

Sky's Carbon Neutral Approach

At Sky, our priority has always been and remains to reduce our environmental impact in absolute terms.

Since 2006, in addition to decarbonising our business and using our voice to inspire positive action for the planet, we have voluntarily supported climate projects beyond our value chain.

How is Sky carbon neutral?

We take the following steps to become carbon neutral:

- Measure We calculate our greenhouse gas emissions at the end of each financial year. See our latest <u>Environmental Data Report</u> for further information on how we calculate our greenhouse gas footprint.
- 2. **Reduce** We are committed to avoiding and reducing our emissions in absolute terms and reporting on our progress.
- 3. **Offset** Each year, we offset the market-based Scope 1 and 2 emissions we can't cut yet to compensate for those unabated emissions across our direct business 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.
- 4. **Report** Our Sky Zero programme is in place to manage our progress, and we report against this each year. Our latest results can be viewed in our <u>Environmental Data Report</u>.

A note on renewable electricity:

As part of our broader impact measurement and reduction work, we seek to obtain renewable electricity wherever possible, including from onsite generation, power purchase agreements, or retail green electricity products from utility suppliers. For any remaining electricity use by Sky from non-renewable sources (e.g. where we do not control the energy provider), we work with Climate Impact Partners in line with the WRI GHG Protocol Corporate Standard and the Scope 2 guidance from the GHG Protocol and RE100 Technical Criteria, to purchase and retire unbundled Energy Attribute Certificates (EACs).

Carbon Neutral status verification

We have our carbon neutral status verified by the <u>CarbonNeutral Protocol</u>, a global standard for carbon neutral programmes. Our CarbonNeutral® certifications, which cover our direct business operations, including scopes 1 and 2 emissions, provide an independent assessment of our climate action to ensure our carbon neutral claim is robust and credible.

This verification comes in addition to the external assurance on our scopes 1 and 2 GHG reporting.

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