

Sky's Modern Slavery Update 2021

Our purpose is to bring better content and innovation to all of our customers; better connecting them to more of what they love

Our values

Forward-looking & restless

We are optimists. We believe in a better tomorrow and are not afraid to challenge the status quo.

Creative & action-orientated

We believe in forging our own path through the power of new ideas.

Customer-led & simplifying

We believe in making things better and simpler for our customers.

Collaborative & inclusive

We believe in the power of diverse teams and individuals working together to deliver outstanding performance.

Fair & responsible

We believe in doing the right thing for our customers, our people, communities and shareholders.



As set forth in Comcast's Statement on Modern Slavery and Supply Chain Values, we are committed to addressing the risks of modern slavery in our operations and supply chain. This Update provides additional information about Sky's approach.

Our structure, businesses and supply chains

Sky is Europe's leading entertainment and communications company and is proud to be a part of the Comcast group. In 2020, we had 34,677 employees and 973 on fixed-term or temporary contracts, as well as a large community of freelance and self-employed workers on whom TV production depends.

Sky relies on manufacturing suppliers for technology hardware as well as merchandise. We make and commission programmes, broadcast sports, news and entertainment, provide services including Sky Broadband and Sky Mobile, as well as supplying products including set top boxes and remote

controls to our 24 million customers across six countries in Europe. In total, we have approximately 14,000 direct suppliers to Sky. Our finished electronic products are sourced mainly from China and are recycled and refurbished in the UK and Poland. We also source merchandise for our employees, customers and to support our marketing and public relations from around the world.

Policies Relating to Modern Slavery & Labour Exploitation

In addition to our commitments in the Comcast Code of Conduct ("Code") and Code of Conduct for Suppliers and Business Partners, Sky has publicly committed to addressing our human rights risks and

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impacts, including risks of modern slavery and labour exploitation, through our [Human Rights Policy and Ways of Working](#).

Our Ways of Working specifically includes labour and employment requirements for our own workforce and for those in our supply chains. It signposts ways to spot the signs of modern slavery and gives guidance on steps to take should anyone have concerns. We also have relevant internal People policies, such as our Temporary Worker Policy and the Right To Work Guidance for Recruitment and Hiring Managers, both of which contain information about modern slavery. In 2021, we also published our [Conflict Minerals policy](#) and will begin reporting annually on our progress through Sky's Impact Report.

In 2020, we developed a Response Protocol for major human rights incidents identified in any part of the business, which includes timelines and sets out a commitment to ensure remedy for victims of slavery identified in our operations or supply chains, including ensuring recruitment fees are repaid to workers. The protocol takes a victim-centred approach to ensure that the safety and wellbeing of potentially vulnerable workers are prioritised.

In addition to our internal Codes of Conduct and policies, we are members of the Responsible Business Alliance (RBA). As such, we are committed to RBA's

Taking a leadership position: we are...

- An active member of the UK Home Office Business Against Slavery Forum. We meet regularly with the Home Office to discuss modern slavery and develop industry best practices.
- Founding member of the TV Industry and Human Rights Forum. We provided resources and access to Sky TV productions to facilitate research on sector labour practices and develop tools to improve working conditions.
- Advisory Board member for the Centre for Sport and Human Rights. We pilot tools that the Centre produces and work with peers to address human rights, including labour practices and modern slavery, in broadcast and production work.
- Sponsor of Stronger Together's multi-stakeholder construction programme. We recognise that we can contribute to better understanding of good practice in the construction of Sky buildings.
- Member of the Indirect Procurement Human Rights Forum. We help develop resources to tackle labour exploitation risks in waste and recycling sector, which is a higher risk sector for modern slavery.

We also regularly use our platform to address modern slavery. Sky News, for instance, has covered multiple stories on modern slavery to increase awareness among the wider public.

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Code of Conduct, as well as supporting and collaborating on key human rights of workers and communities worldwide affected by the global electronics supply chain.

Relevant Training

In 2020, Sky launched Comcast's redesigned Code of Conduct and rolled out the Code training to all employees. The updated Code of Conduct includes as a core principle the requirement to foster ethical relationships with Suppliers and other Business Partners. In the UK and Ireland, employees also receive our Ways of Working guidance. Beyond this, we take a bespoke approach to modern slavery-related training, aiming to deliver information in a relevant way to different groups, including suppliers and business partners, where appropriate.

In 2020, this included training for our employees such as:

- Training by the Ethical Trading Initiative for teams responsible for merchandise purchasing to understand supply chain risks and best purchasing practices.
- Training by an independent expert to our Sky Spaces team, which manages our facilities, office refurbishments and construction projects, to educate on relevant modern slavery risks.

