



Carbon Neutral Sky

What is a carbon footprint?

A 'carbon footprint' is the amount of Greenhouse Gases (GHGs) that a person or an organisation emits as a result of their activities, measured in units of carbon dioxide equivalent emissions (CO₂e).

What is carbon neutral?

Carbon dioxide (CO₂) is the key GHG contributing to climate change and everything we do emits carbon. To become carbon neutral you should first measure your carbon footprint, reduce your emissions and offset any remaining carbon emissions associated with your activities.

The end result is that the activity, business, or individual won't have produced any net CO₂ emissions.

Our carbon neutral status is in line with The CarbonNeutral Company's definition of a CarbonNeutral® company as described below.

What is carbon offsetting?

Offsetting is when carbon credits are bought - this usually means the company, or person, has invested in a project that is reducing CO₂e emissions around the world.

The projects that are invested in must reduce the same amount of CO₂e emissions that the buyer is emitting, or the portion of their CO₂e emissions that they are looking to offset.

What is CarbonNeutral®?

CarbonNeutral® is a registered trademark of The CarbonNeutral Company (TCNC). It is awarded to companies who have reduced their GHG emissions to net zero, in accordance with their 'Applications of the CarbonNeutral® logo and definitions: April 2008, Version 4.0'.

TCNC's definitions are in line with the World Business Council for Sustainable Development's and World Resources Institute's (WBCSD / WRI) Greenhouse Gas (GHG) Protocol. They have been endorsed by a technical advisory group made up of experts, scientists, and businesses, to ensure CarbonNeutral® companies follow best practice.

The definition of a CarbonNeutral® company according to the 'Applications of the CarbonNeutral® logo and definitions: April 2008, Version 4.0' includes the following sources of GHG emissions from all sites owned or under direct management control:

- Energy consumption (GHG Protocol Scopes 1&2)
- Business travel
- Company owned vehicles
- Waste sent to landfill
- (Optional) Staff commuting

Why did Sky decide to go carbon neutral?

Becoming carbon neutral was the next step in our environmental management programme.

Tackling climate change was becoming more and more important, and we felt that we were in a position to take a lead in reducing and offsetting emissions. So, in 2005, we decided to extend our environmental management programme to become carbon neutral and in May 2006, we became the world's first media company to be awarded CarbonNeutral® status.

"For us, being carbon neutral is one step in a much longer journey towards having a positive impact on climate change. It was like putting a stake in the ground and making a public commitment saying 'from here on in, Sky is a company concerned about climate change and ready to do what it can to help'".

Ben Stimson, B SkyB Director of Responsibility & Reputation



How did Sky become a CarbonNeutral® company?

We followed these three steps to become carbon neutral:

- **Measure** - We calculated our carbon footprint at the end of the financial year 2008. We initially worked out the amount of CO₂e emissions from our premises, company owned vehicles and business travel. We now also include emissions from refrigerant use and from waste sent to landfill. (See 'Measuring our emissions' for further information on what we include in our carbon footprint).
- **Reduce** - To be CarbonNeutral®, in accordance with TCNC definitions, we needed to demonstrate that we had worked to reduce our emissions. We took steps to improve energy efficiency and to reduce emissions from transport. We also secured renewable electricity, which is exempt from the climate change levy, for our main sites across the UK. So far, we have managed to reduce our total CO₂e emissions by 15% in the last 4 years (i.e. July 04 and July 08)
- **Offset** - At the end of the financial year 2008, we offset our remaining emissions by investing in voluntary emissions reduction projects. So, for every 1 tonne of CO₂e emissions that Sky emits, within the definition of a CarbonNeutral® company, we're reducing 1 tonne of CO₂e somewhere else in the world.

To do all of this, we worked with a number of organisations for guidance and support including, The CarbonNeutral Company and The Climate Group.

Measuring our emissions

In order to measure our emissions, we had to define those emissions that we considered to be our operational emissions. We used the World Resources Institute (WRI) and World Business Council for Sustainable Development's (WBCSD) Greenhouse Gas Protocol as a guide. The Greenhouse Gas Protocol categorises emissions as follows:

- Scope 1 - Direct emissions. These are emissions from sources a company owns or controls.
- Scope 2 - Electricity Indirect. These are emissions from the electricity that a company buys to use in its equipment or operations.
- Scope 3 - Other Indirect. These are emissions from activities that are relevant to a company, but not within its direct control. For example such as transport in vehicles not owned by the company.

Under the WRI/WBCSD Greenhouse Gas Protocol, companies must account for all Scope 1 and 2 emissions. Scope 3 emissions are accounted for on an optional basis only, as the company can't control these, and often can't measure them either.

Sky's carbon footprint has been established by measuring the following CO₂e emissions:

- Scope 1 - from its premises (gas, diesel), refrigerant use (at Osterley, Livingston, Dumfermline, Chilworth and Easynet UK only), company owned vehicles (petrol, diesel, LPG), hired cars (petrol, diesel, LPG) and van fleet (petrol, diesel)
- Scope 2 - emissions from operational electricity consumption
- Scope 3 - emissions from employee business air travel and from waste sent to landfill

We are also working with a number of our suppliers to measure and reduce these indirect CO₂e emissions. These would be classified as Scope 3 emissions by the WRI/WBCSD Greenhouse Gas Protocol and are separately reported in our The Bigger Picture Review.

Offsetting our carbon emissions

We offset our emissions by investing in projects provided by The CarbonNeutral Company. As climate change is a global issue, saving emissions anywhere in the world will help. We do not invest in forestry-based offsetting projects and aim to invest in renewable energy projects in developing nations.



To maintain our status as a CarbonNeutral® company during 2007/08, we purchased carbon credits that have been verified to the Climate Group's Voluntary Carbon Standard (Version 1). This is a recognised international standard for voluntary GHG offsets.

We work with The CarbonNeutral Company to ensure that, in line with best practice, the vintages of projects we invest in match as closely as possible, the period when our emissions were generated. Our emissions generated in 2007/08 have been offset by 2006 and 2007 vintage projects.

For more information, take a look at the documentation on the projects we have invested in this year.

Sky's environment data and carbon neutral status is independently assured by ERM (Environmental Resources Management Limited). Read ERM's independent assurance report to BskyB.