



SUNeVision Holdings Ltd.

新意網集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1686



2023/24

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

The technology arm of Sun Hung Kai Properties Limited



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OUR BUSINESS



SUNeVision Holdings Ltd. (“SUNeVision” or the “Company”) and its subsidiaries (collectively referred to as the “Group” in this report), the technology arm of Sun Hung Kai Properties Limited, is the largest data centre provider in Hong Kong. We offer carrier and cloud-neutral data centre services with Asia’s number one connectivity. Our data centre ecosystem in Asia connects providers of telecommunications, cloud, ISP, CDN, and OTT all over the globe with enterprises across different fields.

Our major data centre ecosystem, MEGA Campus, comprises the MEGA-i and high-tier data centres, including MEGA Gateway, MEGA IDC, MEGA Plus and MEGA Two. MEGA Campus offers direct connections to multi-cloud platforms and exchanges with high connectivity that can cater for customers with different needs.

SUNeVision owns three major member companies, including iAdvantage Limited (“iAdvantage”), SUNeVision Super e-Technology Services Limited (“Super e-Technology”) and SUNeVision Super e-Network Limited (“Super e-Network”). iAdvantage focuses on data centre service, Super e-Technology specialises in extra low voltage systems solution and Super e-Network pioneers in intelligent-building networks.

SUNeVision is honoured to be a constituent member of the Hang Seng Corporate Sustainability Benchmark Index.

For more information, please visit www.sunevision.com.

OUR REPORTING APPROACH

OBJECTIVES

SUNeVision undertakes to fulfil our responsibility as a corporate citizen to serve the community and play a part in promoting sustainability. This Environmental, Social and Governance Report (“ESG Report”) serves to outline our commitment, approach and achievements in creating value for the environment, our people, our customers, our supply chain and the community. We welcome any feedback and comments from stakeholders on our ESG Report and other sustainability-related matters to advance towards a more sustainable future. Please contact us at esg@sunevision.com.

SCOPE

This report covers our performance and material topics from 1 July 2023 to 30 June 2024, as well as our ongoing initiatives to enhance our ESG performance. The report covers iAdvantage data centres including MEGA-i, MEGA Gateway, MEGA IDC, MEGA Plus, MEGA Two, MEGA Fanling, JUMBO, ONE, and our first submarine cable landing station, HKIS-1, and the Group’s other subsidiaries, Super e-Technology and Super e-Network. The construction of HKIS-2 is currently underway during the reporting year thus it is not covered in this year’s report.

STANDARDS

This ESG Report has been prepared in accordance with the “comply or explain” provision of the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and with reference to the United Nations Sustainable Development Goals (“UNSDGs”). SUNeVision supports the UNSDGs and has identified specific goals which are synergistic to our operations and sustainability strategies.

PRINCIPLES

During the preparation process, the Group adheres to the fundamental reporting principles outlined in the ESG Reporting Guide.



MATERIALITY

We performed a materiality review based on a peer review and stakeholder engagement process that determined the material ESG topics to SUNeVision and guided the focus of this report.



QUANTITATIVE

The report discloses environmental and social key performance indicators (KPI) and provides measurable data over time.



BALANCE

The Board has reviewed the report and confirmed that the ESG Report has not omitted any information related to material ESG topics. This report has been prepared without bias.



CONSISTENCY

SUNeVision adopted a consistent data treatment approach to allow a fair comparison of our performance over time.

OUR APPROACH TO SUSTAINABILITY

ESG GOVERNANCE

SUNeVision believes that sustainability is key to a successful business. To fulfil stakeholders' expectations, we have established a sound governance framework to effectively consolidate ESG strategies into our daily operations. Our ESG governance structure is divided into two main components: the Board of Directors (the "Board") and an ESG working group, which is comprised of the senior management and representatives from different departments, including the Internal Audit Department, Human Resources and Administration Department, Business Development and Sales & Marketing Department, and Facility Management Department.

The Board bears the ultimate responsibility in ESG governance and sets forth the overall ESG managerial approach, strategy and priorities. Further, the Board is obligated to evaluate and determine ESG-related risks and ensure effective ESG risk management and internal control systems are in place. Risk mitigation performance is periodically reviewed. Disclosures in this ESG Report are approved by the Board upon review by the Corporate Governance Committee.

With powers delegated by the Board, the ESG working group implements the Board's ESG strategies and policies across departments of the Group. The ESG working group also supervises the collection of ESG data, carrying out materiality assessments, and the preparation of this ESG Report.

RISK MANAGEMENT

The Board is responsible for maintaining sound and effective systems of risk management and internal control, which include financial, operational and compliance controls, to safeguard the Group's assets and shareholders' interests, as well as reviewing the effectiveness of such systems. The responsibility of the Board includes and is not limited to:

- Ensuring the integrity of the Group's accounting and financial reporting system;
- Reviewing and monitoring the Group's risk management and internal control systems;
- Reviewing the Group's corporate governance and compliance policies and practices;
- Reviewing the Group's strategy and approach to ESG issues to ensure effective ESG risk management.

In addition, the Internal Audit Department of the Group performs annual audits and independent reviews of the Group's operations, risk management and internal control systems. Deficiencies in the design and implementation of such systems are identified, and recommendations are proposed for improvement.

OUR APPROACH TO SUSTAINABILITY

Risk Management Policy

The Group's Enterprise Risk Management framework is adopted with reference to the COSO framework, with a "Top-down" approach to overseeing risks. Besides the Board, the Audit Committee, the Risk Management Taskforce (the "RMTF"), and senior management also exert significant oversight in reviewing risks. Our Risk Management Policy outlines the procedure to identify, assess, mitigate, report and monitor key business risks, including operational, strategic, financial and ESG risks across all business units.

At least once a year, the RMTF identifies and evaluates the risks that would adversely affect the achievement of the Group's objectives, and reports its findings to the Advisory Committee. Impact and vulnerability assessments are performed and corresponding mitigation plans will be formulated accordingly.

For more details on the composition and responsibilities of various committees of the Board, our risk management and internal controls, as well as the principal risks and uncertainties identified in relation to our key areas of operations, please refer to the Corporate Governance Report and the Report of the Directors in SUNeVision's Annual Report.

STAKEHOLDER ENGAGEMENT

Regular communication with stakeholders is crucial for corporate development. We value the feedback and opinions of stakeholders, including customers, employees, suppliers, shareholders, regulators, and the community. Through stakeholder engagement, we can improve our sustainability performance, striving for excellence on the one hand while building a strong and trusting relationship with stakeholders on the other. We engage our internal and external stakeholders through a variety of communication channels, including but not limited to Annual General Meetings, Annual and Interim Reports, ESG reports, company website and social media platforms, shareholders meetings, company activities, customer satisfaction survey, staff satisfaction survey, community services and business meetings.

MATERIALITY ANALYSIS

The Group reviews the materiality of ESG-related topics on an annual basis. This year, the Group reviewed and updated the list of ESG topics based on a peer benchmarking exercise and internal evaluation to identify and prioritise topics that are material and relevant to the development of the industry and the Group. The findings were then reviewed and approved by the Board.

In this reporting year, a total of 15 material topics were identified. Considering the potential impact that these issues may have on our business operations, we have formulated appropriate measures and policies to address these issues. For details of the policies and the relevance of the topics to our operations, please refer to the corresponding chapters of this report.

OUR APPROACH TO SUSTAINABILITY

List of Material Topics



Environmental

- Energy management and carbon emission
- Climate mitigation and resilience
- Waste management
- Water management

Social

- Occupational health and safety
- Training and education
- Employee benefits, wellbeing and retention
- Diversity and equal opportunity
- Customer experience and opinion handling
- Community engagement and Investment
- Supply chain management
- Service quality and innovation

Governance

- Data privacy and security
- Ethical business conduct and anti-corruption
- Risk management



ENVIRONMENTAL PROTECTION



ENVIRONMENTAL POLICY

- Committed to protecting the environment
- To achieve sustainable environmental business for the Group and its customers



ENERGY MANAGEMENT

- High-efficiency water cooling system
- LED light tubes



GREEN FINANCE

- HK\$6 billion sustainability-linked loan (SLL)



GREEN BUILDING

- LEED & BEAM Plus certified
- Solar panel installation in MEGA Plus
- iPaint application



WATER MANAGEMENT

- Water Leak Detection System
- Automatic faucets installation
- Rain collector for water cooling
- Water-efficient cooling systems



WASTE MANAGEMENT

- Hazardous waste collected by licensed vendors for proper treatment
- Paperless working approach



CARBON EMISSION

- 2050 carbon neutral target
- Obtaining of International Renewable Energy Certificates ("IRECs")
- Climate-friendly refrigerant alternatives

ENVIRONMENTAL PROTECTION

STRATEGIES AND MANAGEMENT



SUNeVision's pursuit for long-term business continuity and sustainable development is propelled by responsible business strategies and environmental management. We are committed to improving our environmental performance in current data centres while also implementing sustainable design elements into new developments.

We believe operations that are well-managed and optimised are essential to long-term development, therefore, we continuously strive to embed good environmental practices and ensure our operations are managed in accordance with existing local environmental laws and regulations, such as the Air Pollution Control Ordinance (Cap. 311), Noise Control Ordinance (Cap. 400), Water Pollution Control Ordinance (Cap. 358), and Waste Disposal Ordinance (Cap. 354).

Our support to the Hong Kong Government's environmental commitments, such as achieving carbon neutrality by 2050 extend beyond compliance with law, as we also place emphasis in specific environmental material issues, and endeavour to reduce our energy use, carbon emissions, waste and water consumption. As part of our sustainability strategy, we have aligned our sustainability disclosure with applicable UNSDGs including SDGs 6, 7, 12, 13, 14 and 15.