- A TED-style talk by an independent expert on slavery and labour exploitation to production staff from Sky Studios, Sky Sports, and number of independent production companies with which we work.

We also promoted several external-facing trainings relevant to modern slavery and labour exploitation. As part of our partnership with Stronger Together, for example, we hosted a 'Modern Slavery in Construction' training for 28 participants from 22 suppliers constructing Sky Labs. We partnered with Dr Alicia Kidd from the University of Hull to pilot modern slavery training for one of our key logistics partners in the UK, including several Tier 2, or indirect, suppliers. The training covered topics such as indicators of exploitation, how and where to report concerns, and actions to take in the best interests of the potential victim(s). We similarly supported a wide range of RBA and Responsible Minerals Initiative (RMI) training with Tier 1 and Tier 2 (direct and indirect) manufacturing suppliers in Asia.

Raising Concerns

We monitor the issues and concerns that we receive through our whistleblowing channels such as our Sky Listens program, which is described in [Comcast's Statement on Modern Slavery and Supply Chain Values](#).

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In 2020, none of the calls to the Sky Listens Whistleblowing helpline or portal related to modern slavery or labour exploitation. In addition to the Sky Listens programme for raising concerns, our people can also report concerns or grievances through our internal employee support services in each of our territories. Call handlers for our People+ helpline in the UK and Ireland have been trained to recognise and respond to modern slavery issues raised.

We engage our employees regularly, including through anonymous employee engagement surveys, which are normally carried out twice per year. Our surveys contain a free text comment section against every question so that employees can raise concerns. We compare scores between different demographic groups to help evaluate whether people are having a consistently good experience while working at Sky. When we identify significant gaps, our teams take action to close them. Since March 2020, we ran a quarterly anonymous COVID Response survey to understand and respond to our people's needs under our altered ways of working.

Within the TV sector, Sky Sports has contributed funding to the [Film and TV Charity's 24-hour helpline](#) and publicises the helpline number on call sheets and other materials used on productions. This ensures that the many freelancers involved in TV production are aware of the help and support available. On commissioned entertainment TV productions, Sky publicises

a whistleblowing telephone number and the Film and TV Charity's helpline.

Modern Slavery & Labour Exploitation Due Diligence Processes

We are committed to addressing the risks of modern slavery and have developed due diligence processes to put our commitments into practice. Within our own business, for instance, our Sky Spaces team works closely with our main facilities management supplier to improve working conditions for workers on Sky's premises involved with cleaning, catering and maintenance.

For our products supply chain, which includes the manufacturing and procurement of items such as set-top boxes, routers and remote controls, our Supply Chain Sustainability Programme, sets out our strategy for 2020-2025 and includes the goal of "better working conditions for the most vulnerable in our supply chains". The programme covers identifying training requirements and scope; third-party audits; supplier/stakeholder engagement on planned activities; cost analysis; and target setting.

Key highlights include:

- Sky's three-year rolling audit programme, including pre-contract audits for high-risk Tier 2 indirect suppliers. In 2020, we also began requesting third-party audit reports from mobile manufacturers. We approach

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audits collaboratively, as we feel this gives us a foundation to build a shared improvement plan.

- SMETA and RBA audits are conducted by external auditing companies and attended or reviewed and managed by our Group Supply Chain Compliance & Sustainability team. We follow up on non-conformances and corrective actions and support appropriate management training. We also identify patterns and trends that need a more systemic solution.
- Completion of 40 product-related audits in Asia and 5 audits in Europe, while also receiving 25 audits directly from suppliers or via the RBA database. We also trialled 'virtual' audits via webcam for those factories unwilling or unable to receive visitors due to COVID-19 restrictions.
- To identify high-risk minerals in our product supply chain, we work through the RMI, using the Responsible Minerals Assurance Process (RMAP). RMAP provides an additional layer of information that we did not previously have and gives us greater insight into supply chains that are not compliant. We request conflict minerals reporting from all new suppliers, and review and update our list of existing relevant suppliers biennially.
- We also conducted additional due-diligence on suppliers, inclusive of recruitment agencies, in light of allegations of forced migration from Xinjiang Province in China for labour.

As discussed in Comcast's Statement on Modern Slavery and Supply Chain Values, we focused on our merchandise purchasing. Since July 2019, we require any new merchandise purchasing requests to go through additional due diligence to reduce labour rights risks, which includes pre-assessment of materials and audit reports and corrective actions ahead of purchase approval. We prohibit sourcing of any merchandise from Cambodia, Myanmar and Xinjiang Province in China along with cotton from Uzbekistan or Turkmenistan or where the source is unknown. Requirements on lead times have been increased to ensure additional pressure is not put on suppliers and workers.

