



PRESS RELEASE

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BSkyB is CarbonNeutral

First commitment of its kind by a major media company

Start of initiatives designed to help and inspire consumers

British Sky Broadcasting (Sky), the leading provider of multichannel entertainment in the UK, has announced today that it has achieved CarbonNeutral status through the measurement, reduction, and offsetting of its carbon dioxide (CO₂) emissions. This first step in a multi year journey reflects efforts being made across the business to increase energy efficiency, reduce energy use where possible and find more innovative ways to operate. It also marks the start of a commitment to engage Sky's growing base of more than 8.1 million customers, with practical and inspiring ways to become better informed and more progressive about energy use.

Ian Pearson MP, Minister for Environment, Food and Rural Affairs, said, "I applaud Sky and its employees on the actions it has taken to understand and begin to tackle its carbon dioxide emissions and reduce its impact on climate change. I hope that this will act as a positive example of the way in which businesses in the UK can grow in a responsible and sustainable way that really contributes to society. Climate change is a key issue for the Government and we remain committed to meeting our emissions reductions targets and within this we recognise and value the crucial role not only businesses but the public and wider society has to play."

Working with The CarbonNeutral Company, Sky's carbon footprint has been calculated by measuring the CO₂ equivalent emissions from its premises, company owned vehicles, business travel and waste to landfill. Sky has lowered its site-related operational emissions by 47% in the past 18 months and is using 100% renewable energy at its sites in England and Wales alongside combined heat and power in Scotland. In addition, Sky has negotiated discounts for staff wanting to buy a low emission hybrid car as well as making a £1,000 net payment towards the purchase; it is installing automatic lighting sensors in its buildings and is setting emissions targets for future vehicle purchases including its fleet of 1,500 vans.



THE BIGGER PICTURE

James Murdoch, Sky's Chief Executive today said, "Going CarbonNeutral is a significant step which marks the beginning of Sky's commitment to tackle its environmental and climate change impacts, but it is just a start and we recognise that we still have much further to go. We want to help families find victories in how they use energy; nearly one in three families are now choosing Sky and we'd like them to feel that even small actions, multiplied many times, add up. Sky's success is built on innovation, great programming, a high level of service and a brand that's trusted to bring the best in entertainment to families. These are unique assets that can help empower customers, many of whom are concerned about climate change, but are not yet sure about what they can do to make a difference. "

Experts estimate that set top boxes account for 0.5% of energy use in relevant homes and approximately 1.5% of home electricity use. Sky has used a number of strategies to increase the energy efficiency of its products. This has led to halving the power consumption of set top boxes since launch. Innovations include features that decrease power consumption and creating a research and development roadmap aimed at energy efficiency. Sky is also planning to tell customers how to use products in ways that will use less energy and highlight ways to save money and improve energy efficiency in the home. Sky is the only broadcast media company to sign up to the European Code of Conduct on Energy Efficient Digital TV Services and will continue to work towards its success.

Speaking today about the announcement, Ed Mayo, Chief Executive, National Consumer Council commented, "Full marks to Sky for stepping ahead on this issue. Nobody wants to be an accomplice in climate change and what household name companies can do to help will be welcome to their customers. All companies should consider going this route. For Sky, the intriguing commitment is that they will engage with consumers to help them take action. The environment is oblivious to where companies stop and customers start, so climate-friendly action will have to start to encompass not just what companies sell, but what consumers do with the services they buy."

Jonathan Shopley, CEO of The CarbonNeutral Company, added, "The reductions targets Sky has set are practical but also stretching enough to make a real impact. These reductions are consistent with the scientific consensus that global emissions need to be reduced by 60% by 2050 if we are to begin to stabilise CO₂ levels in the atmosphere. It demands commitment to be 'the first' but if we are genuinely to tackle climate change, it is absolutely critical that more companies translate vision into action and that they take – in the immediate term - the kind of step change approach that Sky is adopting."



THE BIGGER PICTURE

To take responsibility for its remaining unavoidable CO₂ emissions, Sky has voluntarily purchased carbon credits in two renewable energy offset projects from The CarbonNeutral Company. These projects are a Gold Standard wind power project in New Zealand and a micro-hydro scheme in Bulgaria and these will be supported to offset Sky's CO₂ emissions from the first year of its CarbonNeutral status.

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For more information go to www.jointhebiggerpicture.com

Notes to Editors

About British Sky Broadcasting

Sky is the operator of the leading multichannel television platform in the UK and Ireland. Around 21 million viewers in 8.1 million households enjoy an unprecedented choice of movies, news, entertainment and sports channels and interactive services on Sky digital, the UK and Ireland's first and most popular digital television platform. BSkyB's channels are available in 10.2 million households through cable and digital terrestrial television. Sky is included in the Dow Jones Sustainability Index and FTSE4Good and was recently named to the Global 100 Sustainable Corporations list in a Sunday Times "Company that Counts"

About The CarbonNeutral Company

The CarbonNeutral Company is the world's leading full service carbon management business. It enables businesses and individuals to tackle their climate change impacts in a way which delivers value – commercial, environmental, personal. CarbonNeutral®, the registered trademark of The CarbonNeutral Company, is the world's leading brand mark for action on climate change.

Sky's carbon footprint - Sky has calculated that its carbon footprint for BSkyB and Easynet is 32,517.5 tonnes and 8,896 tonnes respectively, with a total of 41,414 tonnes per year. These figures have been verified by the Edinburgh Centre of Carbon Management (ECCM) and include all Greenhouse Gas Emissions (GHGs) in accordance with the WBCSD Protocol.

Sky's reduction strategy – Sky has set itself the ambition and challenging target of reducing its absolute emissions by 10% based on 2003 levels by 2010. Sky's environmental management programme focuses on cost-effective, practical solutions for avoiding and reducing emissions across the business. This week, Sky announced a staff incentive of £1000 (net) to encourage employees to purchase hybrid cars. It is also working to reduce the impact of business related travel through working with 'green' suppliers such as Green Tomato Cars.

Sky's offsetting strategy – Sky's commitment to be CarbonNeutral is wholly voluntary. Sky has taken advice from The Climate Group and The CarbonNeutral Company on its offsetting portfolio to ensure all investments meet the Gold Standard or the Climate Group's Voluntary Carbon Standard. Further criteria have been applied in identifying the carbon offsets:

Vintages – carbon offset vintages (by year of production) 2006, 2007, 2008-2010 have been considered to match our carbon footprint.

Scale – a portfolio of emissions reductions have been created, including two anchor projects for the first year of 41,414 tonnes of CO₂ and 7-8 further projects totally 165,656 tonnes over the next two-five years (up to the total commitment of 207 070 tonnes CO₂)

Technologies – offset projects have been prioritised if their reductions are achieved through energy efficiency or renewable energy (e.g. wind, solar, biomass)

Projects Year One – Wind Power New Zealand (Gold Standard) and Micro-hydro Generation in Bulgaria.