



Sky Network Television Limited

2021 – 2022 Modern Slavery Statement under the Modern Slavery Act (2018) (Cth)

1. Introduction

This Statement is Sky Network Television Limited's (the **reporting entity** or **Sky**) Modern Slavery Statement (**Statement**) for the period of 1 July 2021 to 30 June 2022.

This Statement applies to Sky and all its subsidiary entities, including Sky DMX Music Limited, Sky Network Services Limited, Believe It or Not Limited, Sky Ventures Limited, Lightbox New Zealand Limited, Sky Investment Holdings Limited, RugbyPass Limited, RugbyPass UK Limited, RugbyPass Asia Pte. Ltd, Sports Analytics Ltd, Screen Enterprises Limited, Media Finance Limited and Non-Trading PS Limited (the **Group**). We note that following the conclusion of the 2022 financial year (on 10 October 2022), Sky completed the sale of its RugbyPass business.

This Statement has been produced in accordance with Australia's Modern Slavery Act 2018 (the **Act**), further to Sky's listing on the ASX, and outlines the steps Sky has taken to identify and address the risks of modern slavery in its supply chain and business operations.

2. Sky's Structure

Sky is a New Zealand company listed on NZX (NZX: SKT) and ASX (ASX: SKT).

Sky's Annual Report for FY22 can be downloaded here:

<https://www.sky.co.nz/documents/117005/7221229/2022+Annual+Report.pdf/44c60184-bb48-00d2-00e0-ea6a1994ce81?t=1661380513469>

Sky and its related entities provide subscription and free-to-air media and related services in New Zealand. An overview of Sky's group structure is appended to this Statement.

3. Sky's operations

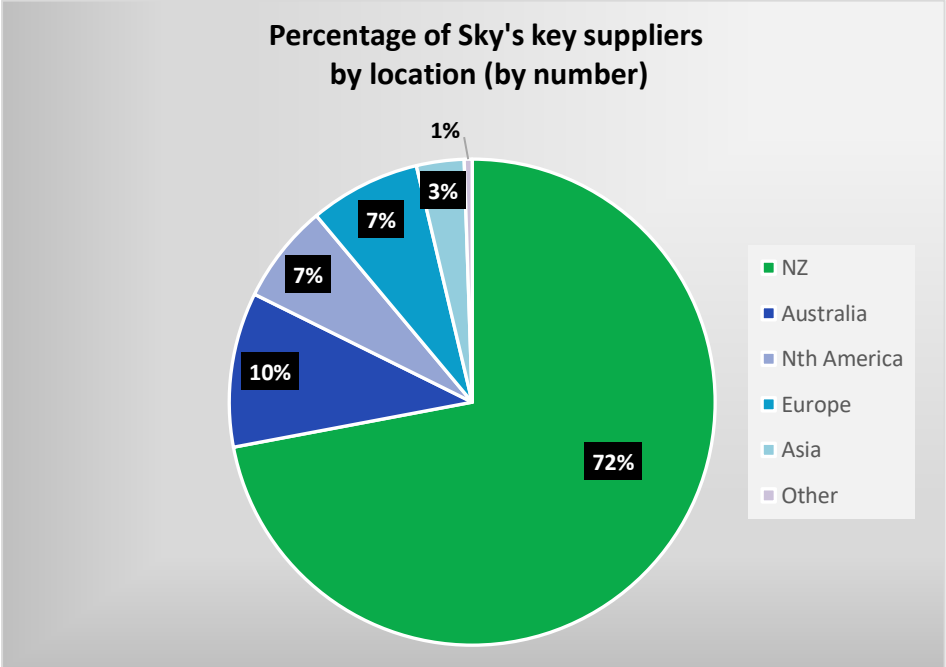
Sky is a multi-product media business, providing a wide range of content (movies, drama, music, sport, documentaries, kids, reality and news) to its significant customer base. Sky delivers this content through a full suite of products, including: satellite subscription and IP streaming services and free-to-air as well through commercial customers including hospitality and accommodation providers. Sky also offers broadband internet services and advertising services.

As at 30 June 2022, Sky and its entities employed approximately 900 people based in offices in New Zealand, Ireland and the United Kingdom (noting that following the 10 October 2022 sale of RugbyPass, Sky no longer has offices in the UK and Ireland).

4. Sky's supply chain

Sky's key supplier arrangements (where expenditure exceeds NZ\$50,000 p.a.) largely involve longer-term relationships encompassing the key areas of technology and related support services (including software and hardware), content licensing and production (sport and entertainment) and marketing services. Other specific services that may not be classified as key supplier arrangements have also been considered in Sky's modern slavery risk assessment, including property, security, cleaning, catering, contact centre resourcing and mail services.

