

BBC STUDIOS MODERN SLAVERY STATEMENT 2020/21

This statement has been prepared and published on behalf of **BBC Studios Ltd** for the financial year ended March 31st 2021, in accordance with the UK Modern Slavery Act 2015. It is the sixth such statement from the company; links to previous statements can be found at the bottom of this page.

(For the **BBC Group** statement, [see here].)

Introduction

[BBC Studios Ltd] is a wholly owned subsidiary of the BBC, the UK's publicly funded broadcaster. Our purpose is to create and distribute world-class content that informs, educates and entertains, strengthening the BBC both creatively and financially through our commercial activities.

We have a strong commitment to ethical trading and corporate human rights, in keeping with BBC values. We employ a team of subject matter experts who oversee and implement our **Ethical Trading Policy & Programme**, with **BBC Studios General Counsel** taking overall executive ownership of ethical trading on behalf of the company.

Our strategy and activities are overseen on a quarterly basis by the **Compliance and Risk Committee**, made up of key members of the company's most senior executives.

We are committed to the principles of cross-industry collaboration in tackling modern slavery and other forms of labour exploitation. We are a member of the <u>TV Industry Human Rights Forum</u>, the <u>Ethical Trading Initiative</u> and <u>Sedex</u>, all of which are multi-stakeholder initiatives that bring together companies to tackle labour exploitation risks through shared approaches and actions.

Our business

Our commercial activities are divided into two lines of business: **Production & Distribution** and **Branded Services**.

Production & Distribution is responsible for the creation of programmes for the BBC and other content commissioners, as well as the subsequent commercial sale of titles in the UK secondary window and international market. It also licenses the intellectual property relating to our content to specialist third party companies, who produce live events and consumer products based on these programmes.

The Branded Services line brings these programmes to international audiences through broadcast on BBC branded channels and services, and to UK audiences through our **UKTV** subsidiary.

Some of our activities in the UK are managed through subsidiary companies, including BBC Studios Production Ltd, BBC Studios Distribution Ltd, UK Programme Distribution Ltd, BBC Grafton House Productions Ltd, 2 Entertain Ltd & UKTV and we hold shares in a number of independent production companies.

Our Head Office is in London, with further regional offices across the UK. Our global businesses are managed through a number of international subsidiaries, with offices in Australia, North America, South America, Europe, Asia and Africa.

Our operations and supply chains

The supply chains for our operations and commercial activities are varied and complex. For example:

- Within our offices, we use contractor companies for key services such as cleaning, catering and security.
- Within Production, we rely on the services of freelancers to help make our programmes, supported by contractors such as riggers, stagehands, caterers and security (among others), as well as post-production houses for the editing of the finished programmes.
- In Distribution, we use the services of post-production houses to deliver our content to UK and international broadcasters. For our live events business we work with licensees who contract with venues for our shows, who in turn often contract with labour service providers.
- Within consumer products, we work directly with DVD and CD manufacturers and distributors, though the vast majority of our branded products are produced by licensees who source from manufacturers across the globe. China remains the most significant country of origin for these licensed products.

Our approach to assessing this large variety of suppliers is based on where the greatest risk of labour exploitation may be found; for more on this, see *Due diligence and risk management through our ethical trading programme* below.

Our policies in relation to modern slavery and forced labour

Established in 1999, our **Ethical Trading Policy** remains central to the way in which we do business. It is modelled on the ETI Base Code and makes reference to key **ILO Conventions & Recommendations** as well as corporate human rights legislation and frameworks such as the **UK** and **Australian Modern Slavery Acts** and the **UN Guiding Principles on Business & Human Rights**.

It is a public document that can be viewed on our website and it forms part of all contracts with suppliers and licensees. It is reviewed regularly and updated as necessary.

The policy sets our requirements on labour standards within the supply chains of our licensees and suppliers and includes the requirement for appropriate remedy where workers' rights have been breached.

It is prefaced by a list of minimum standards that suppliers must meet, the first of which addresses forced labour.

BBC Studios operates an Ethical Trading Programme in order to assess and mitigate forced labour risks.

The programme incorporates principles of due diligence and risk management, using independent data sources to help identify those areas of our operations and supply chains where risks of exploitation may be greater. These risks will often depend on the geographical region and/or sector where our activities are taking place and so we manage our response accordingly.

