



## Sky's Human Rights and Modern Slavery Update 2022

# Sky's Human Rights and Modern Slavery Update 2022

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 Comcast group. In 2021, we had over 34,000 employees and 1096 on fixed-term or temporary contracts, as well as a large community of freelance and self-employed workers on whom TV production depends.

We make and commission programmes, broadcast sports and news, 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 countries in Europe. In total, we have approximately 12,000 direct suppliers to Sky. Our finished electronic products are sourced mainly from China, the Philippines, Japan, South Korea, Poland, Taiwan, the USA and Vietnam, 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. In 2021, we launched a television that we design and manufacture with partners.

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. Own business (including human resources, construction projects and facilities management)
2. Supply chains (including for products managed through the Supply Chain Sustainability Programme, our Group Procurement- managed indirect supply chains including such as marketing and technology)
3. Content production (including Sky Studios, Entertainment, Sky News and Sky Sports)

# Modern Slavery Update

## Policies in relation to slavery and human trafficking

Sky has publicly committed to addressing our human rights risks and impacts, including risks of modern slavery and other labour exploitation. This is supported by our Code of Conduct, and Human Rights Policy which outlines our approach to understanding and addressing human rights impacts on our colleagues, people working in our supply chain, customers, and communities.

This approach is guided by International conventions, Standards and Codes, including:

- The UN Universal Declaration of Human Rights
- The International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work
- The Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises
- The UN Guiding Principles on Business and Human Rights
- The UN Global Compact
- The Responsible Business Alliance Code of Conduct.

Our Code of Conduct provides the framework for what we stand for and how we operate with integrity. We live our core values by conducting ourselves in a way that maintains trust and respect around the globe.

Our Supplier Code sets out our expectations of suppliers and business partners to treat people fairly and with respect and to provide all workers with a safe, secure, and healthy working environment and we communicate these standards through letters to suppliers through our Standard Terms and Conditions and Responsible Procurement programme. These policies, and the trainings that reinforce them, establish that Comcast and Sky employees and our business partners strive to operate with integrity wherever we do business.

Sky's Ways of Working 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. Relevant internal People policies, such as our Temporary Worker Policy and the Right To Work Guidance for Recruitment and Hiring Managers, contain information about modern slavery.

Through our membership in the Responsible Business Alliance (RBA) and Responsible Minerals Alliance (RMI), we are also committed to a common Code of Conduct, supporting and collaborating on key human rights of workers and communities worldwide affected by the global electronics supply chain. We actively participate in the RBA and help suppliers, where appropriate, to manage their human rights and environmental risks in accordance with global standards through training, handling grievances and assistance with remediation, along with third party, independent on-site audits including specialized audits on forced labour.

# Modern Slavery Update



## Collaborating and using our voice to drive good practice, we are:

- 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 Leadership Group 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
- Member of the Indirect Spend Risk and Responsibility Alliance aiming to co-ordinate and create responsible sourcing best-practice across indirect spend categories such as logistics, professional services, and property services.

We also 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.

# Modern Slavery Update

## Training

Our Ways of Working guidance for employees is communicated annually within our mandatory training on our Comcast Code of Conduct for employees. Beyond this, we take a bespoke approach to training, aiming to deliver information in a relevant way to different groups and including suppliers and business partners where appropriate. In 2021 and 2022 this has included:

- Training for call handlers for our People Plus line to ensure that they can identify potential signs of labour exploitation and know how to respond appropriately
- Annual training for the Sky Spaces team to build their knowledge of modern slavery risks in facilities management and related projects
- Training provided for Sky's Human Rights Leadership Group on human rights due diligence and reporting obligations to inform management of Sky's human rights risks
- Briefing and training sessions with Sky Sports Senior Leadership team and the Centre for Sport and Human Rights on respect for human rights in the sports ecosystem
- A briefing by an independent expert for the Sky Spaces team to build their knowledge of modern slavery risks in facilities management and related projects ahead of implementing a toolkit to support their work
- Training by our Procurement team on responsible sourcing, including human rights, and managing supplier improvement programmes with a third-party ratings platform.
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- Stronger Together 'Modern Slavery in Construction' training for participants from all suppliers constructing Sky Innovation Centre and Sky Studios Elstree
- Supporting a wide range of Responsible Business Alliance and Responsible Minerals Initiative training with tier 1 and tier 2 manufacturing suppliers in Asia and Europe. Such support included a supplier conference in Mandarin, which was attended by over 100 people representing more than fifty suppliers
- We have started training all individuals who visit suppliers with guidance on spotting human rights, health & safety and environmental concerns. At the beginning of 2022, one of our senior managers reported an allegation of discrimination at a key supplier. In addition to engagement with the supplier on remedy for the issue, supervisors and managers of the supplier received training on appropriate worker engagement with a focus on bullying and harassment.