Pre-contract Audit Findings

We audit high-risk suppliers pre-contract and support audited companies with training and guidance if human rights abuses are identified. Issues need to be addressed and, if required, victim-centred remedy provided, before Sky will enter into a contract with the supplier. In 2020, we discovered through a pre-contract audit that underage workers were employed at a potential supplier facility. The underage workers turned the minimum legal age shortly after the audit was conducted. Though we ultimately chose not to engage the supplier, we provided training on the importance of minimum age requirements and appropriate controls so that future child recruitment would not occur.

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Due to the challenges associated with the COVID-19 pandemic, several companies have sharply increased working hours and require employees to work continuously without a day off. This is inconsistent with the RBA Code of Conduct, which requires workers to receive a minimum of one day off per month. Where our pre-contract audits identified such deficiencies, we work with suppliers until they have met 1 day off in 7 before taking suppliers on.

Identified Risks & Steps Taken to Assess and Manage

Sky takes a risk-based approach to addressing modern slavery and other potential labour exploitation across our operations and supply chains, recognising that it is not effective to assume that one size fits all. The profile of our risks can change from year to year depending on our projects and initiatives, and we aim to use such opportunities to test our approach, as well as learn from and share our learnings with relevant partners and civil society.

We evaluate the risks in our business through an annual modern slavery risk assessment. Sky's modern slavery risk assessment framework brings together separate risk assessments from around the business. Each area of the business then identifies gaps and risk owners. The framework is constantly evolving and is regularly reviewed in order to account for changes to business practices or new information impacting the risk profile.

The Human Rights Leadership Group, which involves representatives from across the business, is responsible for monitoring risks and mitigations and reviews the annual risk assessment. The Group takes these learnings to provide a strategic steer to Sky's approach to modern slavery with ultimate responsibility sitting with the EVP and CEO for UK and Europe, who is the executive sponsor for modern slavery programmes. Sky's Bigger Picture team coordinates efforts centrally, reports publicly and acts as a source of guidance for colleagues elsewhere in the business on modern slavery and supply chain integrity issues.

Each part of the business has individuals and teams working on particular aspects of Sky's approach to human rights and anti-slavery. The company's approach is broadly divided into:

1. Our own business (including human resources, construction projects and facilities management);
2. Our supply chains (including for products managed through the Supply Chain Sustainability Programme and for merchandise); and
3. Our content production (including Sky Studios, Entertainment, Sky News and Sky Sports)

Our Business

When the COVID-19 lockdown began, the Government classified Sky's

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journalists, news production teams and engineers as key workers, recognising the importance of their work to keep our customers informed and connected to the world. We took swift action to prioritize the health and safety of our workers. We quickly developed smart ways to transform our offices, help customers, and deliver production on-site and remotely, whilst staying socially distanced. Throughout the COVID-19 pandemic, we tracked every known incidence of COVID-19 infection in our workforce to evaluate the effectiveness of our on-site safety measures and guidance to staff and adjust, as necessary. We also investigated each case to identify close contacts or monitor for onsite issues.

We made an active decision not to furlough any Sky employees and provided two weeks additional paid leave for sickness or household isolation related to COVID-19. Whilst TV production was paused, we provided additional financial support for PAYE freelance workers, which was later phased out as the industry revived.

We have continued our engagement with long term service suppliers. We moved our UK facilities contractors from national minimum wage to real living wage and contributed financially to compensate facilities contractors impacted by furloughs. We worked with their respective leadership and people teams to align on leave policies so that workers felt protected. Our

protections included access to free Flu vaccinations, COVID-19 safety training, provision of PPE, and access to on-site COVID-19 testing.

In addition to our efforts to safeguard our own workers, we are leading by example and using our business to promote best practices with respect to

Case Study: Sky Labs Construction – Working in Partnership with ISG

Sky Labs is a construction project at Sky's UK headquarters in Osterley, which we commissioned in 2019 with ISG as the main contractor. From the outset, we have sought to use it as an opportunity to test good practice in addressing hidden labour exploitation and to understand any challenges in implementation. The process has included mapping suppliers and risk rating them for labour practices based on desk review, supplier questionnaires and direct engagement. Almost all medium and high-risk suppliers have attended modern slavery training provided by Stronger Together. At the physical worksite, there are posters on site and helpline numbers are posted. Labour rights are also discussed in every induction. The aim is to understand how a client like Sky can work collaboratively with its contractor(s) to understand and address such risks, with a view to publishing a case study for industry peers in 2021.

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modern slavery. For example, we are currently mid-way through a major construction project on Sky's HQ campus, which we are using to improve our understanding of labour risks in construction and develop effective mitigations as a construction client. We will transfer these lessons to the construction of Sky Studios Elstree.