The majority of Sky's key supplier spend is in New Zealand and Australia. This includes items such as outsourced content creation, broadcasting, telecommunications, field installation and marketing services. Sky typically sources technology goods and services internationally with select suppliers of Sky's technology, such as satellite set-top boxes, for example, being manufactured in factories within Asia.



5. Risks of modern slavery practices in Sky's operations and supply chains

This is Sky's third Modern Slavery Statement. In the last twelve months, Sky has progressed work identifying and managing modern slavery risk in its supply chain and associated business operations.

Modern slavery risks in operations

Sky's assessment is that the risk of modern slavery practices impacting Sky's employees and independent contractors engaged in Sky's core operations (content production, broadcast and streaming services), which are primarily based in New Zealand and Australian, remains low.

That said, Sky is aware of potentially higher risk areas such as cleaning, security services, and broadband infrastructure delivery, based on general risks understood to exist due to employment practices in these sectors. Cleaning and security services have been identified as higher risk sectors due to the potential for labour exploitation. This is largely due to the

nature of these industries which may utilise a relatively higher proportion of lower skilled, migrant labour with higher staff turnover.

Sky continues to expand into broadband supply to customers throughout New Zealand and is alert to the potential that this sector may also be an area with increased risk of labour exploitation, due to a generally higher reliance on lower-skilled labour and the prevalence of short-term employment contracts.

Sky continues to scan for any evidence of such risks in its supplier and contractor arrangements and is providing appropriate contractual provisions to lower and mitigate risk.

Modern slavery risks in supply chains

As a purchaser of goods and services, Sky may inadvertently be at risk of exposure to modern slavery practices in its supply chains where it is purchasing goods and services via agents and intermediaries operating in at-risk jurisdictions where Sky has little oversight of the ultimate manufacturer's management of the risk of modern slavery.

It is generally recognised that suppliers in the electronics manufacturing sector are potentially at a higher risk of utilising forced labour practices due to the sector's reliance on lower paid and migrant workers. Sky recognises that modern slavery risks are likely to be highest for offshore electronics suppliers in at-risk jurisdictions known for having a higher risk of modern slavery practices, particularly in Asia. As shown in the diagram above, Sky has identified that approximately 3% of its suppliers (by number) are based in Asia, which includes suppliers of Sky's consumer electronics devices including digital set-top boxes, remote control devices and broadband routers.

Specifically, exposure to modern slavery risks in Sky's direct supply chains include technology companies providing Sky with hardware, software and data centres. Sky purchases technology, software and other services from global suppliers. This includes New Zealand and Australian-based agents that resell international technology providers' solutions (software, hardware and related services). For example, one of Sky's key technology suppliers is headquartered in South Korea, with subsidiaries in the United States, Netherlands, Singapore, India, Japan, the United Arab of Emirates, Brazil and Mexico. Similarly, Sky's outsourced computing and cloud-based services are provided via data centres located around the world, including in jurisdictions known to be at higher risk of modern slavery practices, such as India and China.

As several of Sky's technology suppliers are required to report under either the Australian Modern Slavery Act and/or the United Kingdom Modern Slavery Act, Sky has an expectation that those suppliers are compliant with the relevant modern slavery legislation. Nevertheless, Sky considers that technology is likely to be its most at-risk supplier category, and one where Sky, at present, has less direct oversight of the presence of modern slavery practices, given the extent of intermediary/agent relationships.

6. Actions taken to assess and address risks and prioritise areas for further action

Risk assessment

In the 2021 – 2022 reporting period, Sky undertook further risk assessments to understand potential sources of modern slavery risk in its operations and supply chains. This included a

broader assessment encompassing key suppliers where expenditure is over \$50,000 per annum. This broader review allowed Sky to continue to prioritise and appropriately manage specific supplier engagement activities according to their relative risk rating.

In addition, Sky requested additional information from current direct suppliers who were identified in the previous year's assessments about their activities to further understand their operations and the potential for any Modern Slavery risk.

Governance and Policies

Sky's People and Performance Committee, which reports to the Sky Board, has overall responsibility for assessing the effectiveness of Sky's actions to address modern slavery risks.

Sky has existing policies and protocols in place to assist Sky in managing modern slavery risk, including a Code of Ethics, a People & Performance Committee Charter, and a Protected Disclosures Policy. Sky is currently reviewing the living wage accreditation program however operates alongside the principles.

In the 2021 – 2022 year, Sky has completed and launched a Supplier Code of Conduct, which includes expectations regarding modern slavery risk management from suppliers.