# Modern Slavery Update

## Speaking up

Our employees, suppliers, and business partners around the world are encouraged to report suspected illegal or unethical conduct, including suspected human rights issues in our businesses or in our supply chains, through our Comcast NBCUniversal Listens and Sky Listens programs. Our programs provide several channels for speaking up, including a 24-hour helpline and web portal that are administered by an independent third-party company. Our Code of Conduct prohibits retaliation against those who raise concerns in good faith. In the UK and Ireland we also have our People+ line. This is an employee support service and call handlers have been trained to recognise and respond to modern slavery issues raised.

Skyline was launched in 2021, a new Group-wide support helpline offering round the clock assistance for work-related security or safety concerns in the office, on the road, or while travelling for work, was launched in 2021. We and have worked with our security teams to increase understanding of human rights issues and build potential human rights impacts into security and safety briefings.

Our employee engagement surveys provide an additional forum to measure employee concerns. We introduced questions into our engagement surveys to understand awareness of and trust in Sky's whistleblowing mechanisms and monitor these regularly.

Within the TV sector, Sky Sports has contributed funding to the Film and TV Charity's 24-hour helpline (<https://filmtvcharity.org.uk/we-can-help/support-line/>) and publicises its number on call sheets and other information 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.

## Governance

Sky's approach to human rights and forced labour is governed by our Human Rights Leadership Group, which involves senior representatives from across the business. It is co-chaired by our Chief Compliance Officer and Bigger Picture Human Rights Lead and includes our Product Supply Chain, Procurement, HR, Facilities and Content business areas. It is responsible for monitoring risks and mitigations. It provides 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 advice and guidance for colleagues elsewhere in the business. In 2022, we have conducted a maturity assessment of our approach with external partners and will use the findings to inform the evolution of our governance approach to human rights and modern slavery, including updates and discussion on human rights with our Risk and Governance Executive Committee.

# Modern Slavery Update

## Due diligence processes in relation to slavery and human trafficking in our business and supply chains

Sky has a wide range of varied business areas with different impacts and possible mitigations. We tailor our due diligence efforts to the relevant context, whether that be product manufacturing in Asia, construction and facilities services in the UK and Europe, or TV Production across our territories and beyond. This approach is guided by overarching principles of:

- Developing an understanding of the impacts on people throughout the value chain
- Determining our priorities based on the highest risk, which is determined through a combination of mapping supply chains, gathering data and engaging with stakeholders
- Seeking out and creating opportunities for us to influence individually or collectively
- Collaboratively taking steps to avoid or mitigate risk
- Taking a victim-centred approach to providing remedy and supporting improved respect for human rights.

Sky's annual modern slavery risk assessment approach constantly evolves based on learnings from prior risk assessments, findings from investigations, and feedback from workers and other stakeholders. Sky has also developed a modern slavery risk assessment tool that draws on information gathered from risk assessments around the business to identify target mitigations and track progress towards them. Each area of the business then identifies gaps and risk owners. The tool is a living document that is regularly reviewed in order to take account of changes to business practices or increased understanding about the nature of particular risks.

In 2021 we conducted a responsible sourcing maturity assessment across the business, with Procurement colleagues and with external partners. This has steered the focus of our responsible procurement work and has informed the development of our new Supplier Compliance Programme to be launched in 2022. The outcomes of the maturity assessment will inform our supplier engagement strategy.

We have mapped our supply chains to tier three for our electronic product manufacturing, clothing suppliers and branded merchandise. Alongside wider risk assessment work, we also conducted further mapping of our construction and TV production supply chains.

We have updated our Response Protocol for modern slavery and labour exploitation incidents to provide further guidance on remedial actions.

