Sky is Europe’s leading entertainment company. The group serves 22 million customers across five countries: Italy, Germany, Austria, the UK and Ireland. We employ 30,000 people, and work with over 7,000 suppliers.

Our ethical social and environmental standards are integral to our culture and key to the way we collaborate with our suppliers. We manage our own operations and supply chain through effective due diligence, risk assessment, training and collaboration with suppliers in order to ensure we help protect vulnerable groups of people.

Our annual risk assessment process across our operations and supply chains identifies focus areas relating to modern slavery issues.

Policies
We know that it’s our people that make Sky Europe’s leading entertainment company. We maintain a number of supporting policies available to employees which make reference to the risks associated to modern slavery. Sky’s Ways of Working defines our commitment to our customers, colleagues, shareholders, business partners, and the broader community. They set out our values as a business, make clear exactly what we expect of everyone who works at Sky and explain where to go for further help and advice, including how to raise concerns.

Our Employee Screening Process, Guidance on Right to Work and Temporary Worker Policy, are available to all employees. Internal training and articles on our intranet help inform employees.

Our Responsible Sourcing Policy is an integral part of all supplier contracts and reviewed annually. This sets out our expectations on areas such as compliance with all relevant legal requirements, including labour standards and practices and the prevention of bribery and corruption.

Supplier Due Diligence
Sky has a team of in-house experts that carry out due diligence on suppliers at the pre-qualification stage. This includes a range of issues, including bribery and corruption. This year we have also introduced a prequalification questionnaire that specifically addresses the risks of slavery and human trafficking and requests information about the due diligence mechanisms in place.

The team also oversee broader social, ethical and environmental management due diligence, which involves assessing our suppliers for their inherent risk using third party data provider Sedex (The Supplier Ethical Data Exchange) and Maplecroft (Global Risk Tool Provider).

We require high inherent risk suppliers to complete an independent, self-assessment questionnaire. This may be followed by subsequent SMETA audits (Sedex Members Ethical Trade Audits), face-to-face meetings and capacity building.

We are committed to collaborating with suppliers and other stakeholders to raise working standards. We always choose to work with our suppliers to resolve any potential issues rather than terminating the supplier contract and leaving the issue unresolved.

We continue to embed clauses within our supplier contracts to include an explicit reference prohibiting forced and child labour. We include terms to ensure that the supplier signs up to and agrees with our policies in all legal contracts. We have adopted a new precedent agreement that we use for our approved suppliers of products and services. This includes updates to strengthen the supplier’s obligation to agree with our policies; the rights of inspection and audit rights.

Risk Assessment
We’ve completed a specific modern slavery risk assessment across our own operations and all our suppliers to understand where to focus attention. This has identified some key areas of the business on which to focus.

Our focus areas:

Our People
Sky employs 30,000 people directly and more through a number of business partners. We recognise that where workers are employed through business partners or recruitment agencies, we are not directly responsible for the employee relationship or how they manage their employees. To mitigate this risk we require certain contractual standards which are supported by the way we work.

Production
Sky produces its own programmes and commissions others from independent production companies. Services such as catering security and cleaning are often subcontracted and can be filled by a high proportion of migrant workers, making them potentially higher risk in relation to slavery and human trafficking.

Products
Sky manufactures a number of branded products, managed by close working relationships with suppliers around the world, particularly in China. Sky recognises that electronic manufacturing carries risks of poor recruitment and labour practices, especially in the developing world. In addition, there are risks with labour in product recycling and product logistics.

Property services
Sky’s property services include construction activities and outsourced services such as catering, security and cleaning. We recognise that roles in such industries tend to have a higher risk of poor labour conditions and visibility can be limited if the workforce is not employed by Sky directly.

For these areas there are action plans in place to better understand the nature of any risk and to implement supportive actions where necessary. Actions include updating contractual standards and supplier briefing packs through to direct supplier engagement and audits.

Tracking and Monitoring
The risk assessment process is undertaken annually and action plans are reviewed on an ongoing basis. Sky’s internal audit team conducts an annual check to ensure that reasonable mitigations are in place.

Grievance and Remedy
Sky employees have access to a confidential whistleblowing process for raising concerns. We continue to increase awareness among employees of issues related to slavery and human trafficking including ensuring the mechanisms available to our workforce are sufficiently known about, trusted and accessible. Our existing process aims to ensure individuals affected would not be victimised further and be provided access to counselling and support.

Governance
Sky has formal governance processes and committees in place for overseeing our responsible business commitments. In addition there is a steering group of representatives from across the business who identify risk and challenge insufficient information from suppliers, contractors and business partners.

The Bigger Picture Committee meets bi-annually and has responsibility for oversight of the social, environmental and ethical impacts of Sky’s activities.

This statement has been approved by the Board of Directors of Sky Plc.

Signed
Jeremy Darroch
Group Chief Executive Officer
Sky plc
July 2016