Sky reviews its governance policies annually to ensure they remain in line with governance best practice, including addressing modern slavery risks where appropriate.

Supplier outreach

Sky is committed to continued engagement with its key suppliers with a particular focus on those areas with identified modern slavery risks. Sky has developed a plan of action to prioritise suppliers and identify the most effective method of engagement. Sky has progressed this plan of action through the 2021 – 2022 year. This includes:

- Introduction of a Supplier Code of Conduct that reaffirms Sky's commitment to ethical, responsible and sustainable business conduct, particularly Sky's expectations regarding modern slavery, and that all employees, agents and sub-contractors comply with all employment, workplace and health and safety requirements;
- Updating Sky's Procurement Policy to include our expectations of suppliers to identify, assess and address modern slavery risks appropriately;
- Continued assessment of Sky's contracting arrangements and incorporating, where appropriate, contractual clauses in supplier contracts placing obligations on our suppliers to manage and notify Sky regarding modern slavery risks; and
- Engaging closely with our main suppliers, to ascertain their ability to identify, assess and address modern slavery risks in their own operations and supply chains.

7. Assessing effectiveness

Sky is committed to ensuring the effectiveness of its actions to address modern slavery risks by regularly reviewing its processes to consider whether it is appropriately identifying and evaluating these risks, including accessing external advice where appropriate. This assessment is provided to the Board annually.

8. Process of consultation with entities Sky owns and controls

Sky has completed a review and consultation across the Sky Group to provide appropriate input to its assessment of its risk of exposure to modern slavery practices.

9. Approval

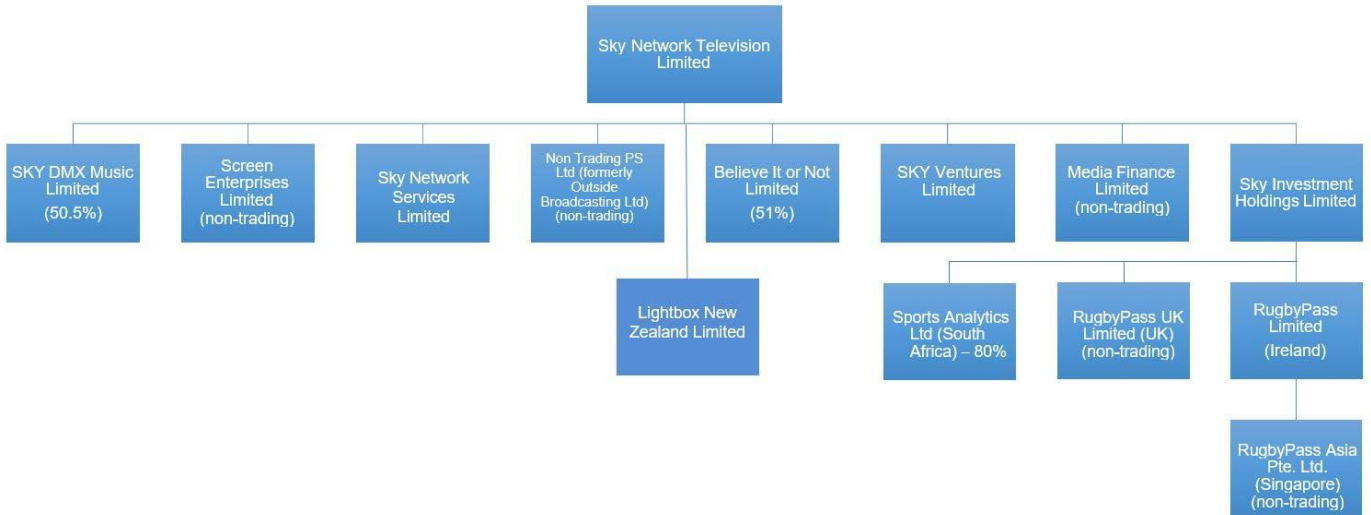
The principal governing body for the reporting entity, namely the Board of Directors of Sky Network Television Limited, approved this statement on behalf of the reporting entity on 7 December 2022.

A handwritten signature in blue ink, appearing to read 'Philip Bowman', with a horizontal line underneath it.

Signed by **Philip Bowman, Chairman** of Sky Network Television Limited



Appendix - Sky Group Structure¹



1. Sky's 2022 Annual Report for the period ended 30 June 2022 identified the RugbyPass business as an asset held for sale. Subsequent to balance date, on 10 October 2022, the sale of RugbyPass was completed. At that date the following entities ceased to be part of Sky's Group Structure: RugbyPass Limited, RugbyPass UK Limited and RugbyPass Asia Pte. Ltd.