As the Group's operations do not require the use of packaging material, nor do they generate any significant emissions of air pollutants, disclosures on these aspects are not applicable.

Environmental Commitment

During the last reporting period, the Group has set a target to achieve carbon neutrality by 2050, aligning with the carbon neutrality goal of the Hong Kong SAR government. To manage our environmental issues effectively, we have established a Sustainability Strategy and have an environmental policy in place outlining our commitment to achieve sustainability and strategies to minimise the adverse impact of our company activities and services on the environment. We are dedicated to reducing our possible environmental impacts, promoting energy efficiency, conserving natural resources, reducing waste, and raising staff environmental consciousness through education programs. To ensure effectiveness of our policy, our Vice Chairman and Chief Operating Officer oversee the Policy's implementation and perform periodic reviews.

We have established targets for the Group's chillers to achieve an overall Coefficient of Performance ("COP") of 5 or above by the year 2030. We also target to achieve a COP of above 6 and 3 for all new purchases of water-cooled chillers and air-cooled chillers, respectively. Furthermore, we aim to reduce the designed power usage effectiveness (PUE) by 3% by 2025 compared to 2022 levels. These goals and aspirations demonstrate our unwavering commitment to improving our environmental performance.



ENVIRONMENTAL PROTECTION

To ensure our goals are achieved, we will continue to monitor our performance and review the progress made against our target with the following procedures:

- i) The Facility Management Department will perform a quarterly review of the overall COP; and
- ii) The Procurement Team will be the gatekeeper to ensure the chillers purchased by the Group meet the prescribed target.

This year, due to the continuous efforts of the Group, all the newly purchased water-cooled and air-cooled chillers in our data centres met our target of COP 6 and 3, respectively. In addition, the average COP of chillers in MEGA Plus, MEGA Fanling, MEGA IDC and MEGA Gateway have already exceeded 5, which represents great progress towards the Group's target.

In addition, we are delighted to share our designed PUE already improved by 3.88% as of FY2023/2024 year end, which reached the target we set in last year.

MSCI
ESG RATINGS

CCC B BB BBB A AA AAA



Apart from the target, the Group is actively responding to the demands of the capital market and highlight our commitment to sustainable development. The Group has participated in internationally recognised ESG ratings such as Morgan Stanley Capital International (MSCI) for several consecutive years. During the reporting period, our MSCI ESG rating has been upgraded from 'BBB' to 'A' grade, demonstrating our consistent improvement and efforts in sustainability management.

GREEN FINANCE

Sustainability-Linked Loan

SUNeVision has secured a sustainability-linked loan (SLL) facility totalling HK\$3 billion last year. This year, we secured another SLL with HK\$3 billion. The two SLLs total amount to HK\$6 billion which are representing more than 40% of the total banking facilities of the Group. The Group will be eligible to receive interest rate savings upon realising pre-determined performance targets related to our material ESG issues.

The SLL has been developed with reference to the framework of the internationally recognised Sustainability Linked Loan Principles developed by the Loan Market Association, the Asia Pacific Loan Market Association and the Loan Syndications and Trading Association.

The loan proceeds are to be used for general corporate funding purposes, including driving the long-term sustainability performance of the Company. The sustainability performance targets include improvements in PUE and COP, along with the fulfilment of green building certifications. The Group has been making great progress in meeting the targets. For further details, please refer to the sections on Environmental Commitment and Awards and Accreditation.

SUNeVision is the first company in the Hong Kong data centre sector to secure a SLL. It solidifies our commitment to sustainable development while pursuing long-term growth and demonstrates how the industry can utilise green finance to enhance energy efficiency.



ENVIRONMENTAL PROTECTION

ACHIEVING BETTER ENERGY PERFORMANCE AND REDUCING CARBON EMISSIONS



Given the inherent nature of data centres, SUNeVision recognises its responsibility as an energy intensive company, and we are thereby committed to identifying solutions to mitigate climate change. We believe that decarbonisation within the building and exploring alternative energy sources are significant strategies for lowering our GHG emissions and reducing reliance on fossil-based energy sources. Therefore, we put extra attention to articulate the enhancement of energy efficiency to offset the growth in demand.

Our data centre designs embody a range of green design and solutions in different aspects:

MEASURES IMPLEMENTED

Chiller plants upgrade/improvements

- MEGA IDC is using High Chilled Water Supply Temperature Chiller which has enhanced energy efficiency, reliability, and compatibility with advanced cooling technologies compared to traditional water-cooled chillers
- The catcher design allows for better efficiency at MEGA IDC, as the system can operate at all number of local chillers at higher efficiency instead of reserving a standby chiller for redundancy and fault tolerance
- Different size of air-cooled chillers are used at MEGA Gateway for various loading demands in order to save energy usage
- The installation of a high-efficiency water-cooling system in the MEGA Gateway and MEGA Plus to reduce energy use for cooling
- Chiller plants replacement and upgrade from air-cooled to water-cooled chiller unit resulted in an improvement in the average COP increasing from 4.3 to 6.3 at MEGA Fanling



Cooling

Environmental refrigerant usage

- The designated use of non-chlorofluorocarbon ("non-CFC") based refrigerants at MEGA Plus, MEGA Two, MEGA Fanling, MEGA Gateway and MEGA IDC to reduce direct GHG emissions. Among them, MEGA IDC uses HCFO-R1233zd offering ultra-low global warming potential (GWP)

Other environmental system design improvements

- The adoption of the Water Leak Detection System at MEGA-i, MEGA Plus, MEGA Two, MEGA Fanling, MEGA Gateway and MEGA IDC to detect water leakage such that our Computer Room Air Conditioning ("CRAC") can operate at its optimal energy efficiency
- Automatic Temperature Control (ATC) system is used at MEGA Gateway and MEGA Plus to maximise the energy efficiency, i.e. auto-setting in switching off the air con during night time
- Time schedule and temperature control of FCUs or VRVs are used at MEGA Gateway, MEGA Plus and MEGA Fanling to save energy usage

ENVIRONMENTAL PROTECTION

MEASURES IMPLEMENTED



Lighting

- The use of LED lightbulbs in MEGA Plus, MEGA-i, MEGA Two, MEGA IDC, MEGA Fanling, MEGA Gateway and HKIS-1 to reduce energy consumption
- Occupancy sensors are installed in MEGA Plus, MEGA IDC, MEGA Gateway and the data hall of MEGA Fanling to control the use of lights in order to save energy usage



Energy use and supply

- Lithium-ion batteries are used for the uninterruptible power supply system ("UPS") in MEGA Gateway, MEGA IDC, MEGA-i and MEGA Fanling, offering a long lifespan
- Obtained of IRECs to offset the carbon emission from our general building's electricity usage
- Installation of solar panels at MEGA Plus contributes to the generation of renewable energy and further reduce carbon footprint
- Our employees are encouraged to switch off idle electrical appliances to minimise non-essential energy consumption



Building design and control

- Planting of grass on the walls and roof at MEGA Plus, MEGA Gateway and MEGA IDC to reduce heat from sunlight
- Installation of Building Management System (BMS) at our data centres to ensure the equipment operates in an efficient manner
- Application of iPaint introduced by local startup i²Cool for the generator containers at the roof areas at MEGA Two, MEGA Fanling, as well as the ground level of HKIS-1 cable landing station. The iPaint has been also applied to the chiller condensers at the roof areas of MEGA Two, which is able to reflect most of the sunlight and thermal heat back into space, reducing outdoor surface temperature and indoor temperature, thereby saving energy for mechanical ventilation
- All interior paints and coatings, interior adhesives and sealants, flooring, composite wood, ceilings, walls, thermal, and acoustic insulation and furniture used comply with relevant Volatile Organic Compounds ("VOC") emissions and VOC content standards at MEGA Plus, MEGA IDC, MEGA Fanling and MEGA Gateway

ENVIRONMENTAL PROTECTION



CASE STUDY

SUNeVision pioneers sustainable cooling innovation iPaint for efficient data centre cooling

We are the first data centre provider in Hong Kong to strategically apply iPaint at our data centres. iPaint is a patented passive radiative cooling paint that achieves sustainable energy-saving and cooling effects. It imitates the special structure and features a high solar reflection property, enabling effective heat dissipation without requiring electricity or refrigerant. This electricity-free cooling technology is designed to reduce heat transfer through building facades, helping to lower indoor temperature underneath the iPaint-coated surfaces. It is estimated that the generator container temperature is lowered by approximately 2°C to maintain optimal operation.

We have integrated iPaint in our data centre environment, applying it to the generator containers on the roof of MEGA Two, MEGA Fanling and the ground level of HKIS-1 cable landing station. Leveraging the cooling power of iPaint, we will explore more extensive applications on our facilities to paint a green and sustainable future.



ENVIRONMENTAL PROTECTION



CASE STUDY

MEGA IDC adopts several cutting-edge green technologies to improve energy efficiency

MEGA IDC is the Group's flagship greenfield project in Tseung Kwan O with approximately 1.2 million square feet of gross floor area (GFA). It is designed to support an ultra-high IT power capacity of up to 180MW. During the reporting period, the construction of Phase 1 of MEGA IDC, consisting of approximately 500,000 square feet GFA and 50MW, has been completed. This truly state-of-the-art facility has extraordinarily abundant electricity provision and a superior infrastructure designed and capable of housing the most demanding servers, capturing the demand driven by artificial intelligence.

