



 **KAO DATA**

**ENVIRONMENT, SOCIAL
AND GOVERNANCE
REPORT 2024-25**



About this report

This report is Kao Data's third ESG report and covers the financial year 2024-25. It represents the sustainability information available to us at the time of publication. The report has been prepared in line with the Sustainability Accounting Standards Board (SASB) sustainability reporting metrics, as shown in the appendix tables 'Metrics and Targets' and throughout the report. This report is also aligned to the United Nations Sustainable Development Goals (SDGs) in each section. Furthermore, the data tables within this report reference our approach and progress against the 'Global Real

Estate Sustainability Benchmark' (GRESB) Infrastructure (asset level) standard. The report has been formally reviewed by the Board and management team in collaboration with the Kao Data Sustainability Working Group and has been included in our investors' portfolio sustainability reports. The data contained in this report has also been assured by 'Saltire Sustainability.'

For more information about our approach to sustainability and ESG please visit our website or get in touch via our details at the end of this report.

Navigating this report

This is our third interactive report as part of our commitment to ESG data accessibility. You can use our navigation bar (see top of this page) and return-to-Contents arrow button (see bottom left) on most pages to navigate quickly through the report. Additionally, look out for **underlined text**, in-text references, page numbers, and footnotes. Try it on the next page by clicking 'Introduction'.



Contents

Introduction	8	Environment	18
Our sustainability vision: Climate conscious computing	11	Climate Conscious Data Centres: Sustainable, scalable, secure	24
Our strategic pillars	12	Our locations and data centres	25
Our ESG material issues	13	Greater Manchester data centre	26
Sustainable Development Goals alignment	15	CBRE: A new partner for sustainable innovation	27
Sustainable performance: Primary metrics	16	Energy and emissions	28
Social	31	Governance	48
Our employees	35	Leadership and governance	53
Living our values, meeting our standards	36	Integrating ESG objectives	54
Diversity, equity and inclusion	37	ESG oversight	55
Attracting, training and retaining talent	38	Governance oversight	57
Our stakeholders and Community Impact Strategy	40	Governance monitoring	58
Our Progress: A focus on the North	42	Compliance accreditations and awards	59
The Kao SEED Fund	44	Risk management	61
Our customers	46	Managing customer risks: Customer privacy and cyber security	62
		Business ethics	63
		Climate and physical risks	65



Kao Data: What we do

Kao Data leads the industry by pioneering the development and operation of data centres engineered for AI and advanced computing. With hyperscale-inspired facilities east and west of London and northern England's largest data centre being developed in Greater Manchester, we are home to technology's most demanding computing infrastructure.

Our award-winning, NVIDIA DGX-Ready certified data centres are designed, engineered and operated by one of the industry's most respected teams. Together, this provides colocation customers deploying mission critical AI, enterprise and cloud workloads with a secure, scalable and sustainable compute environment, backed by a guarantee of 100% uptime.

Kao Data's data centre portfolio includes more than 260MW of IT-load either currently operational, under development or planned – all of which is under-pinned by the highest energy efficiency, sustainability and ESG credentials.

Backed by leading international investors, and with several pioneering 'industry firsts' to our name, Kao Data represents the future in industrial scale, high-capacity data centres for AI and the next generation of compute.

- ✓ **Infrastructure** Technically advanced data centres designed and engineered for AI and next generation computing.
- ✓ **Operations** World class operations management, providing secure and resilient environments delivered at maximum reliability.
- ✓ **Efficiency** Optimised, efficient and sustainable architecture ensuring low TCO and low carbon colocation.







A letter from our Executive Chairman David Bloom

In 2024, I was pleased to see the UK data centre sector remain buoyant following its designation as Critical National Infrastructure by a very forward-thinking UK government. At Kao Data, the last twelve months have also brought great progress across the company: From gaining approval for KLON-03 in Harlow and developing a new Community Seed Fund, to naming CBRE Data Centre Solutions as our new integrated facilities management (FM) partner, everything we do puts sustainability centre stage. Furthermore, our sustainability approach has been integral to Kao Data being chosen by our new colocation customers. For our existing customers in line with our commitment to scalability, we have increased compute deployments in line with the increased demand they have seen for their own products and services in 2024.

Our mission: sustainable, scalable, secure

In 2025, AI developments are accelerating demand for more sustainable, efficient infrastructure that can handle the power and densities required

to manage AI and HPC workloads. To meet the requirements of our customers, Kao Data's mission is to provide world-class scalable and resilient data centre solutions prioritising efficiency and security.

CBRE: A game-changing partnership

To deliver on our mission and achieve our sustainability vision of climate conscious computing in 2025 and beyond, we appointed CBRE Data Centre Solutions as our facilities management partner. With a proven track record of managing hyperscale data centre portfolios, CBRE will be responsible for the complete spectrum of integrated facilities management services across Kao Data's data centre estate, supporting us on our sustainability journey as we expand across the UK and Europe.

✦ **Read more: [Partnerships](#)**

A new line up

Across 2024-25, we realised some game changing new hires: Our new highly respected Chief

Operating Officer (COO), Pete Judson, brings 30 years of operational leadership experience to Kao Data. Our industry leading Health, Safety, & Environment Director, Scott Manton, will ensure we always put sustainability at the heart of our business and solutions. To better support our workforce, industry innovator Kalay Moodley joins us from Digital Realty as our Chief People Officer. With an outstanding reputation for building high performance teams Kalay will now lead the new talent acquisition, development and retention processes at Kao Data and will create the operational framework to support the organisation as it scales up. This will include supporting our efforts to create a more diverse future-fit workforce, as well as championing women in tech within our business and through external outreach.

Expanding our footprint

Back in 2024 we agreed a new debt facility, provided by leading data centre lender, Deutsche Bank, extendable to £356 million. This facility will support our expansion into the next-tier markets across the UK and continental Europe. For instance, while the traditional London data centre market is becoming saturated, Manchester is set to become the UK's next computing hub. Kao Data is right at the centre of this North West tech revolution, with our Manchester and Stockport facility set to provide

a much-needed home for the enormous amounts of AI infrastructure from across Europe and the United States. In fact, our Manchester based data centre - the largest in the North of England - will provide upwards of 40MW of new compute power to move the dial further on the region's AI, technology, digital and economic ambitions. That makes Kao Data a pivotal platform for leading the UK's wider tech revolution, supporting many of the country's AI 'rock stars.'

✦ **Read more: [Sustainable Expansions](#)**

Our Community Impact Strategy

As we grow our footprint, we are expanding our stakeholder collaborations with a new Community Impact Strategy and SEED fund. This to ensure Kao Data can uplift the communities we interact with, while helping build tomorrows workforce. Our first year of the SEED Fund has seen us support a variety of projects from plastic recycling, to increasing community cycling, to funding small start-up activities. To champion diversity from the ground up, our new partnership with GeN+1 reflects the natural evolution of our commitment to engage the younger generation on choosing STEM careers, which began with the Kao Academy.

✦ **Read more: [Community Impact](#)**

The road ahead

For the last decade, Kao Data has built up an enviable reputation as a pioneer within the fields of AI and high-performance computing (HPC). From day one, it has also led the industry in sustainability performance, as evidenced by becoming an early signatory to the Climate Neutral Data Centre Pact back in 2021. Led by our new Health, Safety, & Environment Director, Scott Manton and the expertise and insights of our Sustainability Working Group, I have never been more confident in our team. Furthermore, with our new Net Zero Roadmap, supported by CBRE Data Centre Solutions, we are ensuring sustainability continues to underpin everything we do. I am so proud of the on-going progress at Kao Data and would like to thank everyone for their continued dedication to delivering sustainable excellence and resilient innovation for our customers and stakeholders. I look forward to another year of rapid progress as we live and breathe our sustainability mission through the 'Kao Way.' It's truly a privilege to be on this exciting journey with you all and long may we continue to succeed together.



David Bloom
Executive Chairman



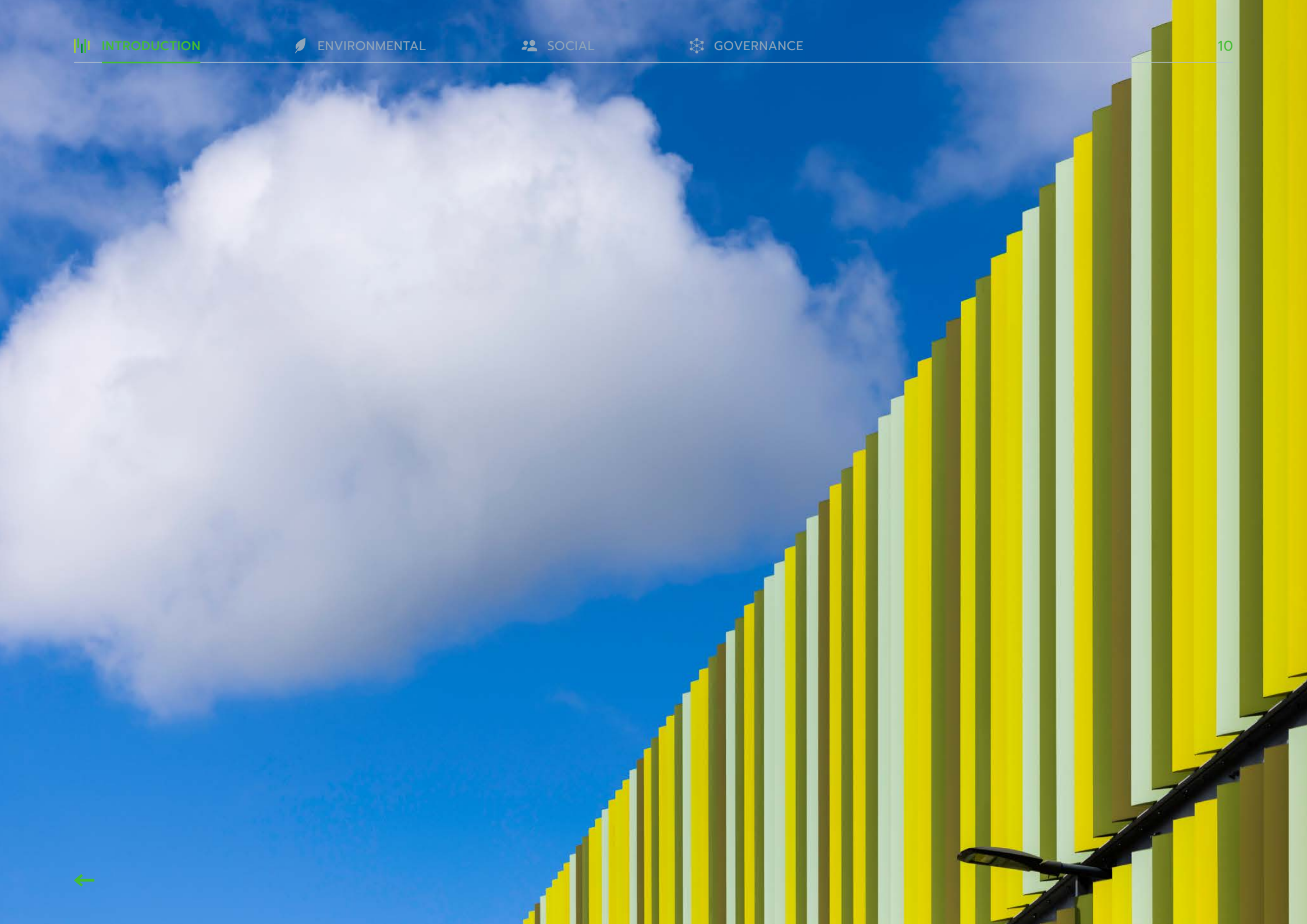


Introduction

In this section

Our sustainability vision: Climate conscious computing	11
Our strategic pillars	12
Our ESG material issues	13
Sustainable Development Goals alignment	15
Sustainable performance: Primary metrics	16





Our sustainability vision: Climate conscious computing

As an early signatory to the cross-operator Climate Neutral Data Centre Pact (CNDCP) in early 2021, Kao Data remains fully committed to enabling climate conscious computing for our customers. In 2025, we are steadily working to achieve our goal of Net Zero operations by 2030. Furthermore, our Net Zero Roadmap sets out key objectives for achieving Net Zero targets across all 3 GHG Scopes, as part of our Carbon Reduction Plan began in 2023.

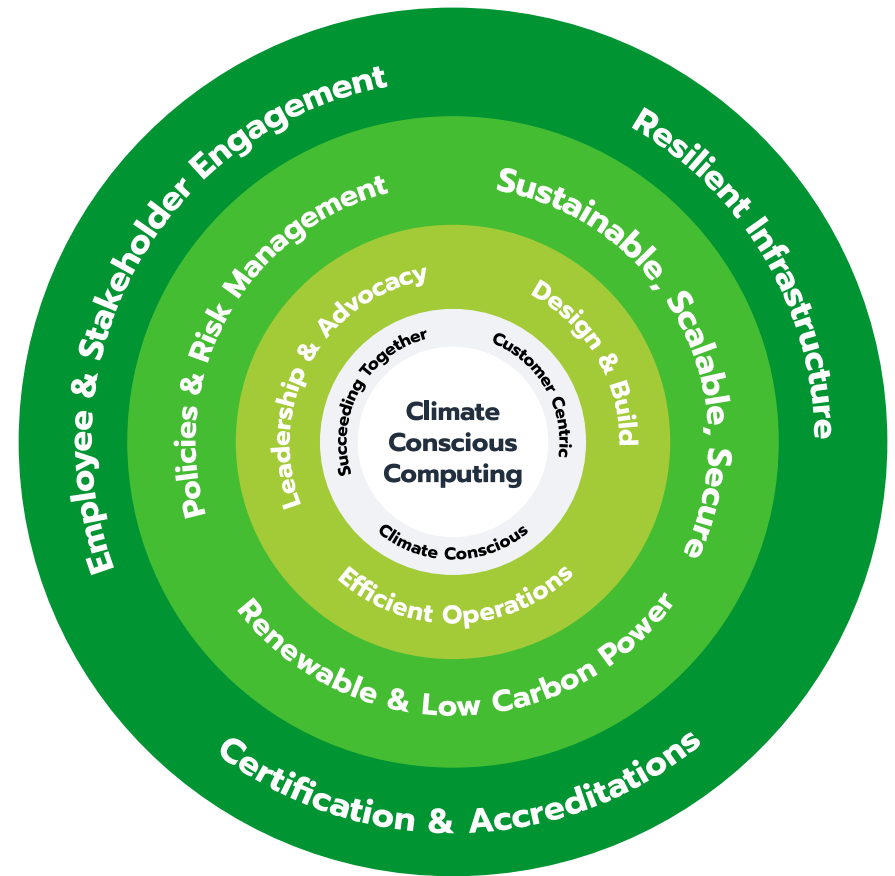
🔗 [Read more: Net Zero Roadmap](#)

Customer-centric

By focusing on delivering bespoke sustainable solutions, we enable our customers to achieve their own sustainability goals. We measure our sustainability performance across three strategic sustainability pillars: Design and Build, Efficient Operations and Industry Leadership & Advocacy.