# Modern Slavery Update

## Due diligence approach for our own business

Our human resources team are responsible for understanding risks to people working for Sky and for our joint ventures. Our Sky Spaces team is responsible for facilities management, office refurbishments and construction projects. We work closely with our main facilities management supplier to improve working conditions for those on Sky's premises involved with cleaning, catering and maintenance. In 2021, we developed a toolkit for risk assessment and management in facilities services, which will be piloted with a number of suppliers in 2022.

## Due diligence of our supply chains

For our Product Supply Chain, which includes the manufacturing and procurement of items such as set-top boxes, routers and remote controls, we have established a Supply Chain Sustainability Programme, which sets out a strategy for 2020-2025 and includes the goal of "better working conditions for the most vulnerable in our supply chains". In 2021, the work has included: gathering better baseline & historic data; providing additional training for suppliers, requirements and scope; conducting audits, and engaging supplier/stakeholder on planned activities such as on responsible recruitment and Health and Safety. This year, our Compliance and Supply Chain and project management teams have been able to resume more regular site visits, giving greater opportunities for engagement on employee working conditions and management systems.

We have a rolling audit programme, based on risk, extending to pre-contract audits for high-risk Tier 2 suppliers. In 2021, over 100 supplier third party ethical audits were conducted, reviewed and mitigations put in place within the Sky Glass supply chain ahead of launch of the new TV. This helped us to understand and address risks of labour exploitation in this supply chain that is new to Sky.

We approach 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 with and corrective actions, and support appropriate management training. We also identify patterns and trends that need a more systemic solution.

In 2021, we increased our focus on listening to workers to identify improvements. Worker wellbeing surveys were conducted in five key supplier factories in our Product Supply Chain. Workers report an improvement in satisfaction in communications with management as a result of changes made from as a result of the surveys. Improvements in worker satisfaction have occurred as a result of skills development and improvements in on site facilities for workers and reviews of working patterns.

# Modern Slavery Update

## Waste and recycling

In the UK, we have recognised the waste and recycling sector as higher risk for modern slavery and continue to work as part of the the Indirect Procurement Human Rights Forum's Waste & Recycling Working Group, a cross-sector network of over 20 organisations, to develop resources to support the sector in tackling labour exploitation risks.

In 2021, our objectives as part of the working group were to identify and assess labour rights issues, develop shared resources to address human rights issues in the sector, and to raise awareness and engagement. The collective commitment enabled great progress and we developed a [Tackling Modern Slavery in Waste and Recycling Toolkit](#). It was launched with a webinar to mark Anti-Slavery Day. This toolkit is now available as a free resource and we share it with our suppliers and business partners.

## Responsible mineral sourcing

To identify high-risk minerals in our product supply chain, we work through the Responsible Minerals Initiative, using the Responsible Minerals Assurance Process ([RMAP](#)). This process works at the "pinch point" (a point with relatively few actors) in the global metals supply chain and uses an independent third-party assessment of smelter/refiner management systems and sourcing practices to validate conformance with RMAP standards.

The assessment employs a risk-based approach to validate smelters' company-level management processes for responsible mineral procurement. Using this process is providing an additional layer of information that we did not previously have and giving us the opportunity of making informed choices about responsibly sourced minerals in their supply chains. We request conflict minerals reporting from all new suppliers, and review and update our list of existing relevant suppliers biennially.

# Modern Slavery Update

## Due diligence of our content production

Sky's human rights due diligence work on TV production is being undertaken in collaboration with other broadcasters in order to develop a common approach that individual productions can implement. In 2021, this included focused research into labour rights risks in documentaries, news and sports, building on previous research into entertainment and drama. The research has been used to develop a range of due diligence tools for broadcasters and production companies. For example, we embedded enhanced due diligence questions into production supplier reviews, including for catering and security.

In 2022, our Sky Sports Leadership team undertook a series of awareness raising, briefing and strategy development sessions in collaboration with the Centre for Sport and Human Rights. This included reviewing the framework for managing human rights risks associated with broadcasting from high-risk locations or when low risk events could become high risk. Is this addition correct? Felt like we needed to say more than risks associated with "sport" to show how it is relevant to our business.

## Improving Working Standards for security teams

Security is key to ensuring that everyone is safe and well throughout our productions. Security may be the first on site, last to leave, and often on a location alone. It is key that we ensure the protection of the rights of people working to ensure the safety of our cast and crew.