At the heart of MEGA IDC's sustainable design is adopting of cutting-edge green technologies. These include the use of High Chilled Water Supply Temperature Chiller instead of traditional water-cooled chillers, and the catcher design of the cooling system. These strategic choices offer several advantages, such as improved system efficiency and lower energy consumption. Furthermore, MEGA IDC has adopted the use of ultra-low GWP refrigerant HCFO-R1233zd. The adoption of HCFO-R1233zd significantly reduces the carbon footprint and environmental impact associated with the data centre's refrigeration and cooling systems.



CLEAN TECHNOLOGY

The Group recognises the significant role of green technology in achieving carbon neutrality by 2050. Therefore, we will continuously explore opportunities in various clean technology investments, particularly in electrical vehicles and renewable energy.

To promote the use of electrical vehicles and support the Hong Kong Roadmap on Popularisation of Electric Vehicles, we have provided private vehicle parking spaces equipped with EV charging stations in MEGA Gateway and MEGA IDC. Furthermore, our Company has switched the vehicle of the Group from petrol to electricity.

We also maximise our use of renewable energy by installing solar panels at MEGA Plus for renewable energy generation. In addition, we obtained IRECs to offset the carbon emissions from our general buildings' electricity usage.



ENVIRONMENTAL PROTECTION

OUR CERTIFICATION AND AWARDS

Environmental sustainability is ingrained in every aspect of our operation. SUNeVision has set its sights on continually improving the environmental performance from data centre design to environmental management. To support environmentally friendly operation, the Environmental Management System (EMS) established at MEGA-i, MEGA Plus and MEGA Two are accredited with ISO14001:2015. MEGA Gateway has become our newest data centre to obtain ISO14001:2015 accreditation during the reporting period.

Throughout the year, we have continued to improve our data centres' sustainable management. We have received the highest Excellent grade in the Management category of "BEAM Plus Existing Buildings Version 2.0 Selective Scheme" for MEGA-i, MEGA Plus and MEGA Two as well as the certification of LEED Gold Building Design and Construction for MEGA Plus, MEGA Gateway and MEGA IDC.



UNSDG ACHIEVEMENT AWARDS HONG KONG 2024 – MERIT AWARD

The Group has been presented with the Sustainable Organisation Merit Award at the UNSDG Achievement Awards Hong Kong 2024, organised by the Green Council. This recognition is a testament to the Group's unwavering commitment and remarkable achievements in driving sustainable business practices, making a positive societal impact, and promoting environmental stewardship.

The award acknowledged our dedication to integrating the SDGs into our business values, operations and organisational culture. At SUNeVision, we are committed to fostering a more inclusive, equitable and sustainable world for future generations, and dedicated to creating long-term value for our customers, employees, stakeholders, and society at large through a sustainable and socially responsible approach.



ENVIRONMENTAL PROTECTION

MANAGING WASTE AND CONSERVING RESOURCES



Waste Management

Our waste management is underpinned by our Environmental Policy, which incorporates the 4R principle: reduce, reuse, recycle and replace. We also echo the government's vision as suggested by the Waste Blueprint for Hong Kong 2035, in which one of the main focuses is waste reduction.

Waste Reduction and Recycling

To promote recycling and facilitate waste sorting, we have set out three-colour waste separation bins at the majority of our data centres. Our data centres employ the authorised building cleaning contractor responsible for recycling collection. To reduce waste at the source, we have been encouraging a paperless working approach in all data centres and office areas, such as implementing e-leave systems and purchase request system, which enables us to minimise a significant amount of paper consumption. While using paper is inevitable, we procure paper products from sustainably managed forests and recycled and controlled sources. Apart from paper, we target to increase the recycling rate of electronic waste and other materials including retired computers and electronic equipment in the office by donating them and extending the life cycle of equipment. In addition, the computers and electronic devices are collected by the building management office for recycling in our majority data centres.

Waste Disposal

Where waste generation is unavoidable, we ensure that all hazardous and non-hazardous waste are properly processed in accordance with the local law and regulations. Hazardous waste generated from our operations, including fluorescent light tubes and valve-regulated lead-acid ("VRLA") batteries (if any) from the UPS, are collected and undergo appropriate treatment by licensed vendors in our data centres. Instead of VRLA, majority of our data centres have been starting to use lithium-ion batteries, which offer several advantages in terms of hazardous waste compared to other battery technologies. These advantages include reduced hazardous materials, lower toxicity, better recyclability, lower landfill impact, and safer disposal. During the reporting period, except MEGA Two and ONE, no hazardous waste is produced at other data centres.

Furthermore, we strive to manage waste not just within our operation, but also extends to our contractors. Construction waste generated by our contractors at our construction sites in different data centres is properly disposed of to designated facilities.

In the future, we will continue to monitor our waste generation periodically. We also target to further promote waste recycling and continue identifying possible opportunities to further reduce waste generation.

ENVIRONMENTAL PROTECTION

Water Management

The use of cooling water is prevalent and indispensable to our operation of data centres, and our water is provided by the Water Supplies Department. While the Group does not encounter any problems in sourcing water for our daily operations, we are committed to making every effort to promote better water usage. As stipulated in our Environmental Policy, we strive to conserve water by implementing a range of water-related initiatives. For instance:

- i) Automatic faucets are installed at MEGA Plus, MEGA IDC and MEGA Gateway.
- ii) Chemical dosing treatment is conducted before releasing used water from cooling towers into drainage at MEGA-i, MEGA Plus, MEGA Fanling, MEGA IDC, HKIS-1 and MEGA Gateway.
- iii) The rainwater collected by the rainwater harvesting system will be used in water-cooled chillers.
- iv) In our majority data centres, the Water Leak Detection Systems were adopted, areas in data hall, electrical room and corridor at data hall floor with chilled water pipe running inside are to be provided with Water Leakage Detection System. All detection signals are to be sent back to BMS for alarm and monitoring to identify any water leakages.
- v) A pressured compensated dripping system for irrigation of the green wall at MEGA Gateway, MEGA Plus and MEGA IDC have been installed to reduce water use.

As the Group plans to expand its business, more water-cooled chillers will be installed in data centres. In face of an increasing trend in its absolute amount of water consumption, the Group will continue to identify possible solutions, for instance, water recycling programmes, and more frequent inspections of water leakage, to minimise its water consumption intensity.

ADOPTING MITIGATION AND RESILIENCE MEASURES TO ALLEVIATE CLIMATE RISKS



Climate Risk Management

Climate change imposes both physical and transitional risk for our business. Especially for data centres, a stable temperature is essential to maintain equipment operation. Extreme weather such as typhoons, flooding and extreme heat, could cause a negative impact on our operations. In addition, in light of stricter government restrictions and regulations, more pressure has been placed on energy intensive business, and a transition to low-carbon facilities will be the new norm for the development of data centres. Despite the challenges ahead, the Group is continuously identifying solutions to adapt and mitigate climate change.



ENVIRONMENTAL PROTECTION

The Group has identified the following climate related risks and corresponding mitigation measures:

CLIMATE RISKS IDENTIFIED



Operation impact from typhoons and flooding



Responding to low carbon emission due to government policy and rule



Responding to extreme heat

CLIMATE RISK MITIGATION MEASURES



Flood gate installed



Solar panel pilot project in MEGA Plus



Facility equipment withstanding temp >40°C during operation



Emergency response plan



Increase Lithium battery usage



Back up chillers with N+1 configuration will be switched on during extreme heat weather



Obtaining IRECs



Green building design

During the reporting period, the Group conducted a preliminary scenario analysis to examine the effects of material physical risks including flooding, sea level rise, typhoon, and extreme heat under different plausible futures. We selected two scenarios: a high carbon emission scenario (RCP 8.5) and a lower carbon emission scenario (RCP 4.5), and assessed these physical risks over short/medium-term (2030) and medium/long-term (2050) time horizons. These timeframes also align with both the Hong Kong Government and the Group's target on achieving carbon neutrality by 2050. Climate change variables under the two scenarios reference publicly available datasets from organisations such as World Resources Institute (WRI) and National Aeronautics and Space Administration (NASA), incorporating various factors including flood depth, change in maximum temperature and sea level rise etc. These factors are mapped against the Group's three major asset types in Hong Kong – data centres, subsea cable landing station, and cable network.

The preliminary analysis result shows that our data centres are exposed to increasing flood depths under both climate scenarios across the mid-term and long-term time horizon, with Tseung Kwan O facing higher flood depths than the other locations within our portfolio. To mitigate potential flood risks, the Group has already implemented preventive measures by installing flood gates at our data centres. Additionally, sea level rise will increase the flood exposure of our subsea cable landing station at Chung Hom Kok. Typhoons will continue to bring risks of disrupting operations and damaging building equipment at our data centres and subsea cable landing station under both scenarios. The Group has developed a comprehensive emergency response plan and installed backup power generators to address these risks. Temperatures in Hong Kong will also continue to rise under both scenarios. While the impact on our cable network is limited, we have installed back-up chillers with N+1 configuration at our data centres. This helps ensure a stable temperature is maintained in our data centres.

In the future, the Group will continue to enhance the scenario analysis and conduct a more in-depth financial impact assessment for both physical risks and transition risks.

GROW WITH OUR PEOPLE



DIVERSITY, EQUITY AND INCLUSION

We embed diversity, equality and inclusion in our business. We promote equal access to opportunities for all our employees and create a diverse, harmonious workplace environment.

Women in Management

SUNeVision has created an environment where women can play active roles at the Group’s senior management level. 57% of our senior management positions are held by women. 2 female leaders are playing key roles in driving our sales and business development.