Succeed together

Following 'The Kao Way,' we are on a mission to 'succeed together' by building one of the industry's most diverse, equitable and inclusive digital infrastructure organisations. To do this we focus on community and industry engagement to accelerate sustainability progress.



“

At Kao Data we've long held the belief that data centres can be a catalyst for Net Zero ambitions, and since our company's inception we have ensured that sustainability has remained at the heart of our decision-making.

Matthew Harris | CFO at Kao Data



Our strategic pillars



Design and build

As an award-winning designer, builder and operator of sustainable data centres, we are compliant with the rigorous Open Compute Project (OCP) Ready standards, follow 'considerate construction' principles, and utilise the BREEAM assessment method for all our development. This is so we can measure every aspect of built sustainability, from energy use, to biodiversity to health & wellbeing, and social sustainability impacts. From the ground-up, sustainable performance is built into our data centres and their operations.

🔗 **Read more: [Our sustainable, resilient facilities](#) and [Our work with the OCP](#)**



Efficient operations

Driven by a cycle of continuous improvement, Kao Data's operational teams manage highly efficient and sustainably powered data centres in line with our commitment to achieving Net Zero operations for new infrastructure by 2030, and existing infrastructure by 2040. Kao Data's facilities already provide a resilient and reliable environment to house mission-critical compute systems, ensuring workloads remain uptime, all of the time, and provide a low total cost of operations (TCO) for our customers.

🔗 **Read more: [Energy and Emissions](#)**



Industry leadership and advocacy

Kao Data advocates for the technologies and solutions that ensure its 'leading edge' in data centre technical design philosophy and sustainability best practice. It does this through engaging with industry partners such as techUK, the Uptime Institute, the Infrastructure Masons, Open Compute and ASHRAE, among others. To ensure we can 'Succeed together' Kao Data also engages with local communities and apprenticeship schemes to help nurture the diverse tech talent of tomorrow and promote the increasing vital role data centres play in underpinning our digital lives.

🔗 **Read more: [Social Sustainability](#)**

Our ESG material issues

The structure of this ESG report continues to be informed by our 2022 ESG materiality assessment, conducted by an independent consultancy. The materiality assessment gathered insights from internal and external stakeholders to determine and clarify our material ESG issues. In this report, material issues (mapped to the SASB reporting standards) are covered in the Environmental, Social and Governance sections of this report, respectively. We have also mapped our material issues to the United Nations Sustainable Development Goals in the appendix and section tables. Furthermore, the section tables have been mapped to the GRESB Infrastructure (asset level) assessment indicators, allowing our investors to more easily understand our sustainability related progress.

Acronyms explained

SASB

SASB: The Sustainability Accounting Standards Board (SASB) operates a framework for companies to disclose material environmental, social, and governance (ESG) issues that could affect their financial performance and their ability to create enterprise value over the long term.

GRESB

The Infrastructure Asset Assessment is an investor-driven global ESG benchmark and reporting framework for the Infrastructure Sector.

UN SDGs

The United Nations Sustainable Development Goals (SDGs) which began in 2015 and are a collection of seventeen interlinked objectives designed to serve as a 'shared blueprint for peace and prosperity for people and the planet, now and into the future.

ESG : Horizon and Sentiment Scan

Our ESG material issues remain unchanged in September 2024, however we understand our industry moves fast. To stay on track, we asked an independent sustainability consultancy to assess current ESG trends and sentiments in the data centre industry in 2024-25. This horizon scan ensures we fully optimise our ESG related activities and best manage ESG related risks in the year ahead. With Technology Secretary, Peter Kyle, announcing in September that the government now classes data centres as 'Critical National Infrastructure', this research will also help Kao Data to ensure it continues to best support the UK's

continued roll out of a Digital Strategy, Net Zero Strategy, as well as the governments new blueprint for a modern digital government'.

We are also emboldened by the findings of the 'Main takeaways from the debate on Boosting Cloud and AI Development in the EU' report prepared by the Council of the European Union. The paper highlights key data centre related development recommendations that if enacted would directly benefit Kao Data's sustainable approach to our European expansion. The recommendations include:

- Closing the innovation gap with the US for a green transition
- Supporting AI startups and SMEs by providing financial support and resources through initiatives like the Digital Europe Programme.
- Creating an EU-wide strategy aimed at ensuring an equitable distribution of data centres and strengthening cross-border collaboration.
- Encourage establishing data centres in underserved regions.
- Focusing on the development of AI-related skills across the workforce
- Designing a dedicated European fund for the development of data centres that meet the highest environmental standards.



Environmental trends

Forecasts estimate that global data centre energy demand will double in the next five years to 100 GW. The race for AI supremacy is therefore no longer just about computational power — it is becoming a battle for energy efficiency.

Key themes and topics for 2025

- Green data solutions
- Power optimisation and waste management
- Scope 3 emissions
- AI power demand
- Operational resilience
- Liquid and immersion cooling in age of AI
- Net Zero
- Power grid carbon intensity
- CNDCP
- Direct-to-chip liquid cooling
- Water usage
- Energy efficiency
- Data Centre Infrastructure Efficiency (DCiE)

How Kao Data is responding

- Focused on recycling to reduce waste.
- 100% certified renewable power procurement from a specific site.
- Pioneered HVO fuel for backup power.

- CNDCP signatories since 2021
- Net Zero Roadmap
- KLON-03 will be liquid cooled, helping meet growing energy efficiency needs of AI workloads

Social Trends

Hyperscalers will likely be first-movers into new markets in 2025, followed by colocation providers. Data centre development will continue to cluster where there is a confluence of power, land, infrastructure, and talent. This makes digital inclusion initiatives and community engagements crucial to level up the country in terms of digital skills and data centre related services.

Key themes and topics for 2025

- Digital inclusion
- Skills gap
- Gen Z seeking purpose driven tech careers
- People centered workforce culture
- Levelling up digital economy and its growth
- Sustainability R&D
- Community engagement

How Kao Data is responding

- Appointed new CPO to better support employees and social programs.

- Our new SEED fund aims to provide financial support to not-for-profit community-led initiatives that drive social and environmental development.
- As an Impact Sponsor for Gen+1, Kao Data will play a crucial role in advancing GeN+1’s initiatives to introduce more young people to the sector to address the current skills gap.



Governance Trends

A recent UK government whitepaper highlights that reliability and security risks, especially in government IT systems, pose significant governance risks. The UK Government Digital Service was launched to search for IT vulnerabilities, putting governance risks centre stage for data centre providers. The UK's AI Action Plan also puts data centres at the heart of the country's growth plan.

Key themes and topics for 2025

- Regulatory compliance Data Centres as Critical National Infrastructure
- Data ethics and responsible AI
- Intellectual property. protection in AI models.
- Public data sector initiatives
- Safeguarding cross border data flows
- Advanced threat monitoring

How Kao Data is responding

- ISO standards compliance
- The CBRE Data Centre Solutions partnership enables better oversight of ESG risks and quicker pivoting to risks and regulatory changes.
- Appointed a new COO to better manage operational risks.
- Our business policies include detailed requirements for cybersecurity, business continuity and data privacy.

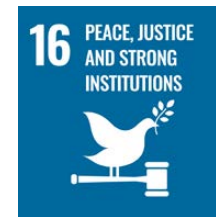


Sustainable Development Goals alignment

In each section table of this report we have mapped Kao Data's sustainability alignment with the United Nations Sustainable Development Goals (SDGs)

In the appendix section we have shown how Kao Data is aligned to specific SDG indicators and targets. Kao Data has identified nine Primary SDGs that we can best tackle, either as a business (via strategic pillars 1 & 2), or through advocacy (strategic pillar 3).

These SDGs are arranged for environment, social and governance relevance. For example, the five primary 'Environment' SDGs chosen correspond to those identified by JLL's Data Centre Sustainability Scorecard as most relevant to data centres. For social and governance sustainability we have included our primary SDGs that we believe we can best impact and quantify.



Sustainable performance: Primary metrics

To better measure sustainability related performance, Kao Data benchmarks against 11 primary metrics to focus upon through to 2030. These are shown in the table opposite.

The section tables within this report further map Kao Data's progress against its material issues as identified by our SDG/SASB driven materiality assessment in 2022.

For instance, our primary metrics for environmental sustainability fully align with the metrics identified by the Climate Neutral Data Centre Pact (CNDCP). These five metrics are the essential levers for reaching Net Zero by 2030.

The section tables throughout this report show our progress year-on-year against both our primary and secondary metrics via a traffic light system. Red is for metrics we must improve upon, amber is for things we are doing fairly well and green is for areas where we are performing above expectations.

In terms of targets, some targets, such as for waste and water usage are currently under review, as part of our Net Zero Roadmap activities.

Kao Data plans to refine our ESG reporting in 2025-26, by working with the Carbon Disclosure Project and our new facilities management partner CBRE Data Centre Solutions, so we can further accelerate sustainability performance and better measure and manage our sustainability progress.

Read more: [CNDCP](#)



Primary KPIs/Metric	CNDCP aligned targets	2030 / Interim targets	Status*	Entity performance FY2024-25
Power Usage Effectiveness / (PUE)	By January 1, 2025 new data centres operating at full capacity in cool climates will meet an annual PUE target of 1.3.	Net Zero by 2030.	M	1.53 (Average across estate). Should see improvements in coming reporting period as new, more efficient sites become operational.
Renewable Energy Factor /(REF) (%) CUE	Data centre electricity demand will be matched by 75% renewable energy or hourly carbon-free energy by December 31, 2025 and 100% by December 31, 2030.	Net Zero by 2030.	E	REF 100% /CUE 0 (Market based- Scope 2 emissions at zero, offset by REGO at Dogger Bank Windfarm site.
GHG Emissions Total/ MTCO2e	Net Zero by 2030.	Net Zero by 2030.	L	Have created interim targets as part of a new Net Zero Roadmap to be reported in 2025-26. We are currently working with our new FM partner to find ways to reduce emissions, including for Scope 3, in line with roadmap targets.
Waste and Circularity/Total waste disposed (tonnes)	No specific target (assumed any waste minimisation target, especially for E-waste).	Continue to reduce waste and waste related emissions as a percentage of our total emissions. Reduce waste related emissions by 20% by 2025.	L	Working with our waste partner Greenline to understand our waste footprint. We include site by site data for 2023 in appendix table. KLON-05 and KLON-06 data also includes customer waste. Our current waste ratio is 3.26t/CO2e.
Waste and Circularity / Total waste recycled (%)	EDE (Electronics Disposal Efficiency: Data centres will set a high bar for circular economy practices and will assess for reuse, repair, or recycling 100% of their used server equipment. Data centre operators will increase the quantity of server materials repaired or reused and will create a target percentage for repair and reuse by 2025.	100% waste recycled by 2030 .	E	100% waste diverted from landfill, re-used or recycled, via waste contracts. This includes waste burnt for green energy (standard practice for all providers).
Sustainable water use/ Water usage effectiveness (WUE)	By 2022, data centre operators will set an annual target for water usage effectiveness (WUE), or another water conservation metric, which will be met by new data centres by 2025, and by existing data centres by 2030.	Continually improve WUE YoY.	L	0.57 (average across estate, see site breakdown appendix table). Working on targets for future reporting periods with our new FM partner. All sites are chosen for low water stress, however we have not yet set a target for improving our WUE. At newer sites such as KLON-02, WUE has improved YoY.
Health and Safety (employees) / LTIFR	NA	Maintain LTIFR of 0.	M	0 (reporting monthly to our investors.
Employee Satisfaction	NA	Improve employee satisfaction.	M	We closely monitor employee satisfaction via direct engagement. We will report figures using new engagement portal from 2024-25 onwards.
Customers / NPS	NA	Improve customer NPS yearly.	M	We closely monitor customer satisfaction via direct engagement. Our Customer NPS for FY24-25 was 73.
Stakeholder engagement / No engagements in 2023	NA	Continue actively engaging with a wide range of stakeholders within local communities.	M	Read more in our Community Impact Report.
ESG related awareness training / ESG training	NA	Increase ESG training to 100% of all employees and managers by 2025.	M	100%/20%.