Research conducted as part of the TV Industry Human Rights Forum identified potential risks for Security personnel in the Production industry, such as not always having access to facilities such as toilets, heating and hot drinks, as well as long shift lengths and inadequate pay for security workers.

We acted quickly with our security providers working with Sky Sports to put in place additional requirements of minimum standards. These included standards for training, facilities, breaks, and payment of living wages. We are working with security providers to ensure that these are implemented and maintained, and have shared the approach across the wider business.

# Modern Slavery Update

## Parts of our business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps we have taken to assess and manage that risk

Sky takes a considered approach to addressing modern slavery risks 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 the projects taken on, and we aim to use such opportunities to test, learn from and share approaches with relevant partners and civil society.

### Our business

We consider the impacts to people working on our sites, on behalf of Sky and prioritise these by potential risks. In 2021, we have continued our engagement with long term service suppliers.

Our major construction project - Sky Studios Elstree - takes the lessons learned from the labour rights work at the Sky Innovation Centre and developing them in collaboration with main Contractor, BAM. The project is trialling innovative methods - including in-depth training for first responders, supervisor peer learning sessions and involvement in an industry-wide initiative to reduce risks with drylining companies. The suppliers to the project are already reporting improvements to their systems and engagement with workers as a result of the focus on labour rights that BAM and Sky has maintained throughout.

### Case study: Sky Labs construction – working in partnership with ISG

Sky Innovation Centre neared completion at the end of 2021 We embedded a pioneering labour rights programme on this project from the outset. We published a case study with learnings from the collaborative project, aiming to share what we learnt through working with our construction partner and Stronger Together with the wider industry, through webinars and at construction industry events including Construction Week.

The main contractor on the Innovation Centre, ISG, has adopted processes developed with Sky more widely including; worker surveys to identify risks, improving supply chain audits; reporting procedures; and communications on tackling modern slavery with employee events.

Worker surveys performed during the construction of the Sky Innovation Centre on our West London campus resulted in the implementation of new feedback loops, which increased engagement and helped to position the modern slavery work as positive and collaborative. ISG used a system of boards called 'You said, we did' to provide feedback to workers about improvements made to working conditions as a result of issues raised. These were received positively and helped to drive greater participation in worker surveys.

# Modern Slavery Update

## Our supply chains

### Product supply chain

Our systematic approach covering Tier 1, 2 and 3 suppliers includes embedding attention to labour practices in our commercial teams, and fostering improvement through site visits, training and closer engagement. For example, when one of our suppliers moved location to a new factory, we successfully engaged with them to make it wheelchair accessible and to improve the accommodation facilities for workers.

### Raw materials

At Sky, we believe in sourcing minerals responsibly. Building on our work in 2020 to map the sourcing of high-risk tin, tungsten, tantalum and gold (3TG) in our technology products.

We take action and collaborate through the Responsible Minerals Initiative who have developed a standardized reporting template that facilitates the transfer of information through the supply chain regarding mineral country of origin and the smelters and refiners being used. The template also facilitates the identification of new smelters and refiners to potentially undergo an audit via the RMI's Responsible Minerals Assurance Process.

## Response and remedy

In 2021, we updated our 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. This has included 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 or communities are prioritised.

# Modern Slavery Update

## Our Content

Within TV production, one of the main groups at risk of poor labour practices are ancillary workers to productions, such as those providing catering, cleaning, maintenance, driving and security. Through the TV Industry Human Rights Forum we have supported the development of industry toolkits to improve due diligence on suppliers of such services and to promote better direct engagement of ancillary workers. We are building these tools into our business-as-usual practices, including production procurement, and our TV production packs include [guidance on modern slavery for production companies](#) in order to raise awareness within the sector of modern slavery issues, areas in which they might encounter them and the types of steps that can be taken. 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.

In 2021, Sky Sports conducted a deep dive into the working conditions of security guards on outside broadcasts in the UK, who are in tier 2 of our supply chain. We found that practices did not always meet our expectations. In response, we developed a set of minimum standards to improve those conditions, which have been well received by our suppliers. We have a plan in place to monitor the conditions for security guards on outside broadcasts through unannounced visits each year to different venues.