WOMEN WORKFORCE

Senior management	57%
General workforce	63%
Technical operation position	16%

GROW WITH OUR PEOPLE

Valuing Diversity and Inclusion

We are committed to promoting diversity, equality and inclusion in our daily work. Our strong belief in providing equal opportunities to employees, regardless of race, colour, religion, gender, national origin, marital status, age and disability, has been underpinned in our Recruitment Policy, Employment Policy and Code of Conduct. These policies assure a workplace that is free from sexual harassment, and that employees are treated with mutual respect.

We made significant efforts to diversify our technical operations team by providing more technical operations positions, which are traditionally dominated by male workers e.g. engineers and security positions, to be more available to female workers. We have made good progress, having 16% of female employees employed in technical operation positions and 63% of the general workforce are female.

We have conducted Job Fair to ethnic minority groups and extended our recruitment search overseas to complement and reinforce our belief in diversity.

EMPLOYEE ENGAGEMENT AND WELLBEING

Engage Our People

The culture of SUNeVision is inspired and guided by our defined Vision, Mission and Values (VMV). Our values, namely collaboration, ownership, courage and innovation, have drawn us together cohesively to build our success together. Specific VMV trainings are provided to new joiners to help them embrace the same values with us.

We treasure the voice of our employees by providing different forms of two-way communication platforms such as our staff intranet which covers 100% employees, and our annual staff satisfaction survey. Based on our latest working environment satisfaction survey, we have achieved a response rate of 96%. The satisfaction rate has increased from 84% in 2023 to 86% in 2024.

The clear guidelines laid down by our Grievance Policy ensure that the voices of our employees are being heard without any restrictions. Any cases received will be handled as a high priority by a dedicated team of senior management.



WORKING ENVIRONMENT SATISFACTION SURVEY

Response rate	96%
Satisfaction rate	86%

GROW WITH OUR PEOPLE

Grievance Policy

With our grievance policy, employees may file written grievances to their immediate superiors. The situation may also be escalated to higher levels of management, such as the department head and the director of human resources and administration, if the immediate supervisor is involved in the case. The cases would be escalated to the Top Management if necessary. To guarantee that the case will be handled promptly, responses to the grievances must be made within 14 working days and all grievances will be handled with confidentiality.

Fun and Caring Environment

SUNeVision strives to create a fun and caring work environment by providing various non-monetary benefits for all our permanent and contract employees. Employees love our “casual wear every day” policy, which allows flexibility and relaxation at work. To ensure our employees are connecting with each other socially, we mingle with our employees through regular activities, such as sports, festival celebrations, staff parties and dinners. We further introduced “Surprise Friday”, our monthly staff engagement party which has been very popular with our employees, with a participation rate of over 90%. We established our Staff Club this year. It aims to build our employees’ sense of belonging to the Company and strengthen our team spirit through different social activities.

We have organised different activities for our staff, such as energetic barbecue dinner and refreshing outing. These events have provided our hardworking employees with a well-deserved break, as well as valuable opportunities to mingle and bond with their colleagues in a more casual setting.

We also organised a staff tour of our newly built MEGA IDC. This tour have provided our employees with an engaging and informative experience at the new data centre campus. The tours allow staff to explore the facilities and learn about the advanced technologies installed. The positive feedback demonstrates the success in boosting employee engagement and awareness around the Company’s latest data centre.

We care about our employees’ health and well-being. We also provide free staff shuttle bus service at MEGA Plus, MEGA IDC, MEGA-i and MEGA Two to assist our shift duty employees commute to work more efficiently and comfortably. To allow our employees to celebrate their most meaningful life moments, we provide leave days to celebrate their birthdays, marriage and newborn children; and gifts for marriage and newborn children.

Various health talks and comprehensive health check-ups are arranged to raise employees’ awareness of a healthy lifestyle. Other than providing medical and dental plans to our employees, we also extend the medical and dental coverage to employee’s spouses and dependents. We also offer a price discount to family members of our employees on annual health check-up programme.



GROW WITH OUR PEOPLE

To combat stress that may arise from personal or work circumstances, we have implemented an “Employee Assistance Program” (EAP) for both employees and their family members. The EAP offers professional, confidential, behavioural counselling service through a 24-hour hotline to employees and their family members in order to address personal issues, and foster a balance between work and personal life.

TALENT ACQUISITION AND DEVELOPMENT

Talent Acquisition

At SUNeVision, our people are our greatest asset. We place priority in hiring exceptional talent. We have employed extensive channels to recruit the best talents. Our participation in various Career Expos, institutional recruitment days, universities campus recruitment and recruitment days arranged by government bodies enable us to reach the new generation of the highest potential youth, so that we can build our succession pipeline. An internal “Employee Referral Program” is also implemented to help us recruit talents.

Talent Development

We respect individual employees’ need for specific career growth in their preferred areas of expertise and interest as well as their personal growth objectives. We provide a clear career path of advancement, training and development opportunities for our talents to excel.

Focus Area	Training Topics
 <p>Leadership Training</p>	<ul style="list-style-type: none"> • Presentation skills • Performance management • Personal development • Communication and negotiation skills
 <p>Job Specific/Industry Related Training</p>	<ul style="list-style-type: none"> • Market trends • Client-facing techniques • IT and data analytics skills • Health and safety • Sustainability • Analytic application • Social media marketing • E-commerce technology • Customer service • Anti-discrimination Ordinance

Internal Training and Graduate Programme

To develop a diverse team of professionals and keep our talents up to date with industry trends, we earmark a company-wide and structured training programme focusing on three major disciplines, namely leadership development, job skills development, and personal development. The trainings are delivered in various forms including online courses, seminars, webinars, workshops and others.

Leveraging the Group Management Trainee and Graduate Engineer Programme, a customised on-the-job training programme is offered to fresh graduates to develop a career in the fast-paced technology sector. We also have a summer internship programme offered to undergraduates to give them an early understanding of a potential career in our industry.

GROW WITH OUR PEOPLE

External Training

Apart from internal trainings, we also provide external training sponsorship for all permanent employees by partnering with external institutions. For example, we work with the Hong Kong Independent Commission Against Corruption (ICAC) every year to arrange a training on anti-corruption and updated legislations for all full-time and part-time staff and executive directors. During the reporting period, we have also collaborated with Technological and Higher Education Institute of Hong Kong to set up a work-study degree in Building Services Engineering Programme.

We have collaborated with the Hong Kong Institute of Engineers (HKIE) to implement the well-structured Scheme "A" engineering training scheme, which develops and nurtures graduates to achieve the goal of becoming a chartered engineer with the full HKIE professional status. Also, we have partnered with educational institution, e.g. the Vocational Training Council to develop a comprehensive apprentice program, providing potential talents with on-the-job training and valuable practical experience to foster their professional development.

Training Sponsorship

In addition to the designated training programs, we support employee's continuous learning for personal growth. Therefore, we provide training sponsorship to all employees including contract employees and nominate potential employees to attend professional examinations and training courses that are related to or required for their job duties. Employees can apply for full reimbursement of course fees upon course completion. We offer educational sponsorship to full-time employees, so that they can pursue a degree program or obtain certain professional qualifications, and fulfill their career aspirations. In order to support the continued education for our employees, examination leave is also offered upon request.

PERFORMANCE MANAGEMENT AND REWARDS

Robust Performance Management Process

We are committed to ensuring transparency in our performance management process. It is an important process which allows management to share the business objectives, provide ongoing feedback, recognise employees' contributions, and formulate individual development plans. To drive a high-performance culture, in addition to the formal annual performance review conducted for each individual, formal and informal coaching and feedback will be given to employees during the year. We also highly appreciate the contributions of our staff by giving long service awards to affirm their efforts.



Equitable Merit-based Compensation

We maintain a compensation pay structure that is competitive with the market. We regularly benchmark our pay structure with market data, to ensure that our compensation is equitable and competitive. Our employees are evaluated through a formal appraisal system and fairly rewarded based on their performance. The merit-based compensation includes salary, bonus and long-term incentives of stock options. Besides compensation, we provide various staff benefits such as enhanced pension scheme, medical plan, travel, mobile and shift allowance, overtime pay, full-paid sick leave, marriage leave, birthday leave, examination leave, compassionate leave, vaccination leave, maternity and paternity leave on top of annual leave to compensate employees as part of the total reward package.

We also ensure strict compliance with relevant labour laws and regulations, including but not limited to the Employment Ordinance, Sex Discrimination Ordinance, Disability Discrimination Ordinance, Employee Compensation Ordinance, Personal Data (Privacy) Ordinance, Inland Revenue Ordinance, Mandatory Provident Fund Schemes Ordinance, Minimum Wage Ordinance and Prevention of Bribery Ordinance. Furthermore, the Group's business is not exposed to the risk of engaging in child and forced labour. Disclosures on our policy and compliance with relevant laws and regulations on this topic are therefore not applicable.

GROW WITH OUR PEOPLE

HEALTH AND SAFETY

Occupational Health

The health and safety of employees is of our utmost concern. In this regard, we always ensure full compliance with all regulatory requirements, including the Occupational Safety and Health Ordinance (Cap. 509) and the Guidance of Safety Management System (SMS) under the Labour Department of the HKSAR. Although our business operation is not typically associated with high health and safety risks, we established a Corporate Health and Safety Policy and continue demonstrating our commitment to promoting a safety culture by reviewing the Corporate Health and Safety Policy.



