



## CarbonNeutral® Sky

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### What is a carbon footprint?

A 'carbon footprint' is the amount of CO<sub>2</sub> (carbon) that a person or an organisation emits as a result of their activities.

### What is carbon neutral?

CO<sub>2</sub> is the key pollutant 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 carbon dioxide (CO<sub>2</sub>) emissions.

### 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 CO<sub>2</sub> emissions around the world.

The projects that are invested in must reduce the same amount of CO<sub>2</sub> emissions that the buyer is emitting, or the portion of their CO<sub>2</sub> emissions that they are looking to offset.

### What is CarbonNeutral®?

CarbonNeutral® is a brand mark developed by The CarbonNeutral Company. They award this to companies who have reduced their CO<sub>2</sub> emissions to net zero, in accordance with the CarbonNeutral Protocol.

The CarbonNeutral Protocol is in line with the World Resources Institute and the World Business Council for Sustainable Development's Greenhouse Gas Protocol. It has been endorsed by a technical advisory group made up of experts, scientists, and businesses, to ensure CarbonNeutral® organisations follow best practice.

### Why did Sky decide to go CarbonNeutral®?

Becoming CarbonNeutral® 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 CarbonNeutral® and in May 2006, we became the world's first media company to be awarded CarbonNeutral® status.

"For us, being CarbonNeutral® 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 CarbonNeutral®?

To become CarbonNeutral®, we increased energy efficiency, reduced energy use and found more innovative ways to operate. To do all this, we worked with a number of organisations for guidance and support including, The CarbonNeutral® Company and The Climate Group.

We followed these three steps to become CarbonNeutral®:

- **Measure** - We calculated our carbon footprint. We worked out the amount of CO<sub>2</sub> emissions from our premises, company owned vehicles and business travel.
- **Reduce** - We then worked to reduce those emissions. To be CarbonNeutral®, in accordance with TCNC CarbonNeutral Protocol, we needed to demonstrate that we'd worked to reduce our emissions. We took steps to improve energy efficiency and to reduce emissions from transport. We also secured renewable



electricity for our main sites across the UK. So far, we have managed to reduce our CO<sub>2</sub> emissions by 27% in the last 3 years (i.e. July 04 and July 07)

- **Offset** – Finally, we neutralised or offset the remaining emissions by supporting renewable energy projects. So, for every 1 tonne that Sky creates, we're reducing 1 tonne of CO<sub>2</sub> somewhere else in the world.

### **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 CO<sub>2</sub> emissions:

- Scope 1 - from its premises (gas, fuel, oil), and company owned vehicles (petrol, diesel, LPG)
- Scope 2 - emissions from operational electricity consumption
- Scope 3 - emissions from employee business air travel

The WRI/WBCSD Greenhouse Gas Protocol identifies Scope 3 emissions (indirect emissions), which are created by other companies as outside of the direct control of, in this case, Sky. Therefore, we offset all of our scope 1 and 2 emissions, as well as emissions from air travel (a scope 3 emission) as we felt that our use of air travel is something we can take an active role in reducing through employee behaviour, and for this reason we have included it in our offsetting scope.

Sky's environment data is independently verified by ERM (Environmental Resources Management). Read Sky's ERM verification statement.

### **Offsetting our carbon emissions**

Where we can't reduce our carbon emissions, we offset or neutralise them by investing in high quality offsetting projects that have been verified by The CarbonNeutral® Company. As climate change is a global issue, saving emissions anywhere in the world will help.

As an extra level of checking, and to ensure that the projects save the right amount of CO<sub>2</sub>, we have the offsetting projects independently audited to make sure they meet the Climate Group's Voluntary Carbon Standard. The Climate Group's Voluntary Carbon Standard (VCS) is an international standard that provides companies with guidance on buying credible voluntary offsets.

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