

ESG Highlights 2022



Talent
Co-Ownership



Transforming
Business



Technology
for Good

Lead as an Innovative
ESG Enabler

OUR ESG STRATEGY

At HKBN, we believe all the Purpose in the world means nothing without action. Mindful of this, we make huge efforts in ensuring that Purpose and doing ESG right are not just hollow goals, but deeply embedded across our entire operation.

ESG Enabler

Knowing that our progress in ESG is limited by a finite number of Talents and resources, we're fully embracing our role as an ESG enabler – a strategy focussed on empowering the ESG of our enterprise and residential customers, as well as other key groups like NGOs and social enterprises in our communities, our suppliers & value chain partners, and more.

Lead as an Innovative ESG Enabler



Talent Co-Ownership

1. Talent interest alignment
2. Talent-obsessed engagement and development
3. Diversity and inclusion



Technology for Good

4. Market-ready ESG solutions
5. Digital inclusion for our communities



Transforming Business

6. Climate action
7. Impactful customer experiences
8. Data privacy and security
9. Reliable and responsible services
10. Win-win-win partnership and value chain



ESG Governance

ESG Governance

- Established board-level ESG Committee to steer and monitor HKBN's overall ESG strategies, policies and performance
- Chaired by Independent Non-executive Director with three other Directors as members

Board Diversity

- Committed to increasing Board female representation to over 30% by FY25. Currently, our Board representation consists of 2 female directors out of 9
- Diverse business experience encompassing telecommunications, banking, accounting & finance, legal, and risk management

Our 10 Priorities



FY25 Targets

Talent interest alignment	Achieve at least 88% cumulative success rate in ESG-related special incentive programmes
Talent-obsessed engagement & development	Reach an overall engagement score of 70% favourability in our Talent Engagement Survey
Diversity & inclusion	Enhance female representation in technical roles to 18% or above
Market-ready ESG solutions	Launch new ESG-themed solutions every year
Digital inclusion for our communities	Conduct social impact assessments for all digital inclusion community initiatives
Climate action	Set science-based emissions reduction targets
Impactful customer experiences	Futureproof HKBN's customer services by launching new customer experience initiatives every year
Data privacy & security	Achieve less than 2% phishing assessment average failure rate among Talents
Reliable and responsible services	Reduce affected customer hours from residential network service disruptions by 14% (relative to FY22 baseline)
Win-win-win partnership & value chain	Improve at least 20 SME suppliers' ESG assessment scores

Talent Co-Ownership

Talent interest alignment

FY22 progress:

We are exploring more ESG-related special incentive programmes that encourage Talents to pursue breakthrough business proposals.

Talent-obsessed engagement & development

FY22 progress:

How we enable LIFE-work priority and Talent health and wellness:

Diversity & inclusion

FY22 progress:



26%

managerial-level Talents are female



12.5%

of female representation in technical roles

- Shortened **7-hour work-day**, **17-day public holiday** entitlements, and **monthly half-day off Friday**
- **ISO 45001-certified** occupational health and safety system
- Provided "**Traditional Chinese Doctor Mobile Clinic**" and stress level wellness at our offices

Technology for Good

Market-ready ESG solutions

FY22 progress:

- Commenced research on **new ESG-themed solutions**
- Launched Secured Business Broadband Bundle with Cisco **to strengthen customer cybersecurity**
- **IoT & robotic solutions** for retail & F&B customers during the pandemic

- **Talent engagement survey**
- 4 engagement sessions with our **Executive Vice-chairman**
- 14 focus group sessions with our **Management Committee**

How we enhance Talent engagement and communication:

How we develop Talents at different levels:

- **1-HKBN Academy** provides structured training programmes, e-learning and best practices
- **Be a Pioneer** programme cultivates Talents into management roles
- **Be a People's Leader** programme equips supervisory Talents with leadership skills
- Average **17 hours of training** for each Talent

Digital inclusion for our communities

FY22 progress:

- **Commenced research** to measure digital inclusion initiative effectiveness
- Empowered 31 social profit organisations on IT management skills and cybersecurity by providing **free IT consultations and workshops**
- Launched **Cyber Wellness In The Dark for youths** with Dialogue in the Dark Foundation
- Workshops to **help seniors stay connected digitally**
- **464 hours volunteered** for community good

Transforming Business

Climate action

FY22 progress:

- Started **ISO 14001 certification** process for our Enterprise Solutions and JOS operations
- **"Something from Nothing" project** total accumulated savings at 8,728,522 kWh electricity and HK\$3.4 million* in electric utility cost since 2016

* After sharing a fraction of our energy cost savings as payment to our financier.

Reliable and responsible services

FY22 progress:



100% Core Network availability
and **>99.99% Access Network availability** for customers



Pre-emptively completed

582

on-site maintenance visits
to enhance resilience against possible failure

Fibre network reached over

2.5

million homes



and

8,000

commercial buildings and facilities



in Hong Kong

Impactful customer experiences

FY22 progress:

- Customer self-service tools reduced monthly maintenance orders by **38%**
- Over **88%** average answer rate across all our customer service channels
- Over **48,950 hours** of products, sales, marketing and quality improvement trainings provided to our Talents
- Received **5,836** complimentary notes in FY22

Win-win-win partnership & value chain

FY22 progress:

- Added **ESG scoring criteria** to our Vendor Maintenance Portal
- Performed gap analysis for improvement of **sustainable procurement standards**
- **94% of suppliers sourced locally** within our operating locations

Data privacy & security

FY22 progress:

- **2.2% phishing assessment** average failure rate among Talents (vs a benchmark of **5.8%** in organisations with **1,000+** employees)



ISO
27001

certification for HKBNES and
HKBN JOS data centres and
Security Operation Centre



0

data breaches in FY22

About HKBN

With a vision to “Make our Home a Better Place to Live”, HKBN is a leading integrated telecom and technology solutions provider that offers a comprehensive range of premier end-to-end ICT services to both the enterprise and residential markets.

HKBN Annual Report 2022

The ESG section of our Annual Report 2022 provides further information on our ESG approach, policies, initiatives and performance in the 2022 financial year. Our Annual Report 2022 is available at www.hkbn.net/en.

Awards and Recognition

MSCI ESG Rating 2021 – AA rating*

MSCI ESG RATINGS

CCC	B	BB	BBB	A	AA	AAA
-----	---	----	-----	---	----	-----

Hang Seng Corporate Sustainability Index Series Member – AA rating for the past THREE consecutive years

Hang Seng Corporate Sustainability Index Series Member 2022-2023

HKBN’s ESG Mapped to SDGs**

Talent Co-Ownership

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

Technology for Good

4 QUALITY EDUCATION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

Transforming Business

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

* https://reg.hkbn.net/WwwCMS/upload/pdf/en/2021_mscidisclaimer.pdf

** SDGs refer to the sustainable development goals of the United Nations

