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## **BBC STUDIOS MODERN SLAVERY STATEMENT 2017/18**

This is the annual Modern Slavery Statement for BBC Studios for the financial year ended March 31<sup>st</sup> 2018, covering activities carried out by the division of the company that formerly operated under the name of BBC Worldwide Ltd. (For an explanation of the relationship between BBC Worldwide Ltd and BBC Studios, see the next section).

To review our previous statements, see the bottom of this page. For the BBC Group's Modern Slavery Statement (which covers the activities that were carried out by the production division of BBC Studios), see [here](#).

### **BBC Studios**

BBC Studios is a wholly owned commercial subsidiary of the BBC, the UK's public broadcaster. In its current form, BBC Studios came into existence on April 1<sup>st</sup> 2018, merging two formerly separate subsidiaries, BBC Worldwide Ltd and BBC Studios.

The principal business activities of BBC Studios are the production and distribution of television content for global audiences, maximising the value of BBC programmes and brands through our commercial activities and bringing value to the British public by returning to our parent company the profits from our businesses.

In addition to these primary activities, we also operate ancillary businesses such as licensed consumer products and live events. Some of our activities are managed through subsidiary companies or joint ventures and we also hold shares in a number of independent TV production companies.

We are headquartered in London, with regional production offices throughout the UK; as a global company, we also have production and distribution offices in North America, Europe, Asia, Africa and Australia.

For more a more detailed description of our company and its constituent businesses, see [this general introduction](#).

### **Our supply chains**

To date, we have focused our ethical trading efforts on the global supply chains that support our consumer products business. As this business is largely based on a licence model (i.e. we license our IP and brands to product specialist companies), we neither select nor control the vast majority of the factories that manufacture our branded products. We therefore work closely with our licensees to track their supply chains and develop appropriate due diligence and monitoring steps in line with responsible business guidance; see below for how we do this.



In 2016/17, we invested in a database to help us monitor our licensees' factories more effectively. Our licensees source from factories all over the world, from Europe and North America through to South and East Asia, with China being the most significant location for manufacturing.

See previous statements for more detail on our supply chains.

## BBC Studios' policy, ethical programme & governance

BBC Studios is a company with strong values that inform all aspects of how we do business. We therefore have an ethical policy and programme that seek to address human rights risks (including those relate to forced labour) within our supply chains.

We have adopted BBC Worldwide's **Ethical Trading Policy**, which was introduced in 1999 and incorporates key **ILO Conventions and Recommendations**, including **Conventions 29 & 105** and **Recommendation 35 on Bonded/Forced Labour**.

The document is available on our public website and forms part of all contracts with suppliers and licensees. The policy sets our requirements on labour standards and is prefaced by a list of minimum standards which licensees' factories must meet before we are able to work with them.

Our ethical trading programme was developed to support this policy through the monitoring and assessment of labour standards within our licensees' factories. This programme is overseen by our **Ethical Policy Department**, a dedicated team of three subject experts who review and grade appropriate documentation (including independent ethical audits) for our licensees' factories. The Ethical Policy Dept reports into the **Director of Regulatory Affairs**.

All staff involved in the licensing or sourcing of products are expected to follow the requirements of our ethical trading programme, supported by advice and guidance from the Ethical Policy Dept.

Similarly, when signing a contract with us, all of our suppliers and licensees agree to adhere to our Ethical Policy and to put their factories through our programme's extensive system of on-going audits for tier one factories located in higher risk territories.

The programme is governed by three fundamental principles:

- All tier one licensee factories must be approved before our branded products can be manufactured.
- BBC Studios will approve supplier factories that are working towards full compliance with our code, as long as they have first demonstrated that they meet our minimum standards, including those on forced labour.
- If suppliers or their factories do not meaningfully engage with our programme or attempt to hide issues of concern then we will no longer be able to work with them.

In addition to carrying out our own risk assessments and monitoring, we work with independent labour standards experts to provide advice and guidance. We are also members of the **ETI** and **Sedex**, multi-stakeholder initiatives that bring together



companies to tackle issues such as forced labour and human trafficking. See previous statements for more detail on our approach.

Our policy and programme have historically been overseen at executive level by the quarterly **Ethical Steering Group** (ESG), chaired by the company's General Counsel who also holds board level responsibility for ethical trading. Other members of the BBC Worldwide Executive Committee were members of the ESG, representing key business areas and geographies within the company.