* Exceeding (E) / Meeting (M) / Lagging (L) CNDCP aligned Targets + all targets





Environmental sustainability

In this section

Climate Conscious Data Centres: Sustainable, scalable, secure	24
Our locations and data centres	25
Greater Manchester data centre	26
CBRE: A new partner for sustainable innovation	27
Energy and emissions	28



Environmental sustainability

In line with our commitment to climate conscious computing, Kao Data is leading the industry in reducing carbon impact, increasing energy efficiency, and implementing environmentally responsible practices for sustainable infrastructure excellence.

Our Environmental and Energy Policy includes commitments to reducing environmental impact and lowering carbon emissions through our power use and power procurement aligned with our Net Zero Roadmap. In addition, we are reducing our reliance on water and increasing circularity via responsible waste management with a 100% recycling rate. We are also committed to preserving natural capital by developing on brownfield sites and enhancing biodiversity and ecology at all our locations. From 2024 onwards, environmental management will be enhanced by our new partnership with CBRE Data Centre Solutions, our new facilities management partner.

🔗 **Read more: [CBRE partnership](#)**



Leadership commitment

Deliver sustainable, scalable, secure data centre environments that are customer centric and climate conscious.

Levers

Reducing carbon impact, increasing energy efficiency, and procuring 100% renewable energy

Transformational goal

Achieve Net Zero operations by 2030

Key policies

Environmental and Energy Policy, Supplier Code of Conduct Policy

Key accreditations

ISO 14001:2015 (Environmental Management Systems) / ISO 50001:2018 (Energy Management)



Environmental sustainability

Primary SDGs



Secondary SDGs



Material issues	Metrics	FY2023-24 Data	FY2024-25 Data	FY2024-25 Progress, highlights and aims
GRESB indicators				
GHG Emissions GH1, PO2, RM3, RM5.1 (*RM4.1 RM4.2 being prepared for 2024 reporting)	GHG Scope 1 emissions (t CO2e)	61.45	477.55	(1) Continuing to migrate old infrastructure to HVO fuel; (2) Some refrigerant leaks in reporting period; (3) Site Occupancy increases. <small>* All of the above attributed to the increase in Scope 1 emissions from last year. Adjustment made based on gas loss in the year</small>
	GHG Scope 2 emissions (t CO2e) (Market Based)	0	0	(1) REGO certificates in place across the estate; (2) All electricity fully offset - reported as Zero.
	GHG Scope 2 emissions (t CO2e) (Location Based)	(7,976.81)	8,646.16	(1) Increased site occupancy and supporting site; (2) further maturity of reporting from FY23/24 scope 2 here is load from infrastructure (Kao Data) and not IT Load, this is now captured under Scope 3; (3) re-calculated FY23/24 data so accurate reflection on performance; (4) Kao Data will continue to report both location and market based emissions figures; (5) Figures are likely to continue to rise with our continued growth and expansion; (6) However with our REGO's in place, market based Scope 2 emissions will remain at zero. <small>* Changed how we are reporting, so have reported the corresponding figures using the new calculations, rather than using last years reported figure (to show the true difference), hence the prior figure of 7,9796.81</small>
	GHG Scope 1 and 2 combined (t CO2e) - Market Based	61.45	477.55	(1) We will continue to assess ways to reduce energy consumption in line with our 2030 Net Zero target; (2) REGO - so only Scope 1 data here as REGO market based report as zero. <small>*8,038.26 was comparison figure (adjustment of Scope calculation) so a true reflective view and showing year on year for true reflection of performance</small>
	GHG Scope 1 and 2 combined (t CO2e) - Location Based	8,038.26	9,123.71	(1) Taking away REGO, this is what under fossil fuel the combined Scope 1 and 2 would look at a comparison; (2) Kao Data Net Zero Roadmap.
	GHG Scope 3 emissions (t CO2e) - Market Based	('1992.23)	('2,240.67)	(1) Increase in site capacity; (2) More granular accurate reporting (change in scope breakdown). <small>* changed our reporting method, so have reporting the corresponding figures using the new calculations, rather than using last years reported figure to show the true reflective view</small>
	GHG Scope 3 emissions (t CO2e) - Location Based	14,849.35	18,811.63	(1) We have increased reporting granularity in line with SBTi categories. (See emissions appendix table); (2) Site Occupancy has increased customer usage related emissions, eg management of waste, increase in power; (3) However as we grow we are maintaining efficiency in each Scope 3 Category. (4) Installation of EV Points, Employee Electric Car Scheme, thus improving scope 3 reporting for employee derived emissions and lowering carbon footprint.



Environmental sustainability (continued)

Material issues	Metrics	FY2023-24 Data	FY2024-25 Data	FY2024-25 Progress, highlights and aims
GRESB indicators				
Energy Management WS1, RM2.1	Total energy consumed (MWh)	108,013.83	122,962.26	(1) This figure will increase with growth and scalability, but our objective is enhancing efficiency; (2) These efforts include both utility and generators, as well as via new innovations/technologies.
	Energy intensity (MWh)/revenue	0.0019	0.0019	(1) Increase in load and revenue, which overall has created no material change in energy intensity year on year; (2) We continue to look for ways to reduce energy intensity through design and operational innovation. <small>* For FY23/24 figure was 0.001912, for FY24/25 it was 0.001914) - so no material change YoY</small>
	Renewable Energy	100%	100%	(1) In 2024, we extended our contract to cover 1st April 2025 to 31st March 2026 switching our source and REGO to Dogger Bank offshore wind farm as of 1st of April 2025; (2) This move is helping us ensure 100% renewable power resilience in the years ahead; (3) Dogger Bank is currently the worlds targets offshore windfarm, aspects still under construction, but future proofs Kao Data utility demands under REGO.
	Facilities Power Usage Effectiveness (PUE)	1.57	1.53	(1) We aim for an average PUE of 1.5 across the estate; (2) With 4 sites now operational and reporting for this reporting period, we have maintained our objective in lowering our PUE average across the estate; (3) As we onboard more new sites, we will continue to focus on efficiency and sustainability to meet our objectives.
Waste and Hazardous Materials WS1, RM2.1	Emissions from waste (part of Scope 3 Category 5): See emissions appendix table.	0.98	0.44	(1) Waste Management Contracts in place ensures 0% to landfill; (2) Currently we do not re-use any of the energy provided to site; (3) Waste Management Contracts in place have 0% to landfill, 100% diversion via recycling, reusing, or conversion to green energy; (4) Further improvements with Waste Management will see us being able to categorise where the waste has gone e.g. % recycled, % re-used and % used for production of green energy.
	Electronics Disposal Efficiency (EDE)	100%	100%	100% - Continue to maintain program.
	Total waste disposed	153.52 tonnes	67.96 tonnes	(1) We will be working with our new FM partner CBRE Data Centre Solutions in 2026, to ensure greater segregation of waste; (2) We are currently assessing how to better report waste for future reporting.
	Total waste diverted from landfill/incineration	100%	100%	100%- Continue to maintain program and analyse diversion data reports to optimise reuse, recycling and green energy production opportunities
	Total waste recycled	100%	100%	(1) 100% - Continue to maintain program; (2) Looking at better reporting and analysis for next reporting period.



Environmental sustainability (continued)

Material issues	Metrics	FY2023-24 Data	FY2024-25 Data	FY2024-25 Progress, highlights and aims
GRESB indicators				
Water and Waste Water Management WT1, WT2, RC7	Water Usage Effectiveness (WUE)	0.34	0.26	(1) Overall focus around water usage covering all aspects of site level usage, not just cooling systems, but new infrastructure, as we roll out facility expansion; (2) Our new FM partner will help us to instigate ongoing operational improvements.
	Potable water consumed	18,204,000 litres	15,669,000 litres	Water consumption will increase as utilisation of sites increases and additional sites come on stream (eg Harlow). We continued to assess industry best practice in 2024-25. Living wall remains decommissioned whilst KLON-06 is being developed. We will be looking closely at water usage in 2026.
	Water recycled/harvested	0	0	Currently reviewing water recycling opportunities with CBRE and will report next year on progress. This will include a clear focus on water efficiency.
Biodiversity and Ecological impacts B11	BREEAM Certifications	100% BREEAM Certified for design & construction phases.	100% BREEAM Certified for design & construction phases.	BREEAM Certifications continue for all development. We have ongoing partnership with British Bee Charity. Biodiversity areas at Harlow campus, plus rebuilt areas behind Northolt and biodiversity areas in Slough. We will seek new ways to work with charities like the British Bee Charity and expand our impact via these partnerships. This may include tree planting and other ecological measures in the future.



Climate Conscious Data Centres: Sustainable, scalable, secure

At Kao Data all our data centres are powered with 100% renewable energy. Beyond clean power, we ensure that environmental sustainability is engineered into our data centres, from design, to built form, and throughout their operational lifecycle.

Our approach to creating a climate conscious data centre starts with conducting a site risk assessment to ensure we site all our buildings for maximum physical resiliency, and minimal environmental impact. This includes our commitment to the reuse of brownfield sites for our data centre developments.

In fact, the Kao Data campus in Harlow is built on the former 'Nortel Networks' laboratories site, the home of Sir Charles Kao's pioneering discovery of fibre optic cable in 1966, an invention that makes today's data centres possible.

In 2024-25, as part of our commitment to 'succeed together' our new Health, Safety, & Environment Director, Scott Manton, recently joined the Steering Group of DICE (Digital Infrastructure Circular Economy). This new government-backed initiative is focused on encouraging sustainable design and operation in the data centre sector and will help inform Kao Data's future plans regarding waste and circularity.

"Innovation, excellence, uptime, sustainability. These four words have long-been synonymous with Kao Data, and since joining Kao Data in 2024, I have witnessed first-hand the tenacity, and determination of our team."

Pete Judson | Chief Operating Officer at Kao Data





Our locations and data centres

Harlow

Our Harlow campus consists of a development of four state-of-the-art, OCP-Ready, carrier neutral data centres. KLON-01 (10MW) was completed in 2019 with KLON-02 (10MW) being fully operational since November 2023. Both KLON-01 and KLON-02 are certified BREEAM 'Excellent' for both the design and construction stages, measured against a specific assessment methodology for data centres.

When fully completed the 15 acre, +£230m Harlow campus will support an ITE load of more than 40MW, across 150,000sq ft of technical space – all powered by 100% renewable energy.

KLON-01 & KLON-02

KLON-01 & KLON-02 are operational, each with 10MW capacity. Our Harlow campus already houses some of the UK's most mission critical workloads for a variety of clients including banks, research institutions, and AI innovators to name just a few.

KLON-03

KLON-03 is a new, 17.6MW data centre, purpose-built for GPU-accelerated advanced computing and industrial-scale AI workloads. Offering hybrid cooling, the deployment also represents one of the largest available allocations of next generation, liquid cooled compute across the Greater London region. KLON-03 will be ready for service next year. Permits are also in place for KLON-04.



Greater Manchester

Designed to be one of the world's most energy-efficient facilities and powered by 100% certified renewable energy, the data centre will set new standards in the city for sustainability.

Stockport

Our Stockport data centre will house some of the UK's most advanced computing technologies, like artificial intelligence (AI) and cloud workloads.

Northolt

KLON-05 provides 4MW of Tier 3 equivalent, concurrently maintainable colocation, all operating at an industry leading PUE.

Slough

KLON-06 facility on Slough Trading Estate, provides 16MW of Tier 3 equivalent colocation.



Greater Manchester data centre: A platform for the region's AI revolution.

According to CBRE's Real Estate Market Outlook 2025, London's data centre supply is expected to grow by 17% in 2025, and is approaching saturation. Moving beyond the capital and levelling-up our computing infrastructure is therefore a must. That's why in October 2024 we broke ground in Stockport to deliver our new state-of-the-art data centre. On the day, our former CEO Doug Loewe was interviewed alongside Andy Burnham, Mayor of Greater Manchester by Sky News. In the interview Mr Burnham stated that Kao Data's strategic move north will further cement Manchester's growing reputation as a major hub for UK digital

infrastructure and technology innovation. The new facility will also supports the achievement of GMCA's Greater Manchester Digital Blueprint by extending the region's world-class digital infrastructure.

For Kao Data, Greater Manchester is a natural next step, meeting all the criteria that drive data centre location, and data centre site selection: Economy, Industry, Infrastructure, Talent and Sustainability. In fact, Greater Manchester is one of the most ambitious regions in the UK when it comes to sustainability, setting a long-term environmental vision to be completely carbon neutral by 2038.

"As we continue our mission to ensure world-class digital infrastructure for the region, Kao Data's new data centre will play a pivotal part in our fast-growing and diverse technology ecosystem, reinforcing our position as a global leader in AI and data centre capacity."

Andy Burnham | Mayor of Greater Manchester



Learn more: [Sky Interview](#)



CBRE: A new partner for sustainable innovation

Today the operational function within a data centre covers so many areas that are fundamental to the safety, performance, sustainability, and resilience of our facilities. That's why we appointed CBRE Data Centre Solutions as our new facilities management partner for 2024 and beyond.

With a proven track record of managing hyperscale data centre portfolios, CBRE will support our expansion across the UK and Europe, ensuring procedural standardisation across our Kao Data's data centre estate, and new 'next tier' data centre locations. CBRE will manage the complete spectrum of integrated facilities management services,

integrating its acclaimed Critical Environments Risk Management (CERM™) programme to better identify and reduce human-related risks. This new partnership underpins Kao Data's commitment to 100% customer uptime, supporting our mission and ensuring we achieve our sustainability vision of climate conscious computing for our customers.

Maximising ESG value, harnessing AI

The increased resource demands associated with AI often contribute to the perception that AI and

data centres are at odds with sustainability goals. However, it is important to recognise the significant energy and carbon emissions reduction benefits that this technology can provide. For instance, sustainability initiatives at Kao Data are critical strategic client investments, and as such we must ensure any proposed projects offer the right solution every time. To ensure we optimise resource use and minimise consumption for our customers we will be exploring the full potential of AI with our new partner CBRE Data Centre Solutions. This will improve strategic cohesion, maximises the client's value from capex, all while ensuring deep ESG data integration, leading to more sustainable solutions.



