage: Frequency of injury events relative to total workforce time	Key Performance Indicators (KPI) Table
S8 Global Health and Safety		Does your company follow an occupational health and/or global health & safety policy?	Employee Health and Safety
S9 Child & Forced Labor	S9.1	Does your company follow a child and/or forced labor policy?	Talent Development Strategy and Employment
	S9.2	If yes, does your child and/or forced labor policy cover suppliers and vendors?	Sustainable Supply Chain Management
S10 Human Rights	S10.1	Does your company follow a human rights policy?	Talent Development Strategy and Employment
	S10.2	If yes, does your human rights policy cover suppliers and vendors?	Talent Development Strategy and Employment / Sustainable Supply Chain Management
G1 Board Diversity	G1.1	Total board seats occupied by women (as compared to men)	Corporate Governance / Key Performance Indicators (KPI) Table
	G1.2	Committee chairs occupied by women (as compared to men)	/
G2 Board Independence	G2.1	Does company prohibit CEO from serving as board chair?	/
	G2.2	Percentage: Total board seats occupied by independents	Corporate Governance / Key Performance Indicators (KPI) Table
G3 Incentivized Pay		Are executives formally incentivized to perform on sustainability?	Sustainability Governance
G4 Collective Bargaining		Percentage: Total enterprise headcount covered by collective bargaining agreement(s)	/
G5 Supplier Code of Conduct	G5.1	Are your vendors or suppliers required to follow a code of conduct?	Sustainable Supply Chain Management
	G5.2	If yes, what percentage of your suppliers have formally certified their compliance with the code?	Sustainable Supply Chain Management
G6 Ethics & Anti-corruption	G6.1	Does your company follow an ethics and/or anti-corruption policy?	Anti-corruption and Anti-bribery
	G6.2	If yes, what percentage of your workforce has formally certified its compliance with the policy?	Anti-corruption and Anti-bribery
G7 Data Privacy	G7.1	Does your company follow a data privacy policy?	Data and Privacy Security
	G7.2	Has your company taken steps to comply with GDPR rules?	/

		Disclosure	Sections in the Report
G8 ESG Reporting	G8.1	Does your company publish a sustainability report?	About this Report
	G8.2	Is sustainability data included in your regulatory filings?	/
G9 Disclosure Practices	G9.1	Does the company provide sustainability data to sustainability reporting frameworks?	Sustainability Governance
	G9.2	Does your company focus on specific UN Sustainable Development Goals (SDGs)?	Overview / Smart Engine / Green Computing / Growing Network / Resilient Governance
	G9.3	Does your company set targets and report progress on the UN SDGs?	Overview / Smart Engine / Green Computing / Growing Network / Resilient Governance
G10 External Assurance		Are your sustainability disclosures assured or validated by a third party?	External Assurance / Independent Assurance Report

HKEX *Environmental, Social and Governance Reporting Code* Content Index

Aspect		Disclosure	Sections in the Report
A1: Emissions	General Disclosure	Policies and compliance with relevant laws and regulations on air emissions, GHGs, hazardous/non-hazardous waste, etc.: (a) policies and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	Climate Risk Management / Energy Efficiency Management / Water Resource Management / Waste Management
	A1.1	Emissions types & total emissions	Key Performance Indicators (KPI) Table
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators (KPI) Table
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators (KPI) Table
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators (KPI) Table
	A1.5	Describe the emissions targets established and the steps taken to achieve them.	Climate Risk Management / Energy Efficiency Management / Renewable Energy / Combating Climate Change

Aspect		Disclosure	Sections in the Report
A1: Emissions	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management Sustainable Development Goals
A2: Resource Usage	General Disclosure	Policies on efficient use of resources including energy, water, and raw materials.	Energy Efficiency Management Renewable Energy Water Resource Management Waste Management
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators (KPI) Table
	A2.2	Water consumption in total and intensity (e.g., per unit of production, per facility).	Key Performance Indicators (KPI) Table
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Efficiency Management Renewable Energy Water Resource Management Sustainable Development Goals
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Resource Management
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	/
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Energy Efficiency Management Renewable Energy Water Resource Management Waste Management
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Energy Efficiency Management Renewable Energy Water Resource Management Waste Management
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Sustainability Governance Climate Risk Management
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Risk Management Energy Efficiency Management Renewable Energy
B1: Employment	General Disclosure	Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare: (a) policies and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	A Rewarding Workplace
	B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Key Performance Indicators (KPI) Table
	B1.2	Employee turnover rate by gender, age group and geographical region.	Key Performance Indicators (KPI) Table

