



## Sky's Carbon Neutral Policy Statement

In 2006, we decided to extend our environmental management programme to become carbon neutral. Tackling climate change was becoming more and more important, and we chose to take a lead in reducing and offsetting emissions.

Carbon offsetting is compensating for your own, unavoidable emissions by financing an emission reduction project elsewhere. That finance purchases carbon credits, equivalent to one tonne of CO<sub>2</sub> each, which the emission reduction projects generate and are audited by an independent third-party. These are bought by Sky and then 'retired' (i.e. taken off the market to stop anyone else claiming the same reduction). Offsetting is one of the many tools that we need to combat climate change because it delivers immediate results and finances low carbon sustainable development throughout the world that would not otherwise happen. As climate change is a global issue, saving emissions anywhere in the world will help.

Offsetting is not a replacement for a company doing everything it can to reduce its own emissions directly.

### How is Sky carbon neutral?

We follow these three steps to become carbon neutral:

- **Measure** – We calculate our greenhouse gas emissions at the end of each financial year. To do this we calculate our CO<sub>2</sub>e emissions from Scope 1 and 2 emissions i.e. our premises, company owned vehicles and refrigerant use and Scope 3 emissions including business travel and waste sent to landfill. (See [our latest 'Basis of Reporting'](#) for further information on how we calculate and report our greenhouse gas footprint).
- **Reduce** – We are committed to avoiding and reducing our emissions before offsetting to achieve our carbon neutral status. In 2020, we set our ambition to halve our absolute greenhouse gas emissions and become [net zero carbon by 2030](#) across our whole value chain, which includes our suppliers and customers. We've already halved our absolute emissions across our own operations against a 2009 baseline. Performance against our targets can be reviewed in our [Bigger Picture Impact Report](#).
- **Offset** – Each year, we offset our location-based Scope 1 and 2 emissions, and selected Scope 3 emissions to make Sky a CarbonNeutral® Company across our operations.
  - **Scope 1** – Emissions from gas, diesel and steam energy use as well as refrigerant use and Sky owned/operated vehicle use.
  - **Scope 2** – Emissions from purchased electricity and district heating
  - **Scope 3** – Emissions from electricity transmission and distribution, transportation of products to customers and from customers to our recycling centres, business travel, waste sent to landfill, and from 2019 UK-commissioned productions with a completed [albert carbon footprint](#).

Our emissions include the purchase of electricity for Sky-owned sites from a renewable energy tariff supported by Renewable Energy Guarantee of Origin (REGOs). In reporting our market-based emissions, we follow the WRI GHG Protocol [Corporate Standard](#) and report the emissions associated with the remaining electricity using the grid average conversion factor.

We calculate Sky's remaining electricity use from non-renewable sources (e.g. where we do not control the energy provider) by country. Working with [Natural Capital Partners](#) and in line with the WRI GHG Protocol Corporate Standard and [RE100 Technical Criteria](#), we purchase and retire unbundled Energy Attribute Certificates (EACs) within the same market boundary and for the same calendar year (Vintage) as the electricity used.

### Verification

We follow The CarbonNeutral Protocol, the global standard for carbon neutral programmes, to ensure our carbon neutral claim is robust and credible. Our CarbonNeutral® certification, awarded by a third party, provides independent assurance of our climate action.

## How we offset our carbon emissions

We invest in projects provided by [Natural Capital Partners](#), the leading experts on carbon neutrality and climate finance. Each year we purchase offsets for the coming financial year, based on the previous year's emissions. A buffer of 5% of Sky's carbon footprint is additionally calculated and offset. At the end of the year we reconcile the offsets for the reporting year to ensure that we had purchased the correct amount to cover the emissions for that reporting year. In line with best practice, Natural Capital Partners match these projects to the period when our emissions were generated as closely as possible.

Since 2018, we have twinned our offsets with 'catalyst' financing in support of further sustainable development, such as improving local environments for nature and people, or supporting the planting of future natural carbon sinks.

Carbon credits are certified against a range of recognised international standards for voluntary GHG offsets, which determine they are legally attributable, measurable, permanent, additional, independently verified and unique. These include the [Verified Carbon Standard \(VCS\)](#), the [Climate, Community and Biodiversity Standards \(CCB\)](#) and the [Gold Standard \(GS\)](#).