"Our team's relentless focus on innovation and performance ensures that we are well-equipped to meet Kao Data's evolving needs as they continue delivering their exciting growth strategy."

Craig Bristow | Managing Director, CBRE Data Centre Solutions UK.



Energy and Emissions

GHG Emissions

Prioritise and set goal for focus on reduction of Scope 1 & 2 Emissions. Achieve Net Zero by end of 2025. Net Zero across all 3 scopes by 2030.

ESG report alignment

Publication of 2nd ESG report, but now reporting aligned to financial year.

Net Zero plan

Creation of Carbon Reduction Plan

Set Net Zero objectives and targets

Set baseline of 2022 and work on FY22-23 improvements

Explore potential of CCA objectives to contribute to CNDCP objectives

ESG reporting

Project for creation and publication of ESG report

Undertake materiality assessment

Production of inaugural ESG report

Align with annual update reporting by end of year

Work on published key objectives

ESG report

Publication of inaugural Kao Data ESG Report

Framework adoption

Initiate CDP, SBTi project (establish aligned short-term, long-term goals, objectives), submit for approval. Confirm ethical offsetting program.





Focus and Approval

Granularity of reporting of Scope 3 and Approval of CDP, SBTi plan and objectives (short term and long term)

2026

2027

Scope 3

Reporting level, scope areas covered (Cat 1, Cat 2, Cat 6, Cat 9, Cat13) – Data capture analysis.

2028

Checkpoint

Review plan CDP/SBTi, key goals / objectives

Q4 2029

Certification

Final Submission for Carbon Reporting / Offsetting where required to obtain Carbon Neutrality – CDP / SBTi (goals achieved / on track review).

2030

Net Zero

Kao Data achieves carbon neutrality - Certified (Carbon Neutral).

Our Net Zero Roadmap

Our Net Zero Roadmap sets out key objectives for achieving Net Zero targets across all 3 GHG Scopes, as part of our Carbon Reduction Plan, which began in 2023.





Social

In this section

Our employees	35
Living our values, meeting our standards	36
Diversity, equity and inclusion	37
Attracting, training and retaining talent	38
Our stakeholders and Community Impact Strategy	40
Our Progress: A focus on the North	42
The Kao SEED Fund	44
Our customers	46

KAO DATA

DATA-EMPOWERED FUTURES FOR
TECH IN STOCKPORT & GREATER
- WHAT'S NEXT?
MEET THE PANEL



Naomi Tomphey
FOUNDER,
NORTH
STATES



Phil Swan
DIRECTOR FOR
DIGITAL, GMAA



Elizabeth Scott
EXECUTIVE
DIRECTOR,
TECH



Social sustainability

Kao Data understands that long-term business success is only achievable when we make social sustainability progress. The company is committed to being a successful, caring and welcoming place for all employees, where everyone can reach their full potential, without prejudice and discrimination.

Kao Data is also aware of the part our customers and community partners can play in levelling up local communities for economic, environmental, and social resilience. Our new Community Impact Strategy, driven by our core values and operating principles, empowers our customers, employees and partners to get involved with our sustainability and community development work within the local areas around our data centre facilities. This is so we can succeed together in building a sustainable, more equitable future for all.



Leadership commitment

Fostering an authentic culture where people and communities thrive and feel valued for shared success.

Levers

The Kao Way / Our Values / Our Community Impact Strategy / Kao SEED fund, Mental Health campaign, Kao Academy, Gen+1 partnership, UTC Heathrow Digital Futures partnership

Transformational goal

Support local communities around our facilities with genuine, tangible programs of development, and help increase diversity and representation in the industry from women and young people.

Key policies

Equality, Diversity & Inclusion Policy / Equal Opportunities Policy statement / Health & Safety Policy

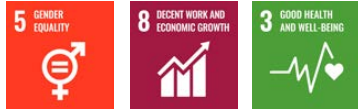
Key accreditations

ISO 27001 ISO 45001



Social sustainability

Primary SDGs



Secondary SDGs



Material issues	Metrics	FY2023-24 Data	FY2024-25 Data	FY2024-25 Progress, highlights and aims
GRESB indicators				
Human Rights and community relations PO2, RP2.1, RM2.2, SE3.1, SE3.2	Maintaining the work of the Kao Academy and other STEM initiatives	UTC, Kao Data Academy and other STEM related activities.	Expanded Kao Academy with youth consultancy Hark.	Our new Community Impact Strategy and SEED Fund has helped us support more people to get into STEM careers, Working with communities in this way is building trust, ensuring better outcomes and better talent acquisition opportunities.
	Training (awareness) Employees	100%	100%	We will continue on-going program.
	Training (ESG)			We will continue and enhance on-going program.
	Employees	40%	50%	Currently we do not have a specific training module on ESG but we will continue to embed ESG topics within existing training in the next 12 months.
	Management	20%	50%	Management are made aware of many ESG topics as part of our ongoing CPD and through external engagements and partnerships. We continue to strengthen our ESG focus in line with our GRESB score improvement journey.
Customer privacy CU1, RM4.4, CA1, CA2	Data breaches	0	0	Maintain zero data breaches.
	Customer Net Promoter Score	69	73	Aim to improve Customer Net Promoter Score Year on Year
	Privacy Policy / Information Security Policy / Cybersecurity Policy	Comprehensive policies and accreditations including Cyber Essentials Plus.	See Compliance in governance section of this report.	Ongoing changes with NIS2, alignment in UK, GDPR, AI Policy, creates a moving landscape as highlighted by our 2024 ESG sentiment/trends study. Our policy review captures these changes comprehensively.



Social sustainability

Material issues	Metrics	FY2023-24 Data	FY2024-25 Data	FY2024-25 Progress, highlights and aims
GRESB indicators				
Employee health and safety HS1, HS2, HS3, HS4, RP2.1, RP2.2	Lost Time Injury Frequency Rate (LTIFR)			
	Employees	0	0	Maintain LTIFR at zero.
Contractors	0	0		
Employee engagement EM1, RM5.2, RP1	Employee attraction and retention	100%	100%	Maintain 100%.
	Employee growth YoY	23%	24%	We aim to see similar year-on-year growth, based on 26 employees to 34 (2023 - 2024 period).
	Number of apprenticeships	0	2	We are exploring ways to offer more direct apprenticeships such as finding areas in our business such as marketing, or operations (DC) and/or via our partnerships such as with UTC Heathrow. As such we aim to build out a formal apprenticeship program in FY 2025-26.
Diversity, Equity and inclusion EM2, SE1	Racial diversity / International background (employees)	22%	15%	We aim to continue to expand the racial and experiential diversity of our workforce. Through our marketing efforts we aim to attract more diverse talent by 2025. This will help offset leavers in current reporting period in FY25-26.
	Gender ratio (employees)			
	Men	73%	74%	Enhance diversity each year.
	Women	27%	26%	
	Gender ratio (management)			
	Men	73%	83%	With a new COO and CPO, this is an area under review, as such we will adjust our C-Suite level aims accordingly/formally in next years reporting. <small>* Calculated on 6 C-Level and 1 Women (CPO) in this position</small>
	Women	27%	17%	
Equality, Diversity & Inclusion Policy	Maintain compliance and best practice in line with policy	Expanded DE&I and Community Impact initiatives	Continue to enhance opportunities for nurturing diverse talent and community engagement through our new Community Impact Strategy. We also launched our new Women in Digital Infrastructure initiative to attract female talent to the industry.	



Our employees

Our approach: Building a future fit workforce

At Kao Data, we recognise that fostering innovation requires a diverse, motivated workforce that brings together different perspectives, experiences and ideas. To help us build a **future-fit workforce**, we look to recruit diverse talent and actively engage our employees from day one on the 'Kao Way', so we can work collaboratively and aligned with our values.

Our progress

In 2024-25 we have focused on engaging our staff with the wider community through our new Community Impact Strategy. We have also put an emphasis on coming together as a team to redefine our shared values so we can succeed together. We have grown our Mental Health First Aider Initiative network in 2024 to reach more employees, and also launched our new Critical Careers - Women in Digital Infrastructure' campaign to build a talent pipeline for female data centre talent.

Employee engagement

At Kao Data our employees are crucial to the success of Kao Data. By succeeding together, we can best ensure customer-centric climate conscious computing and tackle the issues most pertinent to our key stakeholders. To ensure everyone has a voice, we operate an agile, flat structure that empowers ownership of tasks and fosters real responsibility. To engage employees further we have a range of channels such as training, professional and personal development, leadership mentoring, positive mental health support and industry event attendance.

Our commitment to employee engagement is reflected in our annual Employee Award that recognises employees that are helping us build a better, more sustainable business. We also ensure our employees feel empowered to contribute to the causes that matter most to them, whether this be through external outreach or through supporting their own career ambitions.



Living our values, meeting our standards

In 2024, we began work to update our core values to ensure every decision and investment reflects our sustainability ambitions. Our values will be announced in next year's report and will closely link to our operational standards, reinforcing Kao Data's responsibility to uphold the highest standards across all aspects of business—from engineering and design to day-to-day operations—while continuously improving processes to support staff, customers, and stakeholders.



Safety first

Ensuring the health, safety and wellbeing of all employees, contractors and visitors.



Sustainability & responsibility

Leading the industry in reducing carbon impact, increasing energy efficiency and implementing environmentally responsible practices.



Operational excellence

Maintaining the highest levels of reliability, security and compliance in everything we do.



Innovation & future-readiness

Continually advancing technology and operational strategies to stay ahead in a rapidly evolving industry.



Integrity & collaboration

Building trust through transparency, accountability and partnerships with stakeholders.



Strategic focus

Health & Safety, Sustainability, Wellbeing, and Environmental Management



Diversity, equity and inclusion

At Kao Data, we know that we have both an obligation and an opportunity to make our company as diverse and inclusive as possible. Diverse opinions lead to better ideas, more robust decision making, faster innovation and give new talent the assurance of our reputation as a socially conscious employer.

Kao Data utilises several diversity metrics, as can be seen in the progress table at the start of this section. However, we know that we must continually improve if we are to truly capitalise on the immense pool of talent regionally, nationally and globally. In 2025 and beyond, we will continue to seek ways to enhance equity and inclusivity for our employees, especially through our 'Critical Careers' campaign.

Closing the gender gap

In a recent PwC study called, *Time to Close the Gender Gap*, among 2,000 A-Level and university students, identified that the gender gap in technology starts at school and carries on through every stage of a female's life. This is clearly

misaligned with the needs of the tech world which is innovating faster than ever before and with skills shortages everywhere including critical industries such as AI, digital infrastructure and cyber security.

'In the future, gender diversity in the data centre industry will be synonymous with innovation and progress. At Kao Data, our role is clear: championing diversity through inclusive policies, empowering women in leadership roles and inspiring the next generation of female talent to thrive in this dynamic sector.'

Kalay Moodley | Chief People Officer at Kao Data

As we develop our £350m data centre in Greater Manchester and our data centre campus in Harlow, we are making tangible strides into diversifying our workforce. In fact, in the past 12 months 60% of our newest recruits have been female. We hope more women will feel encouraged to apply for some of the 100+ jobs on site, either via ourselves or sub-contractors. We are also working to empower young female talent through The



Kao Academy, which offers interactive resources and hands on experiences for girls and boys at Key Stage 2 about data centres. Kao Data supports a range of initiatives to boost education related to the world of data centres, in particular STEM (science, technology, engineering, and mathematics). In 2024, Kao Data was also the first operator to partner with Gen+1 to help promote the contribution young people can make within the industry – helping close the skills-gap. Also in 2024, we conceived our 'Critical Careers - Women in Digital Infrastructure' campaign, to build awareness of female careers in tech and meet the skills shortage by harnessing female talent.

✦ Read more: [The Kao Academy](#)

✦ Read more: [Supporting female talent](#)



Attracting, training and retaining talent

We are committed to giving our employees and workers the opportunities and comprehensive ongoing training they need to grow our business and to further their skills for long-term shared success, all aligned with our core values.

At Kao Data, we believe in proactively reaching out and providing clear, accessible pathways into the industry rather than waiting for talent to find its way to us. To help us build a future-fit workforce, we look to recruit diverse talent and individuals from other industries to bring in fresh ideas and different ways of thinking. Training includes a focus on excellence, customer satisfaction, compliance and sustainability helping us continually improve the performance of our business for customer success. In 2022 we launched our dedicated training portal provided by LinkedIn so our employees can continually upgrade their skills. During 2024, 100% of our employees received professional training and 40% received ESG related training.



Critical Careers: Supporting and celebrating female tech talent

In 2024-25 we began our 'Critical Careers: Women in Digital Infrastructure' initiative to celebrate the remarkable women shaping the future of digital infrastructure. The initiative showcases real stories from women across all ages, backgrounds, disciplines, geographies and career stages who are thriving in a critical industry that underpins our modern world. Through personal interviews, Critical Careers highlights the inspiration, lessons, challenges, and advice that define their journeys.

By amplifying these voices, we aim to inspire a new generation of women to consider careers in digital infrastructure, contribute to a more inclusive and innovative workforce and strengthen the powerful community and network that is already growing within the sector.

Critical Careers was launched at the 2025 DataCloud Congress in Cannes as part of Kao Data's broader ESG strategy that showcases our commitment to championing diversity, inclusion and excellence across the digital economy.

In the years ahead we also hope to harness the 'Critical Careers' platform to not only support female talent, but to support minorities in moving into data centre careers.