To maintain the highest occupational safety and health standards across the Group, occupational health and safety measures are adopted and implemented. We strictly require all construction workers in our sites to be registered with the Construction Industry Council and receive the Construction Industry Safety training. We also require job-related staff to go through the Industrial Health and Safety Training and first aid courses. Specific health and safety training are provided to relevant staff to enhance safety awareness and knowledge such as safe working at height, first aid, AED, fire prevention, and Permit to Work Training.



The Group's Site Health and Safety Committee regularly reviews our sites' health, safety performance and provides feedback from sites. Additionally, a Health and Safety Manager is designated to review and strengthen our Health and Safety controls to ensure the Company provides a safe working environment. General safety rules are implemented on sites. We also regularly review the risk register log to identify and mitigate health and safety risks at work, and conduct regular safety inspections to identify potential risks and hazards in the workplace. A permission-to-work system is developed for high-risk work areas such as confined spaces and hot work in data centres.

Attributed to our efforts to protect our employees' health and safety, the number of work-related fatalities has remained zero in the past three recorded years, and lost workdays remain at a minimum level of 0.33% this year.



SUPPLY CHAIN MANAGEMENT

SUPPLY CHAIN MANAGEMENT HIGHLIGHTS



STRATEGIES AND MANAGEMENT

To ensure a sustainable and ethical supply chain, our procurement process is guided by Procurement Policy and Procedure. The Procurement Team is in charge of the execution of the policies, decision-making related to procurement, vetting of qualified suppliers and contractors, and assuring all employees involved in purchases comply with the policies.

There were no concluded legal cases regarding corrupt practices in the Group during the reporting period while the Group has in place to combat corruption.

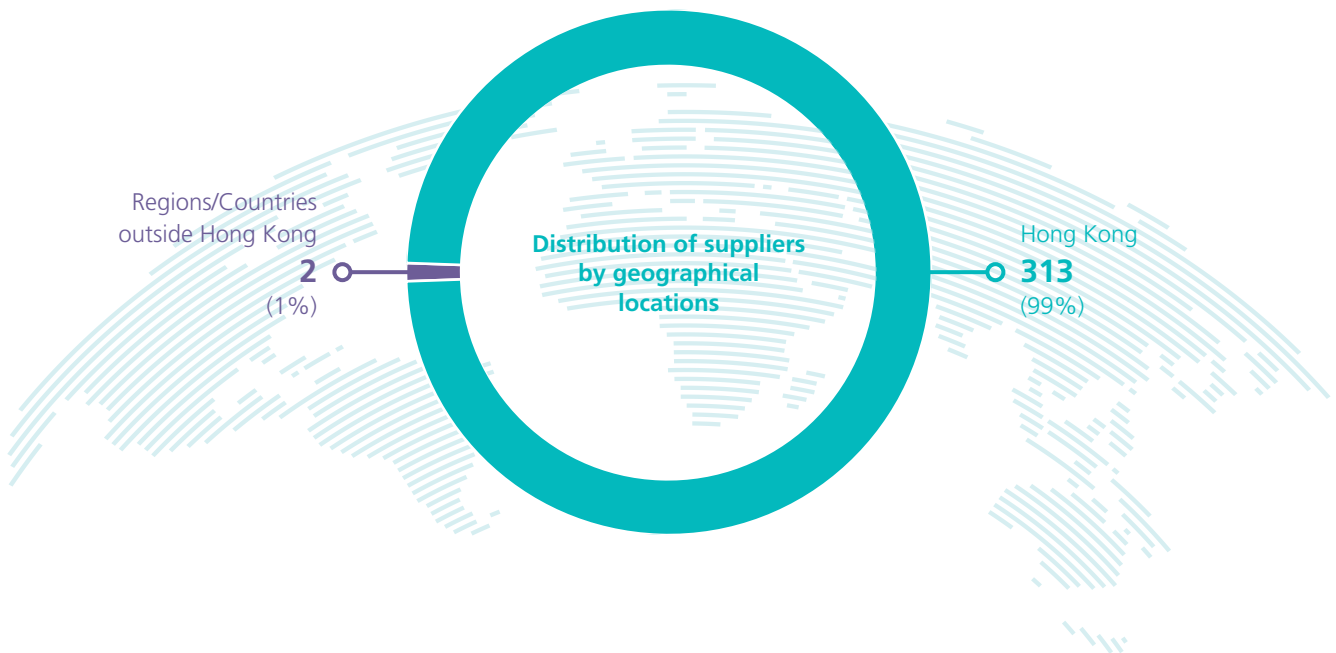
PROMOTING A RESPONSIBLE AND SUSTAINABLE SUPPLY CHAIN

Our dedication to good governance practices extends to our suppliers. We understand that engaging with our suppliers and contractors is essential as we work to reduce our social and environmental impact throughout our value chain. The 4R Principles, Reduce, Reuse, Recycle and Replace are incorporated into the contractor/supplier selection, procurement processes, and activities. We adhere to the below practices during the procurement process:

- Engage environmental consultants to evaluate our construction plans and materials, ensuring specific certification and statutory requirements are met;
- The mechanical and electrical design, and facilities operations of the data centres are designed for use with equipment to promote energy efficiency;
- Encourage the use of environmentally friendly materials in our operations;
- Select electrical products which comply with relevant industry standards to ensure no hazardous substances are used as raw materials; and
- Avoid single-use disposable products, and prioritise the use of reusable, recyclable or highly durable products.

In order to minimise the environmental impact of our supply chain, we also promote the use of accredited environmentally preferable products and equipment of all types among our suppliers and contractors.

SUPPLY CHAIN MANAGEMENT



Additionally, we are aware of environmental and social factors when making procurement decisions. To support local economic growth and to reduce carbon emissions from transportation along the supply chain, we prioritise our purchases from local suppliers. During the reporting period, 99% of our suppliers were locally based.

UPHOLDING HIGH QUALITY STANDARDS

Addressing the rising expectations of stakeholders regarding suppliers' ESG practices, we demand that all suppliers adhere to a consistent standard that goes above and beyond the requirements set forth by law. In addition to evaluating the calibre of services provided, we also consider the suppliers' commitment to social responsibility and its environmental performance. We have established protocols for soliciting tenders and performing reviews in order to better track the performance of our suppliers. In view of this, the Procurement Team and Project Managers will conduct a general review on the quality of products and services performance, including the environmental performance of all qualified suppliers on a regular basis. A scoring deduction in the tender evaluation and performance review will be considered if suppliers fail to meet our standards or requirements.

PROMOTING ETHICAL BUSINESS CONDUCT

The Group adopts a zero-tolerance approach to corruption, and the Board oversees the ethics issues in the Group by regularly reviewing the Group's compliance with corporate governance requirements of listing rule through the Corporate Governance Committee. Our Code of Conduct and Procurement Policy and Procedure outline the expectation that all employees, suppliers and vendors act ethically with integrity and comply with relevant laws and regulations, including the Prevention of Bribery Ordinance (Cap. 201).

To uphold ethical practice and prevent corruption and fraud, different kinds of internal operations and system control audit reviews are conducted on our daily operations throughout the year. These audits included the procurement audit to ensure our compliance with the Procurement Policy and Procedure, transparency in our declaration of any Conflict of Interests, and fulfilment of the open tender practices. The Procurement Team is responsible for monitoring procurement processes and reporting any non-compliant cases to the senior management to ensure the integrity and compliance along our supply chain. No staff shall receive compensation apart from their remuneration pursuant to employment contracts with the Group and accept gifts through the supply chain. Any staff caught compromising or violating the Code of Conduct will be subjected to serious disciplinary action.

SUPPLY CHAIN MANAGEMENT

Whistle-blowing Policy

Our Whistle-blowing Policy is in place to encourage our staff and other relevant parties to report any malpractice, impropriety and fraud that comes to their attention. Besides encouraging our staff to use the whistle-blowing mechanism when necessary, we also encourage external stakeholders such as suppliers to report any malpractice, impropriety and fraud along our supply chain. Staff may choose to raise their concerns anonymously through email or directly report any suspected irregularities or concerns to immediate supervisors, department managers, Internal Audit Department, Human Resources Department or the senior management level if necessary. The investigation outcomes and recommendations will be reported timely to the Vice Chairperson and the Audit Committee, subject to the nature and complexity of the matter. All reported cases are handled promptly and confidentially to protect the relevant parties from retribution or reprisals.

Anti-corruption Training

To ensure that the Company operates at the highest level of integrity, we regularly provide ethical standards training such as anti-corruption training for our employees and business partners. To raise staff's awareness towards anti-bribery, annually we arrange for all full-time and part-time staff and executive directors to participate in ICAC's training, which focuses on anti-corruption and updated legislation. This year, we also provided anti-corruption training to our top 10 suppliers and contractors in terms of purchase amount.

Self-declaration of Conflict of Interests

According to the Code of Conduct, all staff members involved in the procurement process are required to declare any conflict of interest. Our Procurement Policy and Procedure also requires our suppliers to declare any potential or apparent conflict of interests with members of the Group.



PRODUCT RESPONSIBILITY

PRODUCT RESPONSIBILITY HIGHLIGHTS



STRATEGIES AND MANAGEMENT

As one of Hong Kong's leading data centres, we strive to provide quality service and improve customer experience. This entails delivering a reliable and excellent service, protecting data privacy, and continuously reviewing our service based on customers' feedback.

In addition to the Personal Data (Privacy) Ordinance (Cap. 486), we are also guided by the Data Privacy and Security Policy, to assure our commitment to upholding physical security and cyber security. Moreover, the Information Technology Service Management System implemented at iAdvantage has been certified with ISO/IEC 20000-1:2018 as a recognition of our data management.