## Merchandise

Since July 2019, we have required any new merchandising 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 source is unknown, and work with suppliers to trace supply chains. Requirements on lead times have been increased to ensure additional pressure is not put on suppliers and workers.

We have adapted purchasing practices for branded merchandise to significantly reduce the risk of negative human rights impacts. This has been achieved through limiting purchases to a pre-approved catalogue and moving to one supplier based on them meeting our key criteria regarding human rights and environmental due diligence requirements.

# Modern Slavery Update

## Measuring our performance

It is important for us to build an understanding of how our work to respect human rights and tackle risks of forced labour impacts across our salient issues. In 2022, we are developing a suite of Key Performance Indicators to monitor effectiveness of human rights due diligence, across a number of our areas of focus. **Additionally, we review the use of our speak up channels to identify forced labour** issues. In 2021, none of the calls to Sky's Whistleblowing helpline related to labour exploitation.

## Supply chain audits

### Pre-contract audit findings and other due diligence

Sky audits high risk suppliers before business engagement, and supports audited companies with training and guidance if a human rights abuse is identified. Issues need to be addressed and if required, victim-centred remedy provided, before Sky will form a partnership and enter into a contract. **In 2021 we are pleased to have conducted and reviewed over 100 audits in addition to a further 100 audits throughout our Sky Glass Supply Chain.**

In response to the credible reports of human rights abuses of ethnic minority populations in China, Sky has reviewed its suppliers to identify if any product manufacturing sites are located in high risk regions. Sky has also informed its auditing partners to pay attention to any workers recruited through recruitment agencies.

Through a follow up audit, we were also alerted to a situation where we had been informed that all workers had been repaid all historic fees of recruitment, however some of these workers had not received payments. Despite having moved our business to an alternative supplier, we are in continuous dialogue with the intermediary supplier and we set up a fund and mechanism to ensure workers who remain at the factory are repaid.

We continue to review progress made by the intermediary, to improve its wider supply chain due diligence to enhance protection of human rights, with a particular view to the upcoming requirements of the German Supply Chain Due Diligence Act. As recognized in our 2021 update, we recognize the risk of recruitment fees being paid by migrant workers in Taiwan and some other countries and will continue to encourage responsible recruitment, in particular through our RBA membership, and proactively seek responsible employers.

Some onsite audits have resumed since COVID 19 lockdowns. However, certain delays in in-person audits persisted due to restrictions, especially in China. Sky employees have conducted site visits alongside 3rd party auditors in Europe, with long quarantine times impacting travel in Asia. Travel restrictions or outbreaks of infection, have limited availability of workers in some manufacturing hubs. We have observed that this trend has contributed to higher incidences of excessive hours and limits in rest days and work with suppliers to support the reduction of these.

# Modern Slavery Update

## Emerging risks

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

- forced labour and forced internal migration of Uyghur and other turkic minorities in China
- the continuation of recruitment fees in Asia, particularly Taiwan, and a decline in labour rights across certain Asian manufacturing hubs
- the impacts of increased demand for minerals used in batteries for renewable energy production and electric vehicles and forced labour in the solar panel supply chain
- labour shortages in construction, agriculture and hospitality and other industries in the UK and risks of labour exploitation for people fleeing conflict in Ukraine
- sports events taking place within contexts that are or could become high risk for human rights impacts
- mineral supply chains, including Gold, from sources in Russia for electronics.

We continue to review and improve our due diligence procedures to identify and mitigate any potential issues with respect to these risks.

## Supporting a just transition

In our transition to net zero across our operations and supply chains, renewable energy plays a big role, including for our own operations and those within our supply chain. We want to promote respect for human rights within renewable energy supply chains. Solar panels hold a particular risk of forced labour, with a significant proportion of the world's polysilicon coming from China. In addition to increasing demand for minerals in the battery supply chain.

For our own sites, we engage with suppliers on their sourcing practices and review efforts to ensure their supply chains are not tainted with forced labour. We joined a Solar Roundtable as part of Supply Chain Sustainability School, to advance a collective approach to addressing this issue. We also work closely with the Institute for Human Rights and Business to inform our approach.

We continue to review and improve our due diligence procedures to identify and mitigate any potential issues with respect to these risks.

For more information about the efforts of Comcast Corporation, including Sky, to address modern slavery, read [Comcast's 2022 Statement on Modern Slavery and Supply Chain Values](#).