

VILLAGE ISLAND – Environmental & Social Responsibility Policy

Version 1.2 – October 2025

1. Our Commitment

At Village Island, we believe that technology innovation must go hand-in-hand with environmental stewardship and responsible business practices. Through efficient design, thoughtful operations, and collaborative supply chain standards, we aim to reduce our impact and encourage sustainability throughout our ecosystem.

2. Energy-Efficient Product & System Design

Village Island is committed to delivering **cost-effective, right-sized systems** — avoiding unnecessary over-spec—and minimizing energy usage and material waste.

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- This principle applies both to our own manufactured products (e.g. **VICO, AI100**) and prioritizing the distributed and vendors we represent.
 - Our products are designed for low idle and operating power, compact 1RU form factors, and long operational life.
 - We promote usage of **JPEG-XS compression** and other efficient codecs to reduce network, processing, and delivery energy costs.
 - IP-based architectures reduce legacy cabling, simplifying infrastructure and lowering the associated resource burden.
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3. Workplace Sustainability & Remote Practices

To reduce our operational CO₂ footprint:

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- Employees are encouraged to **walk, cycle, or use public transportation** for commuting.
 - We allow **remote work several days per week**, lessening commuting-associated emissions.
 - We prioritize **remote support, diagnostics, and deployment** whenever feasible, reserving on-site visits and travel only when strictly necessary—particularly for international operations.
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4. Cloud vs On-Premise Strategy

We recognize that **cloud infrastructure** often demands large-scale data center power consumption and cooling. Where appropriate, we offer **on-premise deployment options**, giving clients greater control over energy use, especially in the long term.

We also incorporate servers and platforms from manufacturers such as **Dell, HP, Supermicro** who adhere to recognized environmental standards in manufacturing, energy, and recycling.

5. Scope 1, 2, and 3 Emissions

While Village Island does **not yet formally track** Scope 1–3 emissions under the GHG Protocol, we adopt the framework thoughtfully to guide our operations.

Scope 1 – Direct Emissions

- There are no direct factory emissions that we own or control.
 - We maintain minimum carbon emitting vehicle and do not operate fuel-based manufacturing or heavy facilities.
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Scope 2 – Indirect Emissions from Energy

- Emissions from purchased energy (electricity, heating) are only for our office facilities.
 - All manufacturing is outsourced to external factories or partners, so the bulk of our energy footprint is external.
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Scope 3 – Value Chain Emissions

- This includes embedded emissions from supplier operations, logistics, travel, product usage, and disposal.
 - Though we do not yet formally report Scope 3, **this policy is designed to set an example to our suppliers and partners by:**
 - Favoring vendors aligned with RoHS, REACH, or environmental compliance standards
 - Requesting compliance documentation from suppliers where feasible
 - Reducing reliance on air freight and employing energy-efficient packaging
 - Promoting technologies like **Small Pixels**, which through AI preprocessing reduce required bitrates and thereby reduce overall network and CDN energy consumption
 - Encouraging component vendors and partners to adopt sustainable practices, monitor their emissions, or disclose relevant data
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6. Conflict Minerals & Ethical Sourcing

Village Island does not directly procure raw minerals; however whenever possible we aim at:

- Engaging partners who comply with **RoHS** and **REACH**.
 - Requesting **CMRT (Conflict Minerals Reporting Template)** or equivalent documentation from our upstream suppliers when required by customers. (not always available)
 - Prioritizing suppliers that publish environmental compliance, transparency, and sustainable sourcing.
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While our partner companies currently may not have publicly accessible compliance statements, we work with well-known industry names such as **intoPIX, B&M, DekTec, Sencore, Harmonic, Digigram, Cyanview, Calian, RGBLink, Adeas**, and whenever it makes sense we request supporting documentation and compliance confirmation from them.

7. Continuous Improvement & Transparency

This policy is not static—it will evolve as our business grows and environmental expectations shift. We aim to:

- Periodically revisit and refine our environmental goals
 - Encourage suppliers and customers to participate in sustainability efforts
 - Publish updates or compliance summaries as needed
 - Respond to customer and stakeholder feedback regarding ESG topics
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If you wish to request supplementary information, or discuss compliance in detail, please contact us: sales@village-island.com