The Group's operation does not include selling or shipping of physical products. Therefore, recalls for safety and health reasons are not applicable to the Group's business. We provide our customers with a wide range of cost-effective, reliable managed services. Supported by sophisticated tools, our professional team handles the day-to-day operations and provides support services to our customers around the clock. Our operations are not reliant on the creation of intellectual property rights. However, the Group's Information Security Management System complies with the requirements of ISO/IEC 27001: 2013 which ensures our customer's information, including intellectual property, is shielded against potential risks.

PRODUCT RESPONSIBILITY



Firewall Management

To prevent unauthorised access, we provide well-managed firewall service to protect our customers’ mission-critical systems. Besides the security policies, we also set up firewall appliances, and monitor the operational status.

Power Backup

To maintain high uptime availability for customers, our data centres have incorporated multiple-redundancy power supplies supported by UPS and back up power generators.

Remote Hand Support

Through our 24/7 Remote Hand Support service, our experienced technicians, IOC personnel and engineers offer hands-on assistance to our customers on all critical data centre management tasks.

Fire Protection

Our data centres including MEGA-i, MEGA Plus, MEGA Two, MEGA IDC and MEGA Gateway, also the HKIS-1 Cable Landing Station are equipped with fire protection and suppression systems, including gas-based FM-200/ Novec 1230 fire suppression system and double interlock pre-action sprinkler system, to identify and consequently address potential fire hazards.



PRODUCT RESPONSIBILITY

DELIVERING RELIABLE AND EXCELLENT SERVICES

The Group has been widely recognised as an industry leader in data centre excellence, having received several prestigious awards that acknowledge our facilities' outstanding performance and capabilities. These accolades demonstrate our commitment to delivering world-class data centre services that meet the evolving needs of our clients.

2023 Best IDC Provider and 2023 Trusted Partner of Chinese Companies Going Overseas

During the reporting period, SUNeVision received the Best IDC Provider and Trusted Partner of Chinese Companies Going Overseas awards from the 18th China IDC Industry Annual Ceremony, recognising our efforts in offering dependable and top-notch services to our customers.



W. Media Asia Pacific Cloud & Data Centre Awards 2023

We are honoured to receive the W. Media Asia Pacific Cloud & Data Centre Awards 2023 for Project – Data Centre Design & Build. The award acknowledges our data centre MEGA Gateway, which features high power density, future-proof infrastructure and strategic importance to meet today and tomorrow's connectivity demands.



2023 Communications Association of Hong Kong (CAHK) STAR Award – Best Data Centre Silver Award

SUNeVision was honoured with the prestigious 2023 CAHK STAR Award for the Best Data Centre Silver Award. This accolade recognises the excellence in the design, construction, and operations of our MEGA Gateway data centre, as well as our unwavering focus on pioneering best-in-class infrastructure and sustainable solutions. By participating in this industry award, we demonstrate our commitment to supporting the IT sector and the development of the broader technology ecosystem.



PRODUCT RESPONSIBILITY



CASE STUDY

SUNeVision empowers Votee to develop pioneer AI Solutions



During the reporting period, SUNeVision supported a leading AI solution company, Votee, to empower its AI solutions. As Votee’s business expanded and faced increasing customer demands, the company required substantial computational power and storage to process vast datasets and execute complex AI algorithms. To meet these needs, Votee houses its servers on MEGA Gateway, designed to offer high-capacity power resources and high-density capabilities to run its AI models.

Featuring ultra-high power density and exceptional connectivity, MEGA Gateway serves as the connectivity hub and hyperscale data centre for Votee’s AI servers and mission-critical IT infrastructure. By leveraging SUNeVision’s state-of-the-art facilities and unmatched power supply, Votee can effectively meet the intensive demands of its AI training environment.

The collaboration between SUNeVision and Votee is reimagining industries that require ultra-low latency responses and high-accuracy insights to drive strategic decision-making. SUNeVision’s digital infrastructure empowers precision-engineered AI algorithms, supporting Votee to maintain a competitive edge through enhanced efficiency, scalability and speed.

SUNeVision launched a dedicated subsea cable system – TKO Connect

SUNeVision and HKBN Group (“HKBN”) have announced the commencement of operations of their joint-investment subsea cable system, TKO Connect. TKO Connect is a purpose-built and dedicated undersea cable system that directly links MEGA-i, the most critical subsea interconnection hub in Chai Wan, and MEGA Plus, the state-of-the-art hyperscale data centre in Tseung Kwan O. It further expands to MEGA IDC, the leading hyperscale data centre in Tseung Kwan O, establishing multiple connectivity hubs within MEGA Campus.

The 3km span between MEGA-i and MEGA Plus provides the most direct and shortest route between the two precincts, 20+km shorter and 4 times faster than alternate land routes. This ultra-low latency, dual-path subsea cable system offers exceptional connectivity and resiliency.

TKO Connect is also the first and only dual-path subsea cable in Hong Kong, with two physical cables specifically built underwater to achieve full resiliency and ensure network continuity for businesses’ operational excellence.



PRODUCT RESPONSIBILITY

PROTECTING DATA PRIVACY

Data privacy and security is often ranked as one of the most prominent topics in the industry and cyber security issue will be reported to the Board regularly. To address stakeholder concerns and to fulfil legal requirements, we uphold the highest standards in protecting data privacy and security. Therefore, we carry out effective measures to assure both physical and cyber security as well as the stringent protection of data privacy. MEGA-i, MEGA Plus, MEGA Two, ONE and MEGA Gateway are ISO 27001 Information Security Management System accredited.

Physical Security

To ensure a high level of security, the following robust security and monitoring measures have been implemented:

- Use of Access Control System (ACS) to restrict visitors' access to the data centres. Access cards are issued to authorised visitors for entry to restricted floors under escort by security personnel.
- Security guard houses in MEGA IDC, MEGA Plus, MEGA Two, and MEGA-i are set up to ensure only authorised individuals and technicians can access the data centre.
- 24 hours surveillance Closed Circuit Television Surveillance system is installed in all common areas, plant rooms and equipment rooms with digital recording.
- Visit logs are properly maintained.
- An electric fence system is implemented in MEGA IDC and MEGA Plus.
- Worker receptions are set up at MEGA-i and MEGA Gateway to properly segregate the authorised vendors' access with the visitors' access to the data centres.
- Circle lock mantraps are installed at MEGA-i, MEGA Plus and MEGA Gateway to prevent tailgating and unauthorised entry to the data centres.



PRODUCT RESPONSIBILITY

Cyber Security

We employ cybersecurity solutions such as the Layered Defence approach to assure the protection baseline of our IT infrastructure. To safeguard digital assets from potential dangers, we also form strategic partnerships with independent cybersecurity vendors to put security controls in place. The following initiatives have been put into practice:

- Adoption of the latest Cyber Defense Framework – Implementing the latest security information and event management tool to enhance our cybersecurity posture by providing comprehensive coverage against threats outlined in the MITRE ATT&CK matrix framework.
- Adoption of Cybersecurity Framework – Utilising the National Institute of Standards and Technology Cybersecurity Framework, which able to significantly bolster the Company defense mechanisms by providing a structured approach to identifying, responding to, and mitigating cyber risks effectively with well-defined policies and guidelines.
- Layered Defense approach – Implementing the Layered Defense approach to ensure the protection baseline of our IT infrastructure.
- Metallic (Cloud Backup) Implementation – Implementing Metallic (Cloud Backup) to safeguard the Microsoft O365 mailbox and OneDrive to selected employees.
- Endpoint Security – Every workstation is equipped with updated anti-virus, anti-spyware and Advanced Persistent Threat Prevention software. Our cybersecurity team constantly monitors and provides instant incident managements in handling daily cyber threats.
- Data Loss Prevention – On our application and data layer, we implement mobile application management and strong industrial grade encryption on workstations and mobile devices to secure corporate emails, documents and team collaboration tools.
- Backup Infrastructure Enhancement – In order to further protect the data files in the Company server from the attack of ransomware and hacker, SUNeVision has encrypted the second backup files.
- Threat Intelligence Information Platform – A cutting-edge service involving monitoring and alerting on potential confidential data leak in the Internet’s black market such as websites passwords and staff company accounts.
- Vulnerability Management – Going through the whole process of discovery, verification, remediation and testing on regularly discovered vulnerabilities using the latest technology.
- Red Team Exercise – Regularly engaging a Red Team to evaluate and assess the corporate network and system security provides critical insights and proactive measures to strengthen our defense against sophisticated cyber threats.
- Cybersecurity Awareness Training – Conducted four sessions of Cybersecurity Awareness training for all employees during the reporting period.

PRODUCT RESPONSIBILITY

Safe Handling of Data

While we make use of information collected in the process of making enquires and submitting applications, we strictly comply with the Personal Data (Privacy) Ordinance (Cap. 486), to ensure our data is collected and stored for the purpose for which they have been collected. We are obligated to safely protect, store and handle personal data collected from visitors and employees of our facilities. During the reporting period, there were no concluded legal cases relating to leakage or loss of customer privacy data.

Guided by the code of conduct, all employees should protect the personal information of customers and tenants in compliance with the Personal Data (Privacy) Ordinance. To further enhance employees' awareness, trainings on data protection are offered to all employees to equip them with the awareness of data privacy and protection of customers' data.