Employee Health & Safety

Our data centres house critical IT infrastructure essential for businesses in all kinds of sectors where uninterrupted performance is not a nice to have, it is non-negotiable.

However, data centres by their very nature come with unique hazards. These risks can range from fire hazards from cooling and electrical system failure, to the broader physical risks posed by climate change. With such a complex risk profile, a robust health and safety plan is vital for safeguarding our people's safety and wellbeing, as well as for protecting the integrity of our customers' data.

"As a Chartered Health, Safety and Environmental Practitioner, I have provided strategic leadership to embed health, safety and environmental priorities into core business functions, particularly within data centre design, construction and operations across Europe."

Scott Manton Health | Health, Safety, & Environment Director at Kao Data

Safety first

At Kao Data we are committed to creating a workplace where employee and customer safety is embedded in every decision.

Through proactive risk management, continuous training and a culture of accountability, we ensure that every individual on our sites goes home safely. Kao Data upholds rigorous Health & Safety Standards, managed through our Integrated Management System and meeting the ISO 45001 standard for Occupational Health and Safety Management Systems (OHSMS).

Our comprehensive Health & Safety Plan aligns with our 'Safety First' operational standard ensuring continuous improvement and is enhanced by a proactive engagement plan involving staff at all levels to do things right, first time and every time.

Our Health, Safety, & Environment Director (HSE) Committee meets monthly and includes a broad group of internal and external stakeholders, including working groups, demonstrating our proactive governance, regular oversight and collaborative approach to risk management. This integrated approach is what has enabled Kao Data to maintain an LTIFR of 0.

Championing mental health and wellbeing

At any given time, 1 in 6 working-age adults have symptoms associated with poor mental health and 1 in 4 people experience poor mental health each year. Recognising the need to prioritise the mental wellbeing of their workforce, Kao Data adopted the Mental Health First Aider initiative, which highlights the commitment the company has to the mental health of the team. It is our belief that this is a pivotal step in fostering a workplace culture that recognises the universal impact of mental health challenges. Looking ahead, we hope to expand the Mental Health First Aider Initiative by empowering more of our team members to become qualified and by establishing a network of support that is easily accessible to every team member, further dismantling barriers and stigma associated with seeking mental health assistance.

"Our employees are at the core of our success. The launch of the Mental Health First Aider initiative epitomises Kao Data's dedication to the wellbeing of our team."

Wendy Bailey | Customer implementation Manager at Kao Data

Our stakeholders and Community Impact Strategy

Our approach

Through our collaboration with external stakeholders and partners, we are strengthening communities, while ensuring that the data centre industry is diverse, inclusive and prepared to face the future. Kao Data is already involved in various initiatives, such as the Kao Academy and UTC Heathrow's Digital Futures Programme

Our progress

In 2024 we began a new partnership with Gen+1 which aims to engage young people early in their educational journeys, right-up to their final steps before entering employment.

We also expanded our community engagements through our New Community Impact Strategy and Kao Data SEED Fund supporting local community initiatives. In 2024 we expanded the work of the Kao Academy via a new partnership with Hark to engage young people on data centre topics. We also started a new partnership with GeN+1, an initiative focused on supporting young people's careers ambitions.

All our partner related stakeholder engagements are organised, measured and evaluated via our Community Impact Strategy. For information on how we engage customers, investors and other stakeholders on governance matters, click below.

✦ **Read more: [Integrating ESG objectives](#)**

The Kao Academy

The Kao Academy, a pioneering first for the industry, is Kao Data's vehicle for raising awareness about STEM. It helps young people to become aware and engage with the data centre industry, helping build their future careers, open their eyes to the world of digital infrastructure and contribute to building a future-fit workforce. Delivered via an interactive website, the academy helps teach children at Key Stage 2 (aged 7-11) about the underpinning role of digital infrastructure across society, how data centres support this, including how they are designed, engineered and constructed, explaining both their importance and relevance to our everyday lives.

Hark: Impact partners

In 2024 we expanded the impact of the Kao Academy through a new partnership with Hark, an education and youth consultancy dedicated to bridging the gap between businesses and young people. This partnership directly relates data centre topics to the Key Stage 2 syllabus, with lesson plans and student and teacher surveys, helping us hone our engagement strategies and develop Kao Academy impact metrics for the long term. Progress will be communicated via a Kao Academy impact report from 2025 onwards. With Hark we have launched the program nationwide with an initial focus on our Stockport, Harlow and Slough/West London communities. Teachers have a ready-made lesson plan to teach students about data centres, explaining why they are critical, with lessons covering coding, servers and security.

✦ **Read more: [Hark](#)**





UTC Heathrow Digital Futures Programme

University Technical College (UTC) Heathrow is a school and sixth form in North West London, near our Northolt data centre, for 14–19-year-olds, specialising in engineering and IT.

Its 'Digital Futures' programme provides students with the opportunity to start training for a world class career, in a course designed by some of the data centre industry's biggest companies. Kao Data sponsors and supports this course.

As a partner Kao Data helps support the professional education of students, sharing its teams' technical expertise across the spectrum of data centre design, engineering and operations. In 2024 we continued our engagements and will report progress in our next ESG report.

Our Progress: A focus on young people

GeN+1: Levelling up

Our industry is at a pivotal moment. With a digital skills gap looming, the need for skilled data centre professionals is growing. To meet this need, our new partnership with GeN+1 is a gamechanger: GeN+1's aim is to introduce more young people to the sector to address the current skills gap shortage by creating events where people can build and grow their current network.

As GeN+1's first Impact Sponsor, Kao Data will play a crucial role in advancing GeN+1's initiatives, which include educational programs, career development

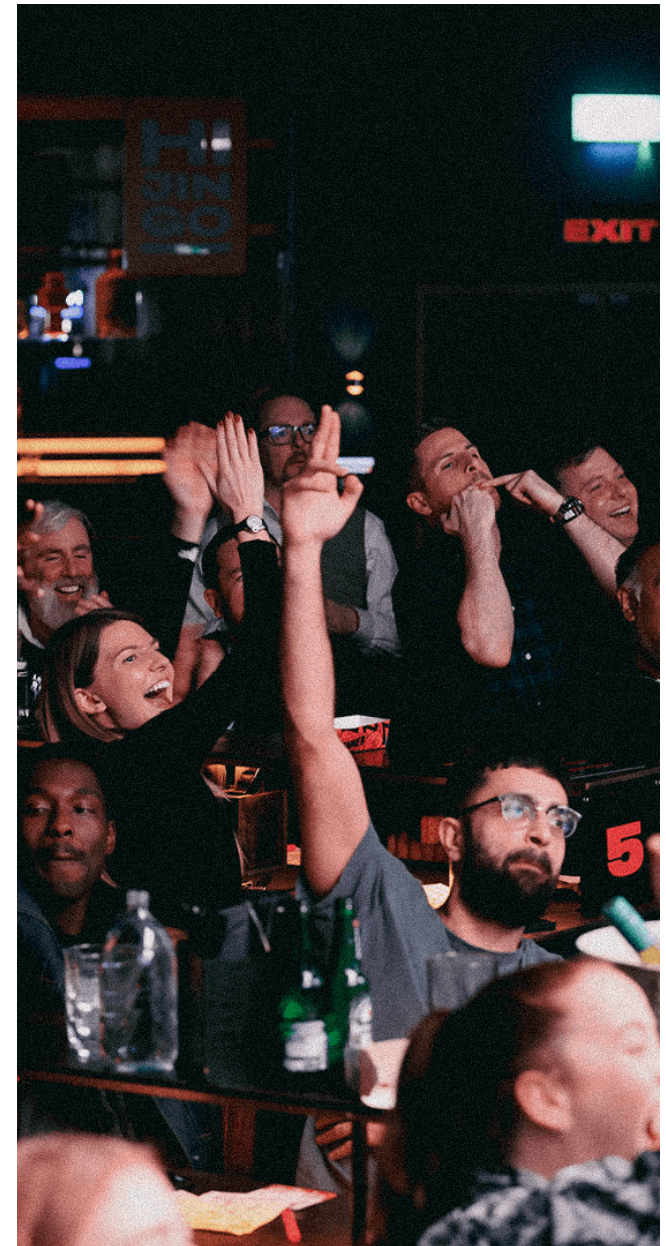


and community engagement. Kao Data's proactive approach aligns seamlessly with GeN+1's goals to inspire and empower the future workforce in the data centre industry.

GeN+1 also aims to build wellbeing through various events giving young people a supportive framework to build the confidence they need to thrive. By collaborating with partners like GeN+1, Kao Data can engage more diverse communities for shared success.

"I'm particularly passionate about Kao Data's recent partnership with GeN+1, an initiative designed to introduce young people and those young at heart, to the data centre industry. My own non-traditional path has made me acutely aware of the barriers many young people face. With our new partner, Kao Data is committed to building awareness of the incredible opportunities available to people just like me."

Lizzy McDowell | Director of Marketing at Kao Data



Digital inclusion pioneers

Kao Data's commitment to Greater Manchester supports all aspects of the city region's digital strategy, but especially key priorities around creating connected, inclusive and sustainable places, supporting innovation and strengthening Greater Manchester's position as a global digital influencer. At a recent event in Stockport, over 150 guests from Stockport's business community were hosted at CDL Codeworks, one of the town's brightest technology pioneers and got a glimpse of a bright, data-driven future for all. Senior figures of the Kao Data team including former CEO Doug Loewe and David Bloom, Executive Chairman, were welcomed by Stockport's business community alongside some of Greater Manchester's most innovative AI and advanced computing pioneers. The event reinforced Kao Data's pivotal role in engaging local talent, to support digital inclusion as we help catalyse Stockport and Greater Manchester's burgeoning tech revolution.

"Stockport has an ambitious business community, strong council leadership and a fast-growing tech industry collaborating with the wider city region. Kao Data joins us at the perfect time."

Helen White | Head of PR at Marketing Stockport



Supporting sustainability leaders in Stockport

Our Director of Marketing, Lizzy McDowell stepped into the world of local volunteering at Sector 3's Stockport Rocks! at Edgeley Park stadium in May. The event, which saw 400 guests, is a celebration of the dedication and selfless contributions of 57,000 volunteers who make a significant difference in the lives

of others in the town. Kao Data sponsored two tables at the event, helping fund the local unpaid volunteering community. We also sponsored the Climate Action Award with an inspirational nominee list including Carl Palmer who is spearheading tree planting projects to offset greenhouse gases; Greg Pike - who has campaigned tirelessly for tackling climate change with Marple Climate Group; and the winner, Agnes Pimblett, who secured funding for the community growing area next to Heaton Norris Community Centre alongside the local park.

The Kao SEED Fund: Empowering local communities through funding and mentorship

As part of our new Community Impact Strategy, in 2024 we launched our new Kao SEED Fund (SEED stands for Social Enterprise and Environmental Development).

The new fund is part of our commitment to becoming a long-term partner with the communities where we operate. Furthermore, by supporting the projects that matter most to local people we are building stakeholder trust and ensuring sustainable



outcomes throughout our value chain and beyond. The funds launch also coincides with the ongoing development of Kao Data’s new industrial-scale data centre in Stockport. Through the Kao SEED Fund, we offer small grants, from £500 to £2,500, to community-led projects that create a positive social, entrepreneurial, or environmental impact.

Funding areas of focus

The fund will eventually be rolled out at all our locations to help launch or expand initiatives in areas like:

- **Environmental Sustainability:** Projects that enhance green spaces, promote recycling or integrate renewable energy solutions
- **Community Empowerment:** Initiatives that bring people together, like youth programs, cultural events or mentorship schemes
- **Economic Development:** Ideas that support local businesses, such as pop-up marketplaces, community workshops or skill-sharing networks



The Kao Data SEED Fund: Allocating funds

In 2024 our first ever Kao SEED fund received over 65 applications, prompting Kao Data to increase its total funding pot by 50% to £30,000 to support 20 qualifying projects from the region. To manage the funding process, we are working with our incredible Stockport based partners Sector 3, Stockport's forward-thinking charity infrastructure organisation. In the table opposite are just some of this year's highlights.

"We were thrilled to work closely with Kao Data to develop their first ever Kao SEED Fund, and are equally delighted it will continue year-on-year. We're so lucky that Stockport is home to businesses, like Kao Data, that want to be part of the wider community and invest in people, place and planet"

Jo McGrath | CEO at Sector 3

✦ **Read more: [Successful Community Groups](#)**

Waves of Change

A support program to help women who are socially isolated or face physical /mental health challenges return to the workforce. This funding will help start an 'Empowering Wavers' program, which will help women secure jobs through tailored support, training and mentoring.

Arc

An arts and mental health organisation, which creates life-changing opportunities for people experiencing mental health challenges by providing access to creativity. The funding will allow them to deliver an artist development project to give participants the skills to set up their own creative enterprises, which will include CPD sessions, mentoring and a Makers Market.

BOOST Wellbeing

Delivers a range of weekly sports and physical activities classes, including boxing, weight training, circuits, walking, football and dance to people who are experiencing mental ill health. This funding will enable them to deliver a 12-week program called Find Your Strength of weekly exercise classes.

Drywave

Supports young people aged 16-24 who are not in education, employment or training and who are vulnerable to developing problems with mental health or substance misuse. They will deliver a new project called 'Beatz & Beyond' which will include creative workshops in music production and DJing, as well as coaching and employability skills training.

Reddish Men in Sheds

Creates a space to banish isolation and loneliness in men. The funding will go towards The Big Bike Giveaway project, which repairs donated bikes and sells them in the community for a modest price.

Marbury Road Edible Garden

Supports the community on a social housing estate in Heaton Chapel, with social and therapeutic horticulture. The funding will be used to deliver sessions for hard-to-engage young people with a trainer in social therapeutic horticulture.