Aspect		Disclosure	Sections in the Report
B2: Health and Safety	General Disclosure	Relating to providing a safe working environment and protecting employees from occupational hazards: (a) policies and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	A Rewarding Workplace Employee Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Key Performance Indicators (KPI) Table
	B2.2	Lost days due to work injury.	Key Performance Indicators (KPI) Table
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employee Health and Safety
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Talent Growth and Development
	B3.1	The percentage of employees trained by gender and employee	Key Performance Indicators (KPI) Table
	B3.2	The average training hours completed per employee by gender and employee category.	Talent Growth and Development Key Performance Indicators (KPI) Table
B4: Labor Standards	General Disclosure	Relating to preventing child and forced labor: (a) policies and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	Talent Development Strategy and Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	Talent Development Strategy and Employment
	B4.2	Description of steps taken to eliminate such practices when discovered.	Talent Development Strategy and Employment
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Sustainable Supply Chain Management
	B5.1	Number of suppliers by geographical region.	Key Performance Indicators (KPI) Table
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Full Process Management for Suppliers
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Risk Management
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Supply Chain Management
B6: Product Responsibility	General Disclosure	Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress: (a) policies and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	/
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	/
	B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Feedback Management

Aspect		Disclosure	Sections in the Report
B6: Product Responsibility	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Asset and Intellectual Property Protection
	B6.4	Description of quality assurance process and recall procedures.	/
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Data and Privacy Security
B7: Anti-corruption	General Disclosure	Relating to bribery, extortion, fraud and money laundering: (a) policies and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	Anti-corruption and Anti-bribery
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption and Anti-bribery
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Building a Culture of Compliance
	B7.3	Description of anti-corruption training provided to directors and staff.	Building a Culture of Compliance
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Public Welfare and Social Contribution
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Public Welfare and Social Contribution
	B8.2	Resources contributed (e.g. money or time) to the focus area.	Public Welfare and Social Contribution

SASB Standards Content Index

Topic		Disclosure	Metric	Section in the Report
Environmental Footprint of Hardware Infrastructure	TC-SI-130a.1	(1) Total energy consumption (2) Percentage grid electricity (3) Percentage renewable	Gigajoule (GJ) Percentage (%)	Key Performance Indicators (KPI) Table
	TC-SI-130a.2	In regions with High or Extremely High Baseline Water Stress (1) Total Water withdrawn (2) Total water withdrawn, and the percentage of each of the three in baseline water stress or extremely high regions	Thousand cubic meters (m³) Percentage (%)	Key Performance Indicators (KPI) Table
	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	/	Climate Resilience – Improving Infrastructure Adaptability to Climate Change
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	/	Data and Privacy Security
	TC-SI-220a.2	Percentage of users whose information is used for secondary purposes	Number	Key Performance Indicators (KPI) Table

Topic		Disclosure	Metric	Section in the Report
Data Privacy & Freedom of Expression	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Currency	Key Performance Indicators (KPI) Table
	TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) Number of users whose information was requested, (3) Percentage resulting in disclosure	Number Percentage (%)	Key Performance Indicators (KPI) Table
	TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	n/a	/
Data Security	TC-SI-230a.1	(1) Number of data breaches (2) Percentage involving personally identifiable information (3) Number of users affected	Number Percentage (%)	Key Performance Indicators (KPI) Table
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	/	Comprehensive Protection of Data Privacy and Security
Hire and manage a global, diverse, and skilled workforce	TC-SI-330a.1	Percentage of employees that are (1) foreign nationals (2) located offshore	Percentage (%)	Key Performance Indicators (KPI) Table
	TC-SI-330a.2	Employee engagement as a percentage	Percentage (%)	Employee Communication Key Performance Indicators (KPI) Table
	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management (2) technical staff (3) all other employees	Percentage (%)	Key Performance Indicators (KPI) Table
Intellectual Property Protection & Competitive Behavior	TC-SI-520a.1	Total compensation losses incurred due to legal proceedings related to anti-competitive behavior regulations	Currency	During the reporting period, there were no relevant cases at GDS.
Managing systemic risks arising from technological disruptions	TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions (3) total customer downtime	time(s)	During the reporting period, there were no relevant cases at GDS.
	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	/	Comprehensive Protection of Data Privacy and Security