As stipulated in our Data Privacy and Security Policy, the Company will obtain consent from registered users of the Company website, business partners and customers prior to the collection of information, and the Company does not collect personal data from third parties. Through the Personal Information Statements, the data owner will be informed of the purposes and usage, including the scope of transfer and disclosure and the right to access and correct the collected data. Without the owners' permission, any external parties not included in the Statement will not receive access to such data, and only authorised employees can access, change or delete such data. The Company does not rent, sell, or provide personal data to third parties for purposes other than completing transactions or services. The Company will delete owners' personal data when they are no longer registered users of our company website, business partners and customers.

RESPONDING TO CUSTOMERS' FEEDBACK

SUNeVision understands that customers' engagement and feedback are important for our continuous improvement in service delivery. To better address customers' needs and identify room for improvement, we have set up communication channels such as performance review, which is conducted quarterly to collect customers' feedback and respond to their needs.

At SUNeVision, we value both positive and negative customer feedback equally. To enforce effective communication, we have formulated a Complaint Handling Policy and procedure that outline our duties and overarching approach to handling customer complaints, while our Complaint Handling Procedure delineates the steps our employees should take to resolve complaints. In addition, the Complaints Handling Management System at iAdvantage is accredited with ISO10002:2018, whereas the procedures of handling complaints at Super e-Technology follows the ISO 9001 Quality Procedure Manual and Quality Manual. All concerns that are received will be addressed promptly by our well-trained staff. During the reporting period, a small number of complaints were received relating to communications and data centre services, the complaints were handled under the existing procedures, which include 24/7 support for the customers. As such, all complaints were handled and resolved in a timely manner.



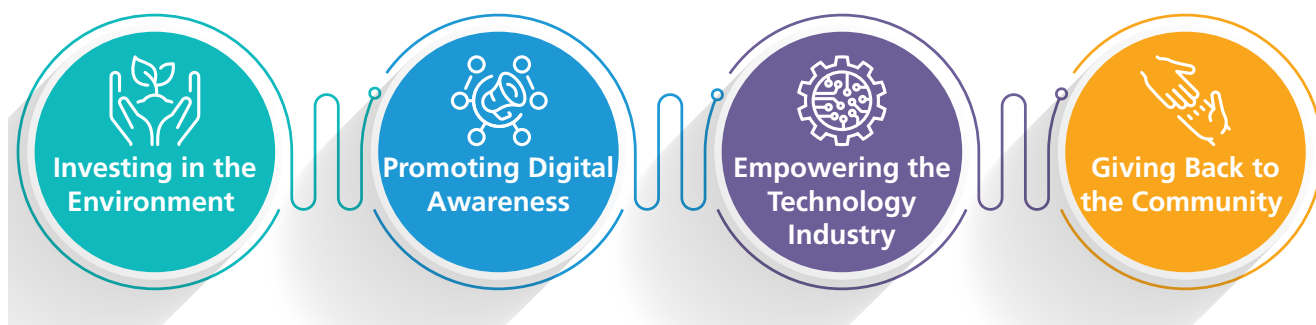
COMMUNITY INVESTMENT

STRATEGIES AND MANAGEMENT

The Group is dedicated to positively impacting and contributing to our society and community. We actively address the needs and add value to the community through volunteering, donations, participation in various industrial programmes and forming partnerships with reputable organisations with respect to the Group’s Community Investment Policy, to ensure our activities take into consideration communities’ interests.

We remain focused on partnering with community stakeholders to maximise the impact and effectiveness of our community investment. We reaffirm our commitment to engaging with communities, promoting sustainable practices, and reporting transparency on our ESG efforts, with the aim of creating long-term value and driving positive change, economic development, and environmental sustainability.

Our Focus



OUR APPROACH

- Supporting projects, programmes or initiatives that address the needs of the community
- Building a close partnership with community and non-governmental organisations
- Encouraging employees to participate in community programmes

INVESTING IN THE ENVIRONMENT

SUNeVision respects the environment and aims to minimise the impact associated with our operations. To showcase our dedication, we actively promote efficient and smart use of energy and resources in daily operations, business planning and youth education.

International Renewable Energy Certificates (IRECs)

The Group is committed to enhancing environmental sustainability and energy efficiency through various green initiatives, such as encouraging the use of renewable energy to reduce carbon footprint.

The Group obtained IRECs this year to offset the carbon emissions from our general buildings’ electricity usage.



COMMUNITY INVESTMENT

PROMOTING DIGITAL AWARENESS

The Group is dedicated to fostering digital awareness and inclusion in society. By stimulating the flow of talent into the industry, we aspire to enrich the digital infrastructure industry and advance our long-term growth.

During the reporting period, SUNeVision actively participated as sponsor and panel speaker in various regional and international data centre and telecommunications industry events e.g. PTC'24, Peering Asia 5.0 and 18th China IDC Industry Annual Ceremony.

Pacific Telecommunications Council (PTC'24) Conference

SUNeVision actively participated in PTC' 24 in Hawaii from 21-24 Jan 2024. It was Pacific Rim's premier telecommunications event connecting global communications industry thought leaders. We engaged in interactive discussions with customers and showcased our commitment to promoting digital economy by advocating our carrier-dense ecosystem and our hyperscale data centre.

Diamond Sponsor of Peering Asia 5.0

SUNeVision proudly served as a Diamond Sponsor of Peering Asia 5.0, held in South Korea. We leveraged this regional platform to promote peering and facilitate interconnection across the Asia Pacific region. Our carrier and cloud-neutral data centre ecosystem enables direct connections to over 300 global providers, fostering responsible collaborations and advancing sustainability goals.

Gold Sponsor of 18th China IDC Industry Annual Ceremony (IDCC)

SUNeVision participated in the prestigious 18th China IDCC held in Beijing. The industry event brought together technology leaders from various sectors and featured insightful presentations and panel discussions. Our subject matter expert delivered a keynote address on the theme of "Future-proofing Intelligent Computing Strategies with Next-generation Data Centres" and joined other expert panellists to discuss the evolution of intelligent computing in global digital infrastructure.



COMMUNITY INVESTMENT

Diamond Sponsor of 15th BankTech Executive Summit

SUNeVision supported the financial industry and contributed to the 15th BankTech Executive Summit as a Diamond Sponsor held in Hong Kong. The summit marked the convergence of industry leaders from FSI industry and covered a wide array of topics including AI, ESG, cyber and physical security, and navigating regulatory landscape. We discussed emerging trends with banking executives and emphasised the importance of sustainable practices and resilient IT, fostering a digitalised and more responsible future.



FSI Tech Exchange Event

SUNeVision hosted a FSI Tech Exchange event in Hong Kong attended by senior executives from financial industry. The event featured the transformative potential of AI and we discussed how to unlock the power of AI to navigate the complexities of the future financial landscape. Our experts engaged in discussions on business best practices and use cases for ESG-aligned AI deployment.



EMPOWERING THE TECHNOLOGY INDUSTRY

SUNeVision recognises the importance of fostering innovation, promoting collaboration, and supporting the growth and development of the technology ecosystem. Through our initiatives and partnerships, we aim to empower the technology industry by providing resources and support to graduate students, entrepreneurs, and startup companies.

Startup Programme

SUNeVision launched the Startup Programme with the aim of empowering Hong Kong-based startup companies to scale up and accelerate their growth journeys. Driven by our vision of creating opportunities for local companies, we connect startups with mission-critical technology partners and the enterprise community through our industry-leading ecosystem.

The Startup Programme launch campaign included a launch party featuring a lineup of government officials, technology partners, and startups, as well as roadshow events with startup associations and partners, and a live webinar introducing programme.



COMMUNITY INVESTMENT

GIVING BACK TO THE COMMUNITY

SUNeVision also contributes by supporting programmes and volunteer work which promote healthy, resilient and sustainable community development. To encourage our employees to actively participate in community activities, we have set up a Staff Club organised by employees of different departments to co-ordinate volunteer social events and activities contributing to the community.

Strive and Rise Programme

We participated in the HKSAR Government led “Strive and Rise Programme” through our parent company – Sun Hung Kai Properties Limited. The programme aims to help young people from low-income families broaden their horizons, reinforce their self confidence confidence, develop a positive outlook on life, set goals for their future and strive for upward mobility. Our staff became mentors in the programme to provide personal development advice and financial management concept to young people.



SUNeVision x Evangel Children’s Home Crystal Bus Tour

SUNeVision and Evangel Children’s Home collaborated to organise a special crystal bus tour for children, SUNeVision volunteers enthusiastically participated in the tour, taking the children on a captivating journey across the city, visiting landmarks like the Stonecutters Bridge and the Ting Kau Bridge, while enjoying breathtaking views from the Sunny Bay Promenade. This tour provided a unique experience, expanding the children’s horizons through encounters with the city’s remarkable architecture.









Giving Out Mid-Autumn Festival Fortune Bags to Elderly

The Group had a memorable experience in “Giving Out Mid-Autumn Festival Fortune Bags to Elderly,” organised by Hong Kong Caring Power. In addition to donation support, SUNeVision team members celebrated the Mid-Autumn Festival with elderly people in the Lam Tin community and gave out fortune bags to show care and love. The fortune bags contained mooncakes and daily necessities as warm wishes for the elderly in the festive season.








APPENDIX I – AWARDS AND ACCREDITATION

We have received the following awards and certifications during the reporting period that marks our achievement in driving sustainability.