Our Supply Chains

In our product supply chain, our systematic approach for Tier 1, 2 and 3 (direct and indirect) suppliers includes embedding attention to labour practices in our commercial teams, and fostering improvement of working conditions through a combination of site visits, training and close engagement. For example, when one of our suppliers moved locations to a new factory, we successfully engaged with them to make the new facility wheelchair accessible and to improve the accommodation the facilities provided for workers.

We have mapped our supply chains to Tier 3 (suppliers to our indirect suppliers) for our electronic product manufacturing, clothing suppliers and branded merchandise. In addition to our wider risk assessment work in 2019 and 2020, we also mapped key construction and TV production supply chains.

We also recognize the risks in our raw materials sourcing. Building on our work in 2019 to map the sourcing of high-risk tin, tungsten, tantalum and gold (3TG) in our technology products, in 2020 we implemented a strategy to respond to risks reported to us by suppliers using the RMI Conflict Minerals Reporting Tool (CMRT). We received CMRT disclosures from 70% of relevant suppliers and are targeting 100% disclosure in 2021. We further provided RMI training to relevant suppliers and are following up with non-conforming suppliers. Where further due diligence is needed, such as third-party audits of smelters, we will support our suppliers in investigations.

During the Covid-19 pandemic, we worked with our supply chains to ensure continuity of orders or reallocation of committed spend to alternative services where possible. Where orders had to be paused or halted, we directed suppliers to available Government and other support available, such as the UK Government furlough scheme for employees.

We worked to transition from single-use PPE to a reusable solution for those employees designated as 'key workers' by the UK Government as soon as we were able and conducted pre-contract SMETA audits to ensure the factories' compliance with our Code of Conduct.

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Case Study: Worker Wellbeing

Our audits include direct engagement with workers and offer an opportunity to flag issues. Through our auditing program we have identified that longer working hours and lower worker engagement are common issues in some areas of our product supply chains, particularly in China. Our Supply Chain Compliance and Sustainability team provides ongoing training and support around these topics, along with RBA resources, and proactively communicate with our suppliers at all opportunities.

We are now going further, and trialling worker wellbeing surveys at our three largest manufacturing partners in partnership with a third-party provider. The surveys are designed to identify any issues that audits may have missed and provide an additional channel for workers to express workplace concerns so factories can improve satisfaction and reduce worker turnover. In 2021, we will be rolling out worker surveys to all of our Tier 1, or direct, suppliers, as well as supplier management training on working conditions and retention.

Our Content Production

We recognise the unique modern slavery and labour exploitation risks in the content production sector and have taken steps to manage them. Our TV production packs include [guidance on modern slavery for production companies](#) in order to raise awareness on modern slavery, including areas in which labour exploitation might occur and the types of steps that can be taken in response. Our work through the TV Industry Human Rights Forum alongside NBCUniversal is described in more detail in [Comcast's Statement on Modern Slavery and Supply Chain Values](#).

We further recognise that the pandemic increased the vulnerability of many TV industry workers, the majority of whom are self-employed and experienced a sudden halt in income, to potentially exploitative practices. In recognition of these issues, we worked to get TV productions safely back up and running as quickly as possible to provide employment for many in need. We collaborated across the industry to produce '[TV Production Guidance: Managing the Risk of Coronavirus \(Covid-19\)](#)', which covers all cast and crew on sports, news and entertainment productions. We provided dedicated support from Sky's Health and Safety, Group Resilience, and Occupational Health teams to productions and established ringfenced COVID-19 safety budgets independent of commissioned production budgets to ensure that there were no financial barriers to the highest safety standards on sets. We

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also made a financial contribution of £500,000 to the Film and TV Charity's fund for self-employed workers who were not eligible for furlough and needed support during the pandemic.

Emerging risks

We have identified other emerging risks that are relevant to our business including:

- Forced labour and forced internal migration of Uighur and other Turkic minorities in China,
- The continuation of recruitment fees in Asia, particularly Taiwan,
- Forced labour in cotton production, and
- The impacts of increased demand for minerals used in batteries for renewable energy production and electric vehicles.

Our due diligence and audit procedures are designed to identify and mitigate any potential issues with respect to these risks.

We further recognize the emerging risks caused by COVID-19, including increased demands on workers, workplace COVID safety, and reduced oversight due to the inability to audit during lockdowns. Other emerging risks associated with COVID-19 include social distancing safety measures and labour shortages in construction through reduced migration due to

COVID-19 and the UK's exit from the European Union. We will continue to monitor and tailor our efforts to address modern slavery and labour exploitation to present and emerging risks.

For more information about the efforts of Comcast Corporation, including Sky, to address modern slavery, read [Comcast's 2021 Statement on Modern Slavery and Supply Chain Values](#).