Our approach is one of continuous improvement, as we acknowledge that not everyone will immediately be able to meet our standards in full. However, we take a zero-tolerance approach to the most serious rights abuses, as set out in our minimum standards. These issues must be addressed before BBC Studios can begin to work with a supplier.

The wide range of products made by our licensed consumer products businesses are sourced from manufacturers all over the world, often in countries where the risk of poor labour practices may be higher. As such, the factories that form these supply chains are a key area of focus for the business. While the licensing model means we do not select the factories ourselves, we work closely with our licensees to assess their chosen factories and to identify and rectify areas of concern.

As part of this ongoing assessment process, BBC Studios utilises independent ethical audits for sites located in higher risk countries and sectors and employment profile assessments (EPAs) in lower risk territories. EPAs help identify any risk indicators of forced labour and other serious issues to determine if further due diligence may be required.

All first tier manufacturing sites must go through this assessment process and our product approval system is linked to our ethical policy database; if a site has not been approved then production approval cannot be granted. This direct link helps drive the effectiveness of our programme by motivating licensees and suppliers to make real improvements to working conditions within their supply chains.

Our programme also includes the use of secondary, forensic assessments to enhance our due diligence procedures. These assessments are carried out by independent labour standards experts and are often accompanied by members of our internal team, though see below for the impact of Covid-19 on this activity.

Training

We provide on-line training that is mandatory for all staff in sourcing or licensing roles. We also provide guidance documentation to suppliers and licensees, underlining that minimum standards on forced labour and other serious issues must first be met before a factory can be approved for production.

See below for more on training.

Our actions in the last financial year

In 2020/21, we undertook the following actions to further mitigate the risks of exploitation within our operations and supply chains:

Covid-19 response

BBC Studios sought to identify those business areas and supply chains where the pandemic may have led to a heightened risk of labour rights violations, including health and safety or forced labour.

We collaborated closely with partners and industry organisations to develop a pragmatic yet robust response to the risks, ensuring that worker welfare remained the focus of any decision making. To support this work, Covid-19 specific guidance was developed for both our consumer products and labour service supply chains.

As a result of Covid-19 travel restrictions and the changing lockdown statuses of sourcing countries, we were unable to carry out any accompanied forensic assessments this year. However, they remain an important element of our programme and we aim to reinstate them once restrictions ease.

Furthermore, the impact of the pandemic on those business areas most dependent on labour service suppliers, such as live events and TV production, disrupted our plans for further work on due diligence and risk management in these areas. We hope to revisit these plans in the coming year as live events reopen and health and safety restrictions are lifted.

TV production supply chain grievance mechanism

For many years BBC Studios has had in place a whistleblowing hotline that is available to all staff (whether internal or external) who wish to raise concerns about misconduct, malpractice or any type of wrongdoing that may impact others.

In early 2021, we started to focus on promoting the hotline to those in ancillary roles and/or employed by third parties. We worked with one of our Australian productions to raise awareness of the hotline as a grievance mechanism for anyone working on the production, whether or not they were directly employed by BBC Studios.

This piece of work has emphasised the availability of the mechanism to all workers on set and highlighted the issues that should be reported, including forced labour. Feedback via an anonymous survey provided useful insights that will be built on going forward.

Mandatory training

In October 2020, we introduced new **Code of Conduct** e-learning, which is mandatory for all BBC Studios employees and freelancers. As part of a general introduction to key company policies, it provides an overview of our ethical trading and modern slavery policies and mitigation practices.

Owing to the on-going pandemic, face to face training and workshops were suspended, though we were able to provide support and guidance to colleagues via video calls. We also continued to provide a range of ethical trading guidance documents for both colleagues and external partners.

Looking ahead

As the impact of Covid-19 will continue to be felt across many key sourcing countries in the coming year, managing emerging risks in our consumer products supply chains will remain a priority for BBC

Studios. In those areas where restrictions have or are easing, we will look to resume any work that may have slowed or been put on hold owing to the pandemic.

Updated Ethical Trade training to support the Code of Conduct training is also planned to be introduced in the coming year.

BBC Studios will continue to engage with industry organisations to support and participate in collaborative responses whenever possible.

This statement has been approved by the <u>BBC Commercial Holdings Board</u> at their meeting on 13th July, 2021.

This statement has been signed by:

Martyn Freeman

General Counsel, BBC Studios

28 September, 2021