Our customers

Our approach

Customer centricity is key to Kao Data’s success and for meeting the demands of our diverse customers. Every Kao Data client is assigned a dedicated Customer Success Manager, to help empower customers with faster, more secure innovation, while maximising computing power and minimising environmental impact. We increase engagement and monitor satisfaction during regular monthly meetings and via customer Net Promoter Scores (NPS). Our customers use our facilities to carry out mission critical tasks, handling sensitive data 24 hours a day, so customer privacy and information

security is critical. Kao Data deploys military grade levels of physical security and monitoring across all sites, providing maximum protection to customers’ infrastructure and data assets.

Our progress

To ensure customer success we are actively engaging with our technology partners. For 2024-25, our customer satisfaction score was 73. This NPS score, which ranges from -100 to 100, measures the willingness of customers to recommend a product or service to others. Our score is a testament to the Kao Way, which enables us to live out our values and principles every day for our customers. In 2025-26 we are aiming to improve on our existing NPS, and diligently working with CBRE to ensure customer success is sustainable, scalable and secure.



Customer Case Study 1: Ori

In 2024 Ori chose Kao Data’s NVIDIA DGX-Ready data centre campus in Harlow for its first, UK-based, end-to-end AI infrastructure deployment. Ori is the first AI cloud provider to deploy NVIDIA’s latest H200 GPUs in the UK, hosting them at Kao Data, with exciting plans to introduce NVIDIA’s much-heralded GB200 architecture for both local and global customers from April 2025. The collaboration enables Ori to deliver sustainable, scalable and secure AI-optimised cloud infrastructure with a flexible software layer perfect for AI training and inference workloads.

“We are delighted to partner with Kao Data for our UK expansion and its Harlow campus offers us the perfect mix of high-density data centre infrastructure, renewable energy and close proximity to London and Cambridge’s thriving AI and tech ecosystems,”

Mahdi Yahya | Founder & CEO of Ori



Customer Case Study 2: 20i

Founded in 2016, 20i is a leading UK-based cloud and web hosting provider, offering scalable, high-performance solutions to developers, agencies and businesses nationwide. With a platform built for speed, reliability and security, sustainability has also become a core pillar of the company's operations. In 2025, 20i's commitment to green hosting led them to choose Kao Data's climate conscious Harlow campus, engineered to meet their AI and advanced computing needs while minimising the environmental footprint of their digital infrastructure.

"We're glad to partner with Kao Data, whose data centres allow us to meet and exceed demands for security, performance, and sustainability. By colocating at Kao Data, we're not only providing our customers with an enhanced digital platform that meets strict data sovereignty requirements, but one which reinforces our companies' environmental commitments."

Lloyd Cobb | Director at 20i





Leadership and governance

In this section

Leadership and governance	53
Integrating ESG objectives	54
ESG oversight	55
Governance oversight	57
Governance monitoring	58
Compliance accreditations and awards	59
Risk management	61
Managing customer risks: Customer privacy and cyber security	62
Business ethics	63
Climate and physical risks	65

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Tuesday 20th September, 13:30-14:00
AICC Liverpool inside the Secure Zone



Governance section

Kao Data is governed by an industry respected, experienced management team who collectively hold more than one hundred years of career experience within the international data centre sector.

Our approach to corporate governance is aligned with our values of 'Integrity & Collaboration,' helping Kato Data to build and maintain trust through transparency, accountability and meaningful stakeholder partnerships.



Leadership commitment

Building a secure, climate resilient business for our people, our customers and our community stakeholders

Levers

Integrated management system, governance committees, sustainability working group, external engagements.

Transformational goal

Fully embed sustainability factors into governance processes

Key policies

All business policies

Key accreditations

All accreditations and certifications (see **table on page 60**)



Leadership and governance

Primary SDGs



Secondary SDGs



Material issues	Metrics	FY2023-24 Data	FY2024-25 Data	FY2024-25 Progress, highlights and aims
GRESB indicators				
Product design and lifecycle management RM2.1, CA1	Not a metric driven area but we maintain company policies adherence through our IMS and utilise best practice in relation to: Uptime Institute certification, BREEAM certifications, ISO standards and OCP-Ready certification.	Maintained relevant certifications and continue customer and industry engagement to drive innovation.	Enhancing facilities management excellence with our new FM partner.	We have secure system and deployment policy for operational aspects, including lifecycle on IT aspects. As a colocation company, we must note that the IT requirement is dependent on our customers. We will continue to review technology and efficiencies and deploy where we can, but this has dependencies on customer equipment, eg our Lifecycle Replacement program-LCRP. There is a position created in business working with Operations Director on LCRP to look at technological advances as part of replacement solution. KLON-01 and KLON-02 are OCP Ready, KMAN-01 will be once operational.
Supply chain management SE2, RM1	Supplier Code of Conduct	Maintain supplier compliance and best practice in line with policy.	Contrined to maintain supplier code alignment.	We aim to maintain code compliance. We will continue to work with suppliers and working throughout our supply chain to further our ESG journey and NetZero Roadmap goals and objectives.
	Suppliers engaged on ESG matters	46	50	Forms part of supplier onboarding and supplier review All Tier 1 suppliers, reviewed during period. Further integration with working with suppliers (Kao Data Scope 3 information) and alignment with our ESG program.
Materials sourcing and efficiency SE2, PO1, RM1	Environmental and Energy Policy	Maintain compliance and best practice in line with policy, investigating and exploring other opportunities.	Working with CBRE Data Centre Solutions to ensure best practice.	It is in Kao Data's DNA to source sustainable products and materials. This will continue in the future in line with our sustainability and responsibility values.
	Number of EPD labelled products purchased	Not reported.	Assessing in 2025-26.	Looking to better assess EPD procurement with our new facilities management partner CBRE in the coming years.



Leadership and governance

Material issues	Metrics	FY2023-24 Data	FY2024-25 Data	FY2024-25 Progress, highlights and aims
GRESB indicators				
Physical impacts of climate change RM3, RM4.3, RM4.4	Environmental and Energy Policy / Physical Security Policy	Maintained with in company policies and best practise - ISO accreditation aligned.	Maintained with in company policies and best practise - ISO accreditation aligned.	With ISO standards (Clause 4.1), Kao Data is required to consider climate change. Our ISO Recertification will encompass evidenced controls under ISO standards. Our risk assessment includes climate considerations such as water stress. All sites are in High Stress Risk (Thames Water and Anglian Water) . Via Adiabatic cooling we aim to maintain efficient use of water and site level resilience by design/site location and planning.
Business ethics PO3, RM1, RM2.3, LE2, LE3, LE4, LE5, LE6	Modern Slavery and Human Trafficking Policy / Anti Fraud Policy /	Business Ethics Policy.	See Business Ethics on page 63.	We will continue to maintain compliance and best practice. These policies will also be reviewed regularly to maintain best practice and compliance with relevant legislation. <u>Read more about our policies.</u>
Management of the legal environment RM5.3	All policies managed through IMS and risk management processes	Alignment with IMS Polices and Risk Management Processes, alignment with SDG, signatory for EUDCA CNDPC and iMASON'S Climate Accord, best practices under SBTi.	Maintained alignment with all our policies, accreditations and ISO certifications.	We will continue to work with organizations like techUK, and via participation in DC Council. We also assess upcoming trends through external research such as our ESG trends analysis which has helped inform this report. Our Sustainability Working Group also meets regularly to assess legal risks relating to sustainability.
Systemic risk management RM1, RM2, RM5.3,	ESG related incentives awarded	HVO / 100% renewable Energy (REGO), Partnership with windfarm, exploring other opportunities.	Secured new REGO to maintain 100% renewable Energy via a Partnership with a windfarm at Dogger Bank.	We will explore other potential initiatives for 2025 and beyond. We will also be better integrating risk management by harnessing the tools of our new facilities management Partner CBRE Data Centre Solutions.



Leadership and governance

Our approach

Our management team believes in a collaborative approach to managing ESG matters and creating sustainable success and is backed by a strong and active investor base, aligned with our sustainability led values.

As part of Kao Data's commitment to leadership and advocacy, the management team attends, and speaks at, regular industry leadership events, gaining fresh perspectives on ESG topics.

This activity is managed through the senior management team with reporting to our investors on a quarterly basis, who are also active in shaping our thinking on ESG matters.

This forms one part of our sustainability working group that involves all key managers to integrate sustainability into decision making, risk management and future planning.

Our progress

In 2024-25, we have been working to improve our business so we can boost our Global Real Estate Sustainability Benchmarking (GRESB) Infrastructure asset level standard score in the coming years. We are also ensuring consistent governance and

compliance across our sites through a new facilities management partnership with CBRE Data Centre Solutions. This new collaboration will enhance the sustainability and resiliency of our business, as we expand our business, ensuring consistent management of our progress measured against our enhanced Net Zero roadmap.



Integrating ESG objectives: Managing governance risk

At Kao Data, our approach to managing governance risks and opportunities includes a number of inputs and engagement activities. This comprehensive approach ensures we can integrate ESG considerations into every aspect of our business. These include:

ESG Input	How	Explanation
Governance Policies	Management Team/ Integrated Management System (IMS) / e.g. managing our Business Continuity Policy	We actively engage our employees in compliance oversight and risk mitigation strategy setting. This is actioned, monitored and managed through our integrated management system (IMS).
Committees	Quarterly meetings	We have numerous committees that convene quarterly and these range between, HR and Compensation, Audit and Risk, Sustainability and specific project committees
facilities management Partner	Regular in-person meetings and on-going technical support	Our new integrated facilities management partner, CBRE Data Centre Solutions, will play a key role in ensuring ESG best practice and compliance across our portfolio.
Working Groups	Sustainability Working Group	The group consists of senior management team members and meets regularly across the year to discuss sustainability related challenges and opportunities for Kao Data to harness, especially on new builds and additional sites we are considering. It also reviews progress against our commitment to achieving a Net Zero business by 2030, which is led by our compliance team.
Customers	Feedback sessions, solution planning meetings, monthly updates, continual monitoring of customer success through IMS and Customer Portal	Customer input: Through our customer centric approach, we can ensure we manage our business in ways that ensure future proof solutions that mitigate key risks for customers such as physical and cyber security risks.
External Stakeholders	Stakeholder Engagement Programme	We engage external stakeholders to help us understand their demands, protecting our licence to operate.
Investors	Quarterly meetings and regular contact	We meet with our investors at least quarterly to discuss pertinent risks, industry trends and global, regional, and local ESG related challenges or opportunities. This includes aligning our ESG strategies with our investor aspirations, utilising the GRESB infrastructure asset scoring system to assure the appropriateness of our ESG strategy.
Governments	Leading and attending events, desk bound research of legislation, external advisory services	We work with government agencies and departments to help move the industry forward and learn about relevant legal and regulatory risks
Benchmarks and NGO's	Memberships, accreditations, certifications, awards, industry frameworks input by management team	Benchmarks: Kao Data regularly engages with non-governmental bodies and trade organisations such as ASHRAE, Uptime Institute, techUK and the European Data Centre Association to assist in supporting the development of environmental and sustainability impact frameworks among other activities. As a business we align with these frameworks too.



ESG oversight

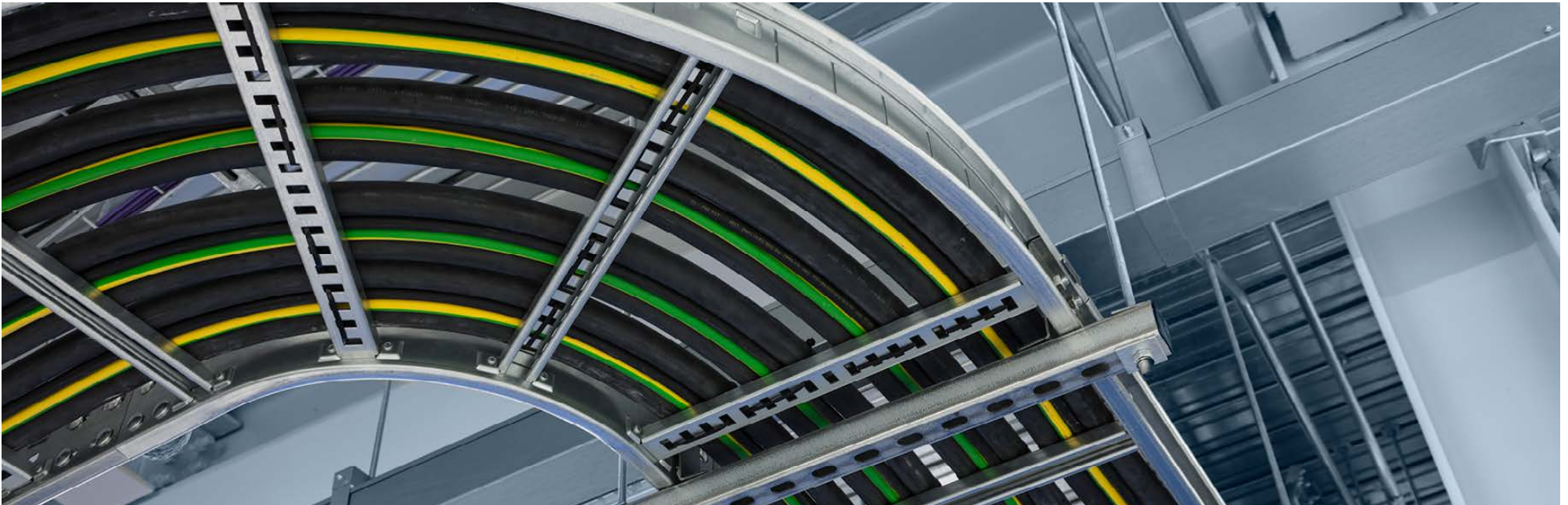
Our management team's delivery against ESG objectives and compliance is delivered through our Integrated Management System (IMS). Kao Data complies with all relevant regional, national and international legislation pertaining to our business and we have a number of certifications, policies and accreditations that help us manage every aspect of our business.