Awards		
Organiser	Award	Awarded Unit
CAHK	2023 CAHK STAR Awards The Best Data Centre - Silver Award	<ul style="list-style-type: none"> MEGA Gateway Data Centre
Environment Bureau of the Hong Kong SAR Government	Charter on External Lighting Platinum Award  Charter on External Lighting Platinum Award	<ul style="list-style-type: none"> JUMBO Data Centre MEGA-i Data Centre
Green Council	UNSDG Achievement Awards Hong Kong 2024 – Sustainable Organisation Merit Award 	<ul style="list-style-type: none"> SUNeVision
HKBN Enterprise Solutions	Data Centre Partner of the Year 2023 	<ul style="list-style-type: none"> SUNeVision
W.Media	W.Media Asia Pacific Cloud & Datacentre Awards 2023 Data Centre Design & Build 	<ul style="list-style-type: none"> MEGA Gateway Data Centre
IDC QUAN	18th China IDC Industry Annual Ceremony 2023 Best IDC Provider  2023 Trusted Partner of Chinese Companies Going Overseas 	<ul style="list-style-type: none"> SUNeVision

APPENDIX I – AWARDS AND ACCREDITATION

Accreditation		
Accrediting organisation	Accreditation	Accredited Unit
Hong Kong Green Building Council	BEAM Plus Existing Buildings V2.0 Selective Scheme Excellent Grade (Management) 	<ul style="list-style-type: none"> • MEGA-i Data Centre • MEGA Plus Data Centre • MEGA Two Data Centre
Hong Kong Quality Assurance Agency	ISO/IEC 20000-1:2018  ISO/IEC 20000-1 : 2018 證書編號: CC 5801 Information Technology Service Management System	<ul style="list-style-type: none"> • MEGA-i Data Centre • MEGA Plus Data Centre • MEGA Two Data Centre • ONE Data Centre • MEGA Gateway Data centre
	ISO/IEC 27001:2013  ISO/IEC 27001 : 2013 證書編號: CC 5653 Information Security Management System	<ul style="list-style-type: none"> • MEGA-i Data Centre • MEGA Plus Data Centre • MEGA Two Data Centre • ONE Data Centre • MEGA Gateway Data Centre
	ISO 10002:2018  ISO 10002 : 2018 證書編號: CC 6423 Complaints Handling Management System	<ul style="list-style-type: none"> • General office • MEGA-i Data Centre • MEGA Plus Data Centre • MEGA Two Data Centre • ONE Data Centre • MEGA Gateway Data Centre
	ISO 14001:2015  ISO 14001 : 2015 證書編號: CC 5637 Environmental Management System	<ul style="list-style-type: none"> • General Office • MEGA-i Data Centre • MEGA Plus Data Centre • MEGA Two Data Centre • MEGA Gateway Data Centre

APPENDIX I – AWARDS AND ACCREDITATION

Accreditation		
Accrediting organisation	Accreditation	Accredited Unit
MSCI ESG Research	MSCI ESG Ratings A 	<ul style="list-style-type: none"> SUNeVision
Payment Card Industry Security Standards Council	The Payment Card Industry Data Security Standard 	<ul style="list-style-type: none"> MEGA Campus
Telecommunications Industry Association (TIA)	ANSI/TIA-942 (Rated-4) Certification 	<ul style="list-style-type: none"> HKIS-1 Cable Landing Station
The American Institute of Certified Public Accountants (AICPA)	SOC 2 Type II compliance 	<ul style="list-style-type: none"> MEGA Campus
U. S. Green Building Council	LEED v4 Building Design and Construction: Core and Shell Development Gold Certification 	<ul style="list-style-type: none"> MEGA Gateway Data Centre MEGA IDC Data Centre
U. S. Green Building Council	LEED 2009 Core and Shell Development Gold Certification 	<ul style="list-style-type: none"> MEGA Plus Data Centre

APPENDIX II – EVENTS

Sponsorship for Data Centre and Telecommunication Industry Events		
Organiser	Event	Sponsorship
Asia Pacific Network Operations Group (APNOG)	APRICOT 2024 & APNIC 57	Bronze Sponsor
IDC QUAN	18th China IDC Industry Annual Ceremony	Gold Sponsor
Market Intelligence Group Limited	15th BankTech Executive Summit	Diamond Sponsor
PTC	PTC'24	Silver Sponsor
Korea Internet Neutral Exchange (KINX)	Peering Asia 5.0	Diamond Sponsor
Schneider Electric	Innovation Summit Hong Kong 2023	Panel Speaker
Taiwan Network Operators Group (TWNOG)	TWNOG 5	Silver Sponsor
Thai Network Information Center Foundation (THNICF)	8th BKNIX Peering Forum & ThaiNOG Day 2024	Silver Sponsor
VMware	VMware Executive Exchange	Panel Speaker
W. Media	W. Media – Hong Kong Cloud & Datacenter Convention 2024	Panel Speaker

APPENDIX III – SUSTAINABILITY PERFORMANCE TABLE

Environmental Performance			
	Unit	FY2023/24 ¹	FY2022/23
Greenhouse Gas (GHG) Emissions			
Direct GHG emissions (scope 1)	tonnes CO ₂ e	1,564	1,101
Indirect GHG emissions (scope 2) without applying IRECs ²	tonnes CO ₂ e	219,904	192,523
Indirect GHG emissions (scope 2) reduction through IRECs	tonnes CO ₂ e	5,373	7,888
Total GHG emissions ¹	tonnes CO ₂ e	216,095	185,736
Total GHG emissions intensity per revenue	tonnes CO ₂ e/ HK\$ thousand	0.081	0.079
Energy Consumption			
Total electricity consumption ¹	kWh	491,788,380	421,510,350
Total electricity consumption intensity per revenue	kWh/HK\$ thousand	183.98	179.68
Total diesel consumption ³	kWh	1,160,903	605,229
Total energy consumption	kWh	492,949,283	422,115,579
Total energy consumption intensity per revenue	kWh/HK\$ thousand	184.38	179.94
Waste Generated and Recycled			
Total non-hazardous waste generated	kg	175,853	182,500
Total non-hazardous waste per revenue	kg/HK\$ thousand	0.066	0.078
Total hazardous waste generated ⁴	kg	18,737	135,963
Total hazardous waste per revenue	kg/HK\$ thousand	0.007	0.058
Total hazardous waste recycled ⁴	kg	18,737	135,963
Water Consumption			
Total water consumption	m ³	216,489	255,991
Total water consumption intensity per revenue	m ³ /HK\$ thousand	0.08	0.11

¹ Reporting scope of data in FY2023/24 covered iAdvantage, Super e-Technology, Super e-Network. The increases in total GHG emissions and energy consumption are primarily due to the newly deployed MEGA Fanling Phase 2 and additional customer usage in Mega Two. These increases are also attributable to the expanded capacity of the operating data centre area.

² Emission data in Scope 2 is calculated by multiplying electricity consumption and the emission factor from the CLP Group or the Hong Kong Electric Company Limited.

³ The increase in diesel consumption is mainly because more genset loading testings has been done than last year.

⁴ The significant decrease of hazardous waste generated and recycled because there is little UPS battery replacement in this financial year, while there was a UPS battery life-cycle replacement in MEGA-i, MEGA Two and Jumbo in last financial year.

APPENDIX III – SUSTAINABILITY PERFORMANCE TABLE

Social Performance		
	Unit	FY23/24
<i>Employee Profile</i>		
Total workforce	no. of people	490
<i>Total workforce by gender</i>		
<i>Technical Operation Employees</i>		
Female	no. of people	61
% of female employee	%	16%
Male	no. of people	324
% of male employee	%	84%
<i>Non-Technical Employees</i>		
Female	no. of people	66
% of female employee	%	63%
Male	no. of people	39
% of male employee	%	37%
<i>Total workforce by age group</i>		
Under 30	no. of people	34
30 – 50	no. of people	298
Above 50	no. of people	158
<i>Total workforce by employment type</i>		
Full-time	no. of people	489
Part-time	no. of people	1
<i>Total workforce by geographic region</i>		
Hong Kong	no. of people	490
<i>Employee Turnover</i>		
Employee turnover rate	%	23%

APPENDIX III – SUSTAINABILITY PERFORMANCE TABLE

Social Performance		
	Unit	FY23/24
<i>Employee turnover rate by gender⁵</i>		
Female	%	17%
Male	%	25%
<i>Employee turnover rate by age group⁶</i>		
Under 30	%	41%
30 – 50	%	24%
Above 50	%	17%
<i>Occupational Health and Safety</i>		
Work-related fatalities	no.	0
No. of case of work injury	no.	7
Lost workdays due to work injury	days	433
% of Lost workdays	%	0.33%
<i>Development and Training</i>		
Total workforce trained	no. of people	475
<i>Employees trained by employee category</i>		
Executive	no. of people	11
Manager	no. of people	92
General Employee	no. of people	372
<i>Employees trained by gender</i>		
Female	no. of people	108
% of female employees trained	%	23%
Male	no. of people	367
% of male employees trained	%	77%
<i>Average training hours per employee by employee category</i>		
Executive	hours/employees	2.15
Manager	hours/employees	3.63
General Employees	hours/employees	6.02

⁵ The turnover rate is calculated by dividing the number of female/male employees who left employment by the total number of female/male employees.

⁶ The turnover rate is calculated by dividing the number of employees under 30/ 30-50/ above 50 who left employment by the total number of employees under 30/30-50/above 50.

APPENDIX III – SUSTAINABILITY PERFORMANCE TABLE

Social Performance		
	Unit	FY23/24
<i>Average training hours per employee by gender</i>		
Female	hours/employees	4.87
Male	hours/employees	5.41
<i>Supply Chain Management</i>		
<i>Number of Suppliers by geographic location</i>		
Hong Kong	no.	313
Other Regions	no.	2

Employee profile includes seconded employees during the reporting period.

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