The company's ethical trading strategy was agreed by the ESG and issues of particular significance were discussed and resolved by the group. Having this executive level oversight and understanding of ethical trading has been a fundamental aspect of our commitment to business and human rights.

Following the merger of BBC Worldwide with BBC Studios, our ethical trading policy, programme and governance will be reviewed; see the 'Looking ahead' section below for more on this.

## Ensuring the effectiveness of our programme and training

To underpin our policy and programme, our creative approvals system is linked to our ethical database so that final product approvals cannot be given to licensees until their tier one factories have been signed off as meeting at least minimum standards.

To ensure that all staff are aware of what is required of them, we offer online training that sets out our requirements, reinforced by a video message from our CEO. We also provide guidance documentation to licensees on how to follow our ethical trading programme, underlining that minimum standards on forced labour and other serious issues must first be met before a factory can be approved for production.

For more detail on all of the above areas, see previous statements.

## Our actions in the last financial year

In 2017/18, we undertook the following actions to further mitigate forced labour risks:

- **Site visits**

As in previous years, we accompanied a number of site visits of licensees' factories, working with independent labour standards experts to assess working conditions. These visits fulfil a number of purposes: to validate the findings from previous audits; to talk direct to factory managers about the challenges they may face; and to learn more about our licensees' own approach to ethical trading. All of the findings from these visits then feed back into our ethical trading strategy.

- **Industry collaboration and communication**

As noted in last year's statement, we were instrumental in founding the **TV Industry Human Rights Forum (TVIHRF)**, bringing together key broadcasting and production organisations to work together on tackling forced labour issues within our industry.

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In the last 12 months the Forum has convened on a number of occasions and members actively collaborated on a project to understand TV production labour supply chains. Member companies' in-house human rights specialists worked alongside their production colleagues to identify specific roles that may be vulnerable to forced labour issues. The learnings from this project have informed our due diligence and monitoring plans and we will continue to share ideas with our industry peers through the Forum.

We also strengthened our relationships with multi-stakeholder initiatives. In October 2017 our Head of Global Ethical Policy joined the board of Sedex and in January we submitted our ethical trading report to the ETI, setting out our ethical trading commitments and practices. Additionally, members of our team attended ETI events such as the Human Rights Due Diligence workshops, through which we were able to engage with our peers on detailed discussions around forced labour and ethical trading.

We continued our commitment to sharing more widely our experiences of dealing with ethical trading issues, at both a national and international level. Members of our team addressed delegates at the **UN Global Compact Business & Human Rights** event in Berlin in December 2017 and at the **Sedex Conference** in March 2018.

Closer to home, we shared our expertise and experience with colleagues in our parent company and provided advice and guidance on how the **BBC Group's** modern slavery strategy might further develop and progress.

- **Widening the scope of our ethical trading programme**

Although our forced labour risks remain centred mostly within our licensees' global factories, we have started the process of widening our ethical programme to identify risks in labour supply chains.

In 2017/18 we worked with a key licensing partner to understand the employment profiles for workers in ancillary roles within their operations, engaging Ergon Associates for independent expert guidance. As with the site visits and TV production project mentioned above, the learnings from this process have been fed back into our programme and have helped us set our priorities for the coming year.

## Looking ahead

With the formation of the new BBC Studios, our overarching strategy for the next 12 months is to review our ethical trading policy and programme in light of our expanded business activities. This will broadly fall into the following areas:

- **Policy and governance review**

We will review and update as appropriate our Ethical Trading Policy, to ensure that its provisions and requirements are comprehensive and reflect current guidance on best practice. We will also review our governance procedures to ensure that all appropriate executive stakeholders have oversight and ownership of our ethical trading programme.



- **Ethical trading programme review**

We will review and assess the business activities and related supply chains for BBC Studios to understand the new company's potential human rights impacts. As above, we will then update our ethical trading programme as required and we will prioritise actions according to human rights risks.

We will continue to work alongside our industry peers within the TVIHRF while conducting these reviews. Additionally, we will also remain focused on our peer relationships through the ETI and Sedex and we will continue to seek opportunities to communicate with a wider ethical trading audience.

All of the above will take place alongside to our on-going commitment to working with our licensees on addressing issues within their factories when they arise. We will report on the outcomes of these reviews and our other activities in next year's statement.

This statement has been approved by

**Martyn Freeman**

*General Counsel, BBC Studios*

on behalf of the BBC Studios Executive Committee.

31 May, 2018