ESG progress and performance is reviewed regularly by the management team who ensures all our managers can input on ESG and sustainability governance related matters pertaining to the company's strategy and operations.

Our managers and team leaders attend regular training, CPD events and online courses, many of which cover sustainability related topics. Kao Data also holds monthly progress meetings with our customers and provides daily and instantaneous automatic reporting regarding data centre performance.

Aligning with best practice

Kao Data engages with external bodies such as ASHRAE, the American trade organisation that drives global data centre standards for operating conditions for IT equipment. ASHRAE feeds into the European Code of Conduct for Energy Efficiency in Data Centres and ISO 50001 Data Centre Energy Management. In 2025 our Director of HSE Scott Manton, joined DICE (Digital Infrastructure Circular Economy) Steering Group. DICE is a new government-backed initiative focused on sustainable design and operations in the data centre sector.





Governance oversight

The following is a detailed summary of the roles and responsibilities of our leadership team with regards to ESG matters:

Individual responsible for setting ESG objectives: Executive Chairman

David Bloom, Executive Chairman

As our Executive Chairman, David is responsible for setting the strategic direction of Kao Data with regards to ESG matters, informed by our senior management team sustainability working group. The delivery of our strategic sustainability goals is supported by relevant Directors such as our COO and CTO for specific issues such as operational performance and as part of our collaborative approach to delivering sustainable value and achieving Net Zero by 2030.

Management Team: Roles and responsibilities

Pete Judson, COO

Our Chief Operating Officer provides strategic and technical, operational support alongside Paul Finch, who transitions to the role of Chief Technology Officer (CTO). Pete's responsibilities will include primary ownership of key operational functions such as operations, customer implementation, design and engineering, networks and systems, security, incident management and health and safety.

Matthew Harris, CFO

Our Chief Financial Officer is responsible for managing financial risk, including those risks posed by energy availability and a changing climate. The CFO helps the senior management team to report financial and non-financial progress to our investors and stakeholders. The CFO also collaborates with other managers, to ensure all supplier purchases for resources and equipment meet our sustainability and resiliency objectives, as defined in our Supplier Code of Conduct.

Paul Finch, CTO

Kao Data's Chief Technology Officer, supported by our Director of Compliance, works to ensure we always meet the highest standards set by ASHRAE and ISO. He is a member of ASHRAE and is influential in setting the environmental conditions for the reliable operations of servers and IT Equipment, serving, and voting as a board member of the ASHRAE Technical Committee (TC) 9.9.

Spencer Lamb, CCO

Our Chief Commercial Officer is responsible for optimising our campus and facility developments to support customers within high-touch areas such as cloud, enterprise, AI and HPC. He also works with the leadership team to identify acquisitions, partnerships and social sustainability initiatives aligned with our values.

Kalay Moodley, CPO

Our new Chief People Officer will now lead the talent acquisition, development and retention processes at Kao Data and will create the operational framework for attracting, training and retaining diverse talent, to support the organisation as it scales up. This includes supporting our STEM activities within schools and communities.

Legal and General



Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor. Legal & General Capital is the Group's principal investment arm and aims to generate long-term shareholder value with a major focus on residential housing, investment in future cities and venture capital to support the continuing development of the UK's cities.

Goldacre - Noé Group



Goldacre is a specialist investment firm with extensive expertise in digital infrastructure and technology for the real estate industry. It builds, owns, operates and manages critical digital infrastructure assets such as data centres, securing their long-term profitability. Goldacre is passionate about backing businesses that drive sustainable change through technology in the real estate sector in the UK, Europe and Israel.

Infratil



Launched in 1994, Infratil is a publicly listed, active global infrastructure investor with significant investments across the digital infrastructure, renewable energy, healthcare and airport sectors. Based in New Zealand, it also has operations in Australia, Europe, Asia and the US.

Governance monitoring: Strong investor partners

Kao Data is privately funded and backed by Goldacre (part of the Noé Group), Legal & General Capital and New Zealand-based Infratil, forming a strong investor base committed to delivering sustainable, resilient digital infrastructure.

In fact, both Legal & General and Infratil were nominated in the infrastructure category of the 2020 EG Tech Awards, for Kao Data's advanced data centre and HPC campus. In 2024-25, our investors have continued to help us with our UK and European expansion, as well as monitoring our progress against the ESG focused (GRESB) Infrastructure & asset level standards.

"Increasing our shareholding in Kao Data is in line with our strategy of investing in 'ideas that matter' and continues our active support to scale the platform through our extensive data centre experience."

Vincent Gerritsen | Head of UK & Europe for Morrison & Co, Infratil's manager.



Compliance, accreditations and awards

At Kao Data we are maintaining the highest levels of reliability, security and compliance in everything we do, aligned with our operational excellence values. Our facilities, operating procedures and policies are guided and certified by the International Organization for Standardization (ISO) standards and their equivalents in the UK, delivered through our Integrated Management System (IMS). Kao Data have achieved an impressive list of ISO certifications, tailored to meet the specific needs of a high-performance data centre business. The ISO Standards that make up our IMS are completely re-

audited every third year to identify key strengths, weaknesses and non-conformance and to enable continual improvement in line with ISO9001.

Kao Data also operate in alignment to the standards set by the European Data Centre Association. This includes managing our business in line with the Climate Neutral Data Centre Pact (CNDCP) recommendations, which assists in our mandate for Kao Data to achieve Net Zero operations by 2030. We also align to technical guidelines provided by industry bodies such as ASHRAE, Open Compute and the Uptime Institute. In terms of security, our compliance to standards such as PCI-DSS v4, ensures continuous data security for our customers

"Sustainable, scalable, secure solutions are only made possible by ensuring our data centres are running to the highest possible standards. As the energy and water demands of AI workloads grow, Kao Data are busy assisting in setting the benchmark for customer centric, climate conscious computing."

Gary Kilmister | Compliance Director at Kao Data



Our ISO Certifications		
Social Focus	Environment Focus	Leadership and Governance
ISO 9001:2015 (Quality Management Systems)	ISO 14001:2015 (Environmental Management Systems)	ISO 22301:2019 (Security and Resilience - Business Continuity Management Systems)
ISO 45001:2018 (Occupational Health and Safety Management)	ISO 50001:2018 (Energy Management)	ISO 27001:2022 (Information Security Management)
Our policies		
Social Focus	Environment Focus	Leadership and Governance
Health and Safety Policy Modern Slavery and Human Trafficking Policy Data Protection Policy	Business Continuity Policy Environmental and Energy Policy Physical Security Policy	Information Security Policy Anti-Fraud Policy Cyber Security Statement Quality Policy
← Supplier Code of Conduct Policy →		
Industry Certifications / Accreditations		
Uptime Institute Stamp of Approval for Management and Operations (MandO)	Cyber Essentials Cyber Essentials PLUS	ISAE 3000 SOC2 (Type 1)
OCP-Ready Data Centre Certified	PCI-DSS v4 Compliant	ISAE 3000 SOC2 (all sites Type 2 compliant)
Shell 100% Certified Renewable Energy (REGO)	BREEAM Excellent (5 Stars)	NVIDIA DGX-Ready Data Centre Partner



Risk management

Kao Data is fully committed to managing, mitigating and avoiding risks that could affect our customers, stakeholders and the wider environment – including cybersecurity risks, data privacy risks and climate-related risks.

Our approach

To future proof our strategy, stakeholder and industry engagement directly inform our approach to identifying and managing risks that could affect our licence to operate, as well as our exposure and resiliency to climate related physical and transition risks. Kao Data is subject to regional, national and international legislative drivers around the sustainability performance of the entire ICT industry, which the management team monitor carefully as active members of the European Data Centre Association. Our engagement first approach is helping us continually reduce our risk exposure, building long term trust with our employees, stakeholders, customers and regulators.

Risk management oversight

Our Board of Directors is responsible for oversight of our enterprise risk management program. Our

risk management processes are formalised and managed through all our governance policies, delivered through our IMS, which is externally assured by UKAS. Progress in relation to our economic, environmental and social governance objectives and performance is reviewed regularly by the management team and appropriate committees. This is supported by our sustainability working group, with members of the Board and working group overseeing specific risks that pertain to their area of expertise. The group also involves other stakeholders, such as our investors, to discuss risk exposure and identify credible, realistic mitigation measures.

"To better manage risk and ensure continuous operational improvements we are busy working on integrating design, engineering and construction activities into our broader ISO management systems ensuring corporate governance and risk management excellence across all operational areas."

Scott Manton | Health, Safety & Environment Director at Kao Data



Managing customer risks: Customer privacy and cyber security

In our recent ESG trends and sentiment horizon scan, customer privacy and information security risk mitigation are increasingly critical factors for all data centre and colocation customers. Our customers use our facilities to carry out mission critical tasks, handling sensitive data, 24 hours a day. This is why Kao Data deploys military grade levels of physical security and monitoring across all campus facilities, providing maximum protection to customers' infrastructure and data assets.

The group is certified to the Uptime Institute Stamp of Approval for Management and Operations (M&O) standard.

Our design team is trained to Accredited Tier Designer level by the Uptime Institute. Kao Data is also certified against the Cyber Essentials and Cyber Essentials PLUS scheme. Cyber Essentials is a government-backed, industry supported scheme to help organisations protect themselves against common online threats.

To ensure continual improvement we are assured against the following (ISO) international standards:

- ▶ ISO 22301:2019 (Security and Resilience - Business Continuity Management Systems)
- ▶ ISO 27001:2013 (Information Security Management)

✦ **Read more: [Our security measures](#)**

✦ **Read more: [Our full list of accreditations](#)**

Leading the industry forward

"Kao Data are a proud member of the techUK 's Data Centres Council and we are also part of the ESG Working Group within techUK for which I am co-Chair. This gives Kao Data a vital voice when it comes to engaging with government to help in driving forward and integrating associated regulations. It also ensures that both as a company and our sector we remain at the forefront of compliance and best practice, building trust with regulators and ensuring ever more sustainable, scalable, secure solutions for our customers."

Gary Kilmister | Compliance Director at Kao Data



Business ethics

Our procurement process is designed to protect the human rights and wellbeing of every diverse stakeholder in our value chain. To keep us accountable to our stakeholders, Kao Data operates an Anti-Bribery and Corruption Policy, including a Whistleblowing Policy.

Kao Data suppliers cannot offer any gifts, entertainment, or hospitality, which could be seen or interpreted as a bribe or action to influence a decision. All workers, irrespective of their nationality or legal status, are treated fairly and equally.

Our employees utilise Kao Data's online training portal to receive training on risk related topics, ensuring we fully protect all our stakeholders. We also have a robust whistleblowing policy that allows employees, stakeholders and contractors to speak up, so we can mitigate social risks within our value chain effectively and quickly.

Our Supplier Code

Our Supplier Code of Conduct ensures we engage suppliers to embed standards of best business practice across the business stream for a more resilient value chain. The code covers many aspects including information security, business continuity,



and business ethics. It sets environmental standards related to fossil fuel consumption, waste and pollution reduction, environmental performance of goods and services. Suppliers complete a questionnaire to ensure they share our values and sustainability aspirations, helping us reduce both reputational and climate related risks in our value chain.

Business continuity: managing systemic risks

Our approach to systemic risk, which includes environmental and social risks, is outlined in our business continuity policy. The policy sets out the management direction in ensuring business continuity via adherence to all relevant laws and regulations, in support of the businesses requirements, managed through our IMS, certified to the ISO9001 standard. The policy covers issues such as climate risk, environment, information security, quality, energy and health & safety. The policy helps protect Kao Data's ongoing ability to meet contractual commitments and helps us to minimise the risk of disruption to our operational activities across the business, while always protecting our customers' information.

Uptime, all of the time

"As a host for the mission critical activities of our customers we take full responsibility for ensuring uptime, all of the time. At Kao Data we follow stringent procedures pertaining to security, resiliency and sustainability of our renewably powered facilities, putting business continuity and physical risk resiliency front and centre. Furthermore, in 2024 we appointed CBRE Data Centre Solutions as our new Integrated facilities management (iFM) partner, reinforcing our strong reputation for operational excellence and ensuring procedural standardisation across our data centre platform"

Pete Judson | COO at Kao Data



The Open Commute Project

"Kao Data is producing cutting-edge data centre designs for HPC and intensive AI that are built upon the latest OCP technology concepts. Their team have been actively involved in industry stewardship, offering their expertise and working with other vendors. Sharing that knowledge within the community is a benefit for us all."

Mark Dansie | OCP Ready Lead at the Open Compute Project

As part of the ongoing commitment to furthering data centre design excellence and helping to define new 'Best Practices' Kao Data partners with stakeholders that can help us evolve our industry faster. One crucial partnership for creating sustainable, scalable, secure, data centre infrastructure is Kao Data's involvement with the Open Compute Project (OCP).

The OPC is a collaborative, global community focused on re-designing hardware technology to efficiently support the growing demands on compute infrastructure. Its mission is to enable the most efficient designs for scalable computing through collaboration across the data centre industry.

Kao Data: OCP pioneers

Kao Data is a member of the OCP Data Centre Facility Working Group. As Board members we continue to look for ways to improve our operations in open collaboration with other project members, creating an accelerated cycle of innovation.

Kao Data was the first UK data centre to achieve OCP-Ready status in 2018, being successfully self-audited against OCP's checklist for compliance. Our KLON-01 facility achieved over 75% in the 'Optimum' category, meaning that our systems go beyond the base requirement, ensuring compliance with emerging 'future-proof' standards.