A list of the projects we have supported is below:

Year	Vintage	Project	Location	Applicable Standard
14 2020	<b>Emissions reductions</b>			
		Renewable Energy Portfolio	Global	ICROA aligned
		Acre Amazonian Rainforest REDD+	Brazil	VCS + CCBA
		Rimba Raya REDD+ project	Indonesia	VCS + CCBA
		Sustainable Teak Afforestation/Reforestation	Mexico	VCS
		Mangrove restoration	Mexico	n/a – Catalyst activity
		Improved Water Infrastructure	Kenya	GS
		Mangrove restoration	Kenya	n/a – Catalyst activity
	<b>Energy Attribute Certificates</b>			
	2020	Renewable Energy Certificates (RECs), any technology	USA	
	2020	Guarantees of Origin (GOs), any technology	All AIB EECs	
2020	International Renewable Energy Certificates (I-RECs), any technology	South Africa, Israel, India, China		
13 Jul 2018 – Dec 2019*	<b>Emissions reductions</b>			
		Afforestation/reforestation	Mexico	ICROA aligned
		Mangrove restoration	Mexico	n/a – Catalyst activity
		Wind/Solar Energy	India	ICROA aligned
	<b>Energy Attribute Certificates</b>			
	2019	Renewable Energy Guarantees of Origin (REGOs), wind	UK	
2019	Guarantees of Origin (GOs), any technology	All AIB EECs		
12 2017/18	<b>Emissions reductions</b>			
		Rimba Raya REDD+ project	Indonesia	VCS + CCB
		River clean-up from trash movement for Rimba Raya REDD+ project	Indonesia	n/a – Catalyst activity
		Guatemala Water Treatment and Cookstove Project	Guatemala	Gold Standard VER
		Water filters to schools for Guatemala Water Treatment and Cookstove Project	Guatemala	n/a – Catalyst activity
	<b>Energy Attribute Certificates</b>			
	2017/18	Renewable Gas Guarantees of Origin (RGGOs)	UK	
	2018	Guarantees of Origin (GOs), Biomass	Germany	
	2017/18	Guarantees of Origin (GOs), Wind	Italy	
2017/18	Renewable Energy Guarantees of Origin (REGOs) Wind / Solar	UK		

	<b>Emissions reductions</b>			
11 2016/17		Acre Amazonian Rainforest Conservation	Brazil	VCS + CCB
	<b>Energy Attribute Certificates<sup>†</sup></b>			
	2016	Guarantees of Origin (GOs), Wind	Italy	
	2016	Guarantees of Origin (GOs), Biomass	Germany	
	2016	Renewable Energy Guarantees of Origin (REGOs), Community Scale Solar and Wind	UK	
10 2015/16	2015	Acre Amazonian Rainforest Conservation	Brazil	VCS + CCB
	2015	Ruças Amazonian Rainforest Conservation	Brazil	VCS + CCB
	2015	Jurua Amazonian Rainforest Conservation	Brazil	VCS + CCB
9 2014/15	2012	Andipatti Wind Power Project	India	VCS
	2011	Songyuan Wind Power Project	China	VCS
8 2013/14	2012	Andipatti Wind Power Project	India	VCS
	2011	Songyuan Wind Power Project	China	VCS
7 2012/13	2012	Guazhou Wind Power Project	India	VCS
	2012	Meru and Nanyuki Community Reforestation Project (credits retired 2014)	Kenya	VCS
6 2011/12	2011	Bhachu Wind Farm project	India	VCS
	2011	Songshan Wind Power project	China	VCS
	2011	Tensaki Wind Power project	India	VCS
5 2010/11	2010	Hebei-Wind Power	China	VCS
	2010	Bogeda Wind Power	China	VCS
	2010	Panchpatta Wind Power	India	VCS
	2010	Maharashtra Wind Power	India	VCS
Reconciliation Aug'10	2009	Bogeda Wind Power	China	VCS
4 2009/10	2002-08	Uchindle -Mapanda Reforestation Project	Tanzania	VCS
Reconciliation Aug'09	2007	Guizhou Hydro Power (TR2)	China	VCS
	2008	Beijing Hydro Power	China	VCS
3 2008/09	2007	Guizhou Hydro Power (TR2)	China	VCS
	2006	Inner Mongolia Wind Power	China	VCS
	2007	Inner Mongolia Wind Power	China	VCS
	2006	Tirunelveli Wind Power	India	VCS
	2006	Kotmar Waste Heat Recovery	India	VCS
	2007	Kotmar Waste Heat Recovery	India	VCS
2 2007/08	2007	Shangyi Manjing Windfarm	China	VCS
	2006	Shangyi Manjing Windfarm	China	VCS
	2006	Inner Mongolia Wind Power	China	VCS
	2007	Link Canal Hydro	India	CDM
	2006	Wind Power (PPL)	India	VCS
1 2006/07	2006	NZ Wind	New Zealand	GS
	2006	Bulgaria Micro Hydro	Bulgaria	VCS
	2007	Bulgaria Micro Hydro	Bulgaria	VCS

\* With Sky's acquisition by Comcast in September 2018, Sky moved its financial year in line with Comcast's reporting

† Revision to offsetting and reporting approach, following the publication of the [GHG Protocol Corporate Standard, "Scope 2 Guidance"](#)