Independent Assurance Report

INDEPENDENT ASSURANCE STATEMENT

Introduction and objectives of work

Bureau Veritas Certification (Beijing) Co., Ltd. (hereafter referred as "BV") has been engaged by Global Data Solutions Co., Ltd. (hereafter referred as "GDS") to conduct an independent assurance to its 2024 Environmental, Social and Governance Report (hereafter referred as "the Report") of GDS. This assurance statement applies to the related information included within the scope of work described below. This information and its presentation in the report are the sole responsibility of the management of GDS. BV was not involved in the drafting of the Report. Our sole responsibility was to provide independent verification statements according to the accuracy and reliability of the disclosure of information on the basis of the collection, analysis and management process of the report.

Scope of work

BV verifies the accuracy and reliability of the following:
■ All environmental, social and governance related data/KPIs and information included in the report for the report period from January 1, 2024 to December 31, 2024
■ Appropriateness and robustness of underlying reporting systems and processes, used to collect, analyse and review the information reported.
■ Excluded from the scope of our work is any assurance of information relating to:
  • Activities outside the defined assurance period
  • Positional statements (statements of beliefs, views, development and vision)
  • Much of the operating financial data in this report is taken from GDS annual reporting and accounts, which is separately audited by an external auditor and therefore excluded from the scope of the Bureau Veritas assurance.

Level of assurance

■ Reasonable

Methodology

As part of its independent assurance, BV undertook the following activities:
  ■ Interviews with relevant personnel of GDS
  ■ Review of documentary evidence produced by GDS
  ■ Audit of sampled ESG performance data
  ■ Assessment of data and information systems for collection, aggregation, analysis and review.

Our work was conducted against BV' standard procedures and guidelines for external assurance of ESG reports, based on current best practice in independent assurance. For this assignment, we have referred to the verification rules and instructions ISAE3000(Revised), AA1000, refer to the Appendix Environmental, Social and Governance Reporting Guide by Hong Kong Exchanges and Clearing Limited and evaluation of information of GRI standards principles i.e. Accuracy, Quantitative, Consistency, Completeness, Balance, Clarity, Comparability, Sustainability context, Timeliness and Verifiability.

Conclusions

■ Based on onsite verification, the information and data in GDS' 2024 ESG report are accurate and reliable, no systemic or substantiality mistake significant impact to the report.

Objectivity

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■ The information and data disclosed in the ESG report are accurate and reliable. GDS collects, organizes the data and information about environmental, social and governance through data information system. During on-site verification, the evidence provided by GDS is accurate, reliable and traceable, the report is objective.

Materiality

■ The report is compiled based on the Appendix Environmental, Social and Governance Reporting Guide of by Hong Kong Exchanges and Clearing Limited; the Global Commission on Sustainability Standards (GSSB) GRI standards; Nasdaq Stock Exchange 《ESG Reporting Guide 2.0》, and the Task Force on Climate-Related Financial Disclosures (TCFD). And the report had reasonably identified, disclosed the ESG issues and information involved in the company, it is materiality.

Completeness

■ The report covers GDS and its subsidiaries, it focuses on "Smart Engine", "Green Computing", "Growing Ecosystem", "Resilient Governance" and discloses the company's ESG governance, environmental responsibility and social responsibility which are of concern to the stakeholders.

Responsiveness

■ The report basically covers the concerns of stakeholders, fully identifies relevant risks, and objectively describes the measures taken by the company, the results achieved or to be achieved.

Suitability

■ The report disclosed the value management activities and achievements of GDS in environmental, social and governance, reflected the GDS corporate culture, ESG management mechanism, business activities and service characteristics.

Statement of independence, impartiality and competence

The BV Group is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 190 years history in providing independent assurance services.

No member of the verification team has a business relationship with GDS, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

The BV Group has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

Roger Hu

Assurance Team Leader

2025-5-22

Fanny Zou

General manager, Certification, I&F China

2025-6-20

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Further clarifications regarding the verification scope of this statement may be obtained by consulting the organization.
To check this statement validity please call: +86 21 23190306

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GDS万国数据

DISCLAIMER