Climate & Physical risks

Through efficient operations and the pioneering of innovative technologies Kao Data is managing its business to minimise environmental impacts and risks, enabling a smooth climate transition, aligned with our Net Zero Roadmap. We take a best-practice approach to assessing environmental, climate and physical risks exposure. This includes compliance with the Met Office Supercomputing Hosting requirements and meeting the stringent ASHRAE TC 9.9 environmental guidelines, ensuring we are operating with climate resiliency and climate related risk mitigation front and centre of every strategic decision we take. We also assess and manage our business against the United Nations Sustainable Development Goals (UN SDGs) indicators and targets. In addition we disclose climate related information in this report, aligned with the Task Force on Climate-related Financial Disclosures (TCFD) Recommendations*.

🔗 **Read more: [Our climate strategy](#)**

🔗 **Read more: [UN SDG indicators & targets](#)**

🔗 **Read more: [Energy Emissions](#)**

*The TCFD has now been subsumed under the International Sustainability Standards Board (ISSB). The UK's eight climate disclosures align with TCFD and ISSB. In future reports Kao Data will ensure alignment to both standards for accessibility and completeness.

Transition risk assessment

We already use several tools that helps us assess transition related risks, these include environmental impact assessments and the use of external sustainability consultants to assess material sustainability related risks to our business. We also engage with industry to identify industry trends and pertinent transition related risks, so we can learn how best to manage them.






Mitigating physical risks

Data centres should provide a robust, resilient and secure environment to house critical systems. As part of the design and build process and ongoing operational state, varying controls are reviewed to mitigate risk to our business and customer base. The physical risks we assess include flooding, fires, water stress, subsidence and aviation risk. When siting our data centres, we ensure physical and climate resilience by choosing low risk locations that are often previous brownfield sites. Operationally, we procure 100% renewably matched electricity, have pioneered the use of low carbon HVO fuel for back-up power in the UK. Our facilities are certified BREEAM excellent for both design & construction phases. Our proactive risk prevention approach has been a key enabler of our 100% uptime record.





Scope Description / Period		FY23/24	FY24/25	Variance	Variance (%)	Outcome	Comments
Scope 1	Total	61.45	477.55	416.10	+677.14%	NEGATIVE	Increase in site occupancy, additional generator sets, recorded refrigerant leaks
	Fuel	61.45	64.48	3.03	+4.93%	NEGATIVE	Increase in site occupancy, additional generator sets
	Refrigerant	0.00	288.86	288.86	+288.86%	NEGATIVE	Noted number of refrigerant leaks (R134a (202kg/289t/CO2e) in reporting year
Scope 2	Total	7976.81	8646.16	669.35	+8.39%	NEGATIVE	Increased site occupancy and supporting site (revision of Scope 2 and now reporting direct usage, customer usage captured in Scope 3)
	Location	7976.81	8646.16	669.35	+8.39%	NEGATIVE	
	Market	0.00	0.00	0.00	+/-0.00%	POSITIVE	REGO certificates in place, green energy contract, primary source wind farm
Scope 3	Total	14849.35	18811.64	3962.29	+26.68%	NEGATIVE	Site pccupancy, management of waste, increase in power (but maintaining efficiency)
	Cat 1 (Purchased Goods & Services- Water Usage)	2.79	2.25	-0.54	-19.36%	POSITIVE	Water usage/consumption for site
	Cat 3 (Fuel & Energy Activities DUoS / TUoS)	1971.56	2228.8	257.24	+13.05%	NEGATIVE	Site occupancy increase and infrastructure implemented to support
	Cat 5 (Waste)	0.98	0.44	-0.54	-45.00%	POSITIVE	Waste management (does not include water. In future reporting periods we will capture water waste through billing)
	Cat 7 (Business Travel- Commuting)	16.90	9.18	-7.72	-54.32%	POSITIVE	Noted some reduced travel, but also conversion of private vehicles to electric or hybrid, contributing to reduction in carbon footprint
	Cat 13 (Downstream Leased Assets- IT Load)	12857.12	16570.97	3713.85	-28.89%	NEGATIVE	Capture of customer IT load and now captured in Scope 3 as part of Downstream emissions
PUE	Estate Average	1.57	1.53	-0.04	-2.62%	POSITIVE	3 sites reported 23/24 due to operational / occupancy status for KLON-02 (excluded), but with 4 sites, still seeing a reported overall improvement
	KLON-01	1.31	1.27	-0.04	-3.06%	POSITIVE	Efficiency / occupancy focus
	KLON-02	0.00	1.63	1.63	+163.00%	NEGATIVE	Efficiency / occupancy focus
	KLON-05	1.69	1.49	-0.20	-11.83%	POSITIVE	Noted some issues in 2024 with metering . Will be reviewing in 2025 to improve accuracy going forward.
	KLON-06	1.71	1.74	0.03	-1.76%	NEGATIVE	Data is average over old and new infrastructure for the period, as site grows will see further efficiency gains
WUE	Estate Average	0.34	0.26	-0.08	-23.53%	POSITIVE	Overall focus around water usage (covers all aspects of water usage on site, not just cooling systems, adiabatic), new infrastructure, facility expansion. FY23/24 KLON-02 not included creating a figure of 1.57.
	KLON-01	0.90	0.57	-0.33	-36.67%	POSITIVE	Efficiency / sustainability focus
	KLON-02	0.93	0.33	-0.60	-64.52%	POSITIVE	Efficiency / sustainability focus
	KLON-05	0.05	0.07	0.02	+40.00%	NEGATIVE	Noted inaccuracy in reporting period. Working on improvements for next reporting cycle.
	KLON-06	0.06	0.07	0.01	+16.67%	NEGATIVE	Noted new infrastructure introduction with water cooling, so priming and use of systems, provides distorted figure .
Other	MwH	108013.83	122101.95	14088.12	+13.04%	NEGATIVE	Site expansion, growth, occupancy
	MwH / Revenue	0.0019	0.0019	0.00	0%	POSITIVE	Increase in load and revenue, overall sees no material change in this metric, year on year.

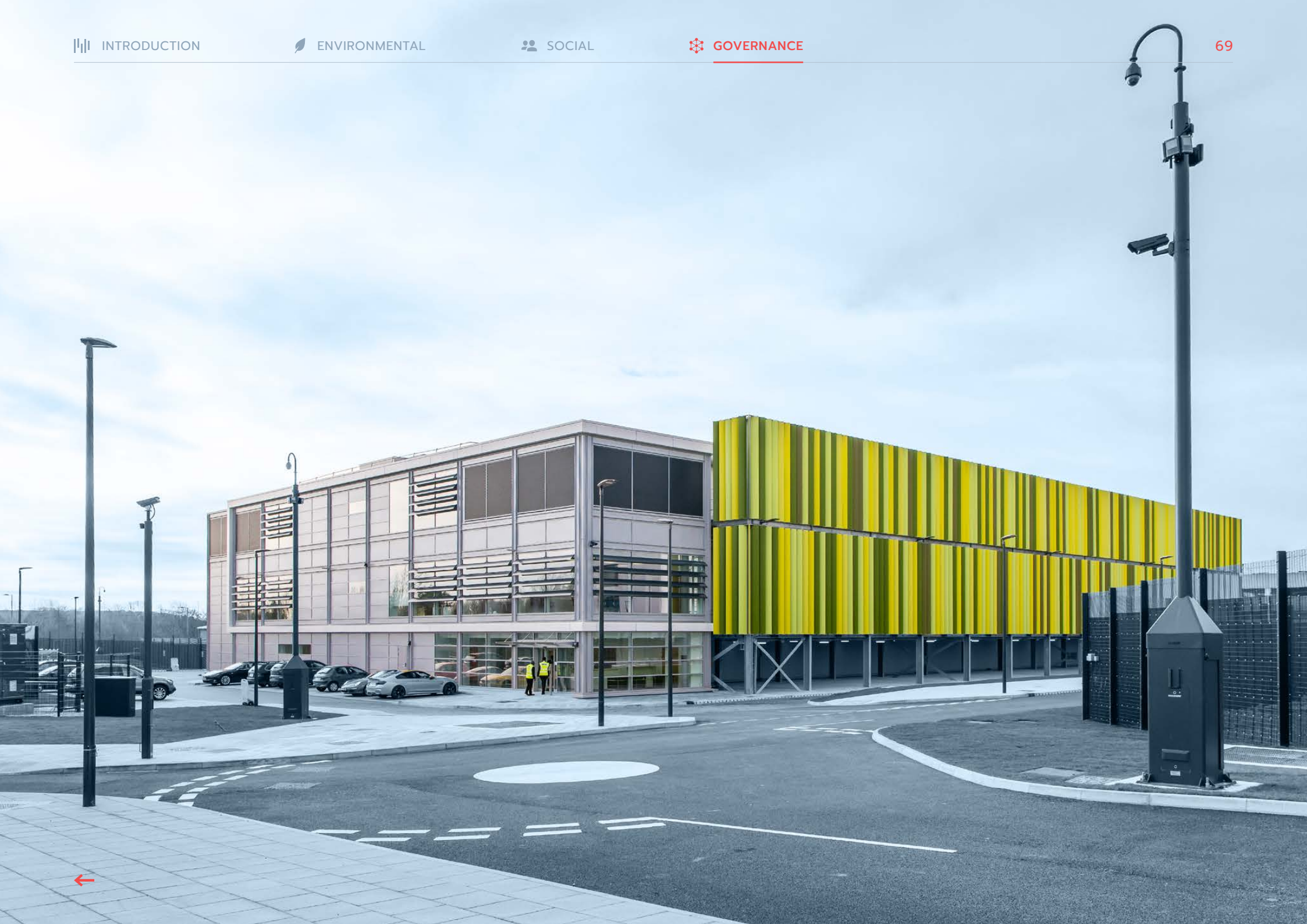


Primary Environment SDG Tackled	SDG Indicator	SDG Target	Report link	Kao Data Targets
 Ensure access to water and sanitation for all	6.4.1: Change in water-use efficiency over time	6.4: By 2030, substantially increase water-use efficiency across all sectors	Environment-Water	Continually increase WUE
 Ensure access to affordable, reliable, sustainable, and modern energy for all	7.2.1: Renewable energy share in the total final energy consumption	7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.	Environment-Energy & Emissions	100% renewably sourced electricity at all sites
	7.3.1: Energy intensity measured in terms of primary energy and GDP	7.3: By 2030, double the global rate of improvement in energy efficiency	Environment-Energy & Emissions	All operational efficiency objectives and activities
 Industry Innovation and Infrastructure: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	9.4.1: CO2 emissions per unit of value added	9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities	Environment-Energy & Emissions / Environment-Creating a sustainable campus/ Social-Stakeholder Engagement/ Social-DE&I / Social-Our Customers	Net Zero by 2030 across our business / Set Science Based Targets in 2024
 Responsible Consumption and Production: Ensure sustainable consumption and production patterns	12.6.1: Number of companies publishing sustainability reports	12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	Environment-Energy & Emissions / Environment-Waste and Circularity	Publish annual sustainability report (This ESG report) / Increase engagement activities with supply/value chain partners
	12.8.1: Extent to which (i) global citizenship education and (ii) education for sustainable development are mainstreamed in (a) national education policies; (b) curricula; (c) teacher education; and (d) student assessment	12.8: Promote universal understanding of sustainable lifestyles	Introduction-Our Strategy-Strategic Pillar 3 / Social: Stakeholders	Expand Stakeholder engagements and strengthen existing partnerships/Outreach programs
 Climate Action: Take urgent action to combat climate change and its impacts	13.2.2: Total greenhouse gas emissions per year	13.2: By 2030 integrate climate change measures into national policies, strategies and planning.	Environment- All pages	Increase CUE and PUE in line with CNDCP targets, and maintain REF of 100% / Work on improving performance against all 5 CNDCP Metrics




Primary Social SDG Tackled	SDG Indicator	SDG Target	Report link	Kao Data Targets
 Gender Equality: Achieve gender equality and empower all women and girls	5.1.1: Whether or not legal frameworks are in place to promote, enforce and monitor equality and non-discrimination on the basis of sex	5.1: By 2030 end all forms of discrimination against all women and girls everywhere.	Social-DE&I / Social-Stakeholder engagement	Attract more female talent through HR Practices and stakeholder engagement activities
	5.5.2: Proportion of women in managerial positions	5.5: By 2030 ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life	Social-Attracting and retaining talent	Increase engagement with female and minority talent via 'Critical Careers' platform and community engagements/ Kao SEED Fund.
 Decent Work and Economic Growth: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.	8.8.1: Fatal and non-fatal occupational injuries per 100,000 workers, by sex and migrant status	8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment	Social- Health & Safety	LTIFR of 0 / Maintain and exceed all relevant ISO certifications and other compliance standards.

Primary Governance SDG Tackled	SDG Indicator	SDG Target	Report link	Kao Data Targets
 Peace, justice and strong institutions: Promote just, peaceful and inclusive societies:	16.7.2: Proportion of population who believe decision-making is inclusive and responsive, by sex, age, disability and population group	16.7: Ensure responsive, inclusive, participatory and representative decision-making at all levels” by 2030.	Social-DE&I / Governance-Governance Oversight	Enhance our hiring approach to make the most of diverse talent. Encourage flexible accessible working where needed.
 Partnerships for Goals: Revitalize the global partnership for sustainable development	17.16.1: Number of countries reporting progress in multi-stakeholder development effectiveness monitoring frameworks that support the achievement of the Sustainable Development Goals	17.16: Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries” by 2030	Introduction-Strategic pillar 3 / Social- Stakeholder engagement/ Governance-Strong investor partners	Continue to influence the data centre industry through our leadership and advocacy efforts. Work with more suppliers on sustainability related value chain objectives.





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