

# **BBC Studios UK Modern Slavery Statement 2021/22**

This statement has been prepared and published on behalf of **BBC Studios Ltd** for the financial year ended March 31<sup>st</sup> 2022, in accordance with the UK Modern Slavery Act 2015. It is the seventh such statement from the company; links to previous statements can be found at the bottom of this page.

(For the **BBC Group** statement, <u>see here</u>.)

#### 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. A team of subject matter experts are employed to oversee and implement our **Ethical Trading Policy & Programme**, with **BBC Studios' Chief Operating Officer** having overall executive ownership for the company. Oversight of our ethical trading risks is provided on a quarterly basis by the **Compliance and Risk Committee**<sup>1</sup>, made up of key members of the company's senior executive team.

We continue to be 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</u> <u>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**<sup>2</sup>.

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.

Branded Services brings these programmes to: i) international audiences through broadcast on BBC branded channels and services including BBC Global News, which encompasses international news channels and [bbc.com]; and ii) 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

<sup>&</sup>lt;sup>1</sup> As of April 1<sup>st</sup> 2022, the Compliance and Risk Committee was reformed as the BBC Studios Operations Committee with the BBC Studios' COO and key members of the senior executive team remaining as Chair and members.

<sup>&</sup>lt;sup>2</sup> As of FY2022/2023, the Branded Services business has been renamed Channels and Streaming.



**Productions Ltd** and we hold shares in a number of independent production companies. Our subsidiary, **UKTV Media Holdings**, is a commercial multichannel broadcaster operating in the UK and the Republic of Ireland via pay, free-to-air and digital platforms.

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 contract with third parties 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.
- In our channels and digital services, we contract with suppliers for a range of broadcast operations relating to our channels as well as development, operation and distribution of our digital services, such as UKTV Play.

Our approach to assessing this large variety of suppliers is based on where our research shows 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

Our Ethical Trading Policy has remained central to the way in which BBC Studios does business since its establishment in 1999. Modelled on the ETI Base Code, it 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 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 and the first of these addresses forced labour.



## Due diligence and effective risk management through our Ethical Trading Programme

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

Our research this year has shown that our most significant risk of forced labour sits within our licensees' global manufacturing supply chains, particularly when based in regions where the employment of migrant workers is common and regulated in contrast to best practice. For example, migrant workers may be required to pay recruitment fees to labour agents to secure employment, which puts them at risk of debt bondage. They may also be required to lodge their identity papers with their employers restricting their ability to leave freely or have their movement restricted in line with a government policy.

BBC Studios' consumer product licensees are responsible for sourcing a wide range of product from manufacturers all over the world and as such, the factories that form these supply chains are a key area of focus for the business. As a licensor we do not select factories ourselves but work closely with our licensees to assess their chosen factories in order to identify and rectify areas of concern.

Our 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 we manage our response accordingly.

We promote a continuous improvement approach to supply chain management, acknowledging that not everyone is immediately able to meet our standards in full. However, we have a zero-tolerance approach to the most serious rights abuses, as set out in our minimum standards, and these issues must be addressed before BBC Studios can begin to work with a supplier.

As part of this ongoing assessment process, BBC Studios utilises independent ethical trade 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 trading database; if a manufacturing site has not been approved then production approval cannot be granted. This link helps drive the effectiveness of our programme as it motivates licensees and suppliers to make improvements to working conditions within their supply chains.

Our programme also includes the use of secondary, forensic assessments to enhance our due diligence procedures when possible. These assessments are carried out by independent labour standards experts and accompanied by members of our internal team.

## Speak up culture

BBC Studios has a Code of Conduct programme which promotes a "speak up" culture. We provide a variety of reporting channels for employees and third parties to raise concerns related to modern slavery and labour exploitation. In the previous financial year no reports were received related to these issues. See *Updates to BBC Studios' grievance mechanisms* below for more information.



#### Training

BBC Studios' Code of Conduct training is mandatory for all employees and freelancers. As part of a general introduction to key company policies, this training provides an overview of our ethical trading and sets out expectations and processes that we require all staff and freelancers to follow. As of 1<sup>st</sup> April 2022, this training was completed by 96% of all staff.

This e-training module is complemented by online workshops presented by the BBC Studios' ethical trading team targeted at those business areas identified as being higher risk for modern slavery and other forms of labour exploitation. Further guidance documents on these topics are also provided to support BBC Studios' employees and partners.

See below for more on training

## Our actions in the last financial year

In 2021/22, we undertook the following actions to further mitigate the risks of exploitation within our operations and supply chains:

### **Update on Covid-19 response**

The impact of Covid-19 continued to be felt in many key sourcing countries over 2021/22 resulting in BBC Studios working with licensees and suppliers to ensure that appropriate due diligence remained in place at impacted manufacturing sites. In-person audits continued where possible with virtual audits being accepted where restrictions were in place. Supplementary documentation and evidence was requested where available to support virtual audits and provide further assurances around forced labour and other labour exploitation risks.

## Updates to BBC Studios' grievance mechanism

BBC Studios' whistleblowing line and grievance mechanism was updated in the past year providing a hotline as well as mobile and online options for employees and third parties to raise concerns. This update has improved accessibility for disabled workers, non-English speakers and non-office based workers as well as allowing for reporting from a larger geographical region than previously available. An awareness campaign was initiated in our offices to communicate the change and embed it with our workforce.

# Research on vulnerable populations in our supply chains

In response to the increasing risks of forced labour for vulnerable populations around the globe, BBC Studios undertook research to better understand the potential impacts of these risks in our wider supply chains. Key learnings from this work have been incorporated into the risk assessment and mitigation processes of the business.

## **Modern Slavery training**

Building on the Code of Conduct e-learning introduced last year, BBC Studios introduced a variety of online workshops to support employees and key partners in extending their understanding of the BBC Studios Ethical Trading Policy and Programme.



## **Looking ahead**

Having adopted the BBC Studios Ethical Trading policy, UKTV and BBCS will continue to work closely to further embed modern slavery and ethical trading controls into UKTV's operations including a bespoke training offering being provided to our UKTV colleagues.

Building on previous work, BBC Studios will look to improve ethical trading processes for service providers in business areas where forced labour and other forms of labour exploitation have been identified as higher risk.

BBC Studios will continue its work to monitor the risks faced by vulnerable populations in our global supply chains and leverage any learnings to improve our controls.

We will continue to enhance our ethical trading training and awareness materials over the coming year to better support the business on the topics of modern slavery and labour exploitation.

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

This statement was approved by the BBC Studios Limited Board on August 9<sup>th</sup>, 2022.

Signed by:

Tom Fussell Chief Executive Officer, BBC Studios Limited 9/08/22