

BBC Studios Modern Slavery Statement 2018/19

This is the fourth annual Modern Slavery Statement for BBC Studios for the financial year ended March 31st 2019.

For the BBC Group's Modern Slavery Statement for financial year ended 31 March 2018, see [here](#).

BBC Studios

BBC Studios is a wholly owned commercial subsidiary of the BBC, the UK's public broadcaster.

Our purpose is to produce and distribute world-class content that informs, educates and entertains, and to strengthen the BBC creatively and financially through our activities. We produce programmes for the BBC and other broadcasters & content platforms and as well as distributing our content via our channels and TV content sales divisions. 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 (including **BBC Studios Ltd**, **BBC Studios Distribution Ltd**, **UK Programme Distribution Ltd**, **BBC Grafton House Productions Ltd** and **2 Entertain Ltd**). We also hold shares in a number of independent TV production companies.

Our head office is in London, with regional production offices throughout the UK. 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

The global supply chains that support our consumer products business remain the principal focus of our ethical trading activities. This business is almost exclusively based on a licensing model and so we work closely with our global 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.

As in previous years, China is the most important source country for the production of BBC Studios licensed goods, though our licensees also manufacture in a wide range of other countries with the UK, India and the USA next in terms of significance.

See previous statements for more detail on our supply chains.

BBC Studios' policy, ethical programme & governance

The BBC Studios Ethical Trading Policy & Programme are at the heart of how we operate as a company. The Policy itself has been in place since 1999 (it was most recently revised last year; see below) and is based on the ETI Base Code, reflecting 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 that licensees' factories must meet before we are able to work with them.

We have an internal Ethical Trading Department, a team of three subject experts who manage our Ethical Trading Programme. The Programme is designed to monitor and assess licensees' factories through the review of appropriate documentation (including independent ethical audits) for our licensees' factories. The Ethical Trading 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. Similarly, all of our suppliers and licensees contractually 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 basic 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 if they 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 a number of independent labour standards consultancies who provide expert advice and guidance.

Our policy and programme are overseen at executive level by the Compliance and Risk Committee; see below for full a full description.

Ensuring the effectiveness of our programme

As a fundamental tenet of our Ethical Trading Programme is the assessment of higher risk tier one factories, our creative approvals system is linked to our ethical database so that final product approvals cannot be given to licensees until their 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. The Ethical Trading Dept also offers one on one support to colleagues and licensees whenever possible.

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 2018/19, we took the following actions in relation to forced labour risks:

- **Policy review and update**

We undertook a full review of our Ethical Trading Policy (see above for the link) and updated it to reflect developments in our approach to ethical trading. The changes include:

- clarification that the policy applies to labour service providers as well as to manufacturing suppliers
- a clearer position on recruitment fees, including the requirement for suppliers to commit to an 'employer pays' recruitment principle
- the requirement for appropriate remedy where workers' rights have been breached by suppliers
- updated references to appropriate international legislation and frameworks, including the UK and Australian Modern Slavery Acts and the UN Guiding Principles on Business & Human Rights.

The policy review benefitted from independent expert advice from Anti-Slavery International, a highly respected human rights NGO, and Ergon Associates, a leading business and human rights consultancy.

We will continue to review the policy regularly and update it when appropriate.

- **Governance review**

Following the formation of BBC Studios through the merger of the BBC's commercial production and distribution businesses (see last year's statement), we also revised the governance procedures for our ethical trading activities.

BBC Studios General Counsel continues to act as overall executive sponsor for ethical trading, with on-going oversight now provided by the **Compliance & Risk Committee** (CRC), made up of BBC Studios Executive Committee members.

The CRC scrutinises our ethical trading strategy and activities and signs off policy updates. This governance model builds on the structure that we had within BBC Worldwide (see previous statements) and ensures that ethical trading remains a core element of company values.

- Reviewing the scope of our ethical trading programme

While our focus has historically been on our licensed consumer products supply chains, we have started to assess potential risks in labour services as well. We have been focusing on ancillary roles within TV production and have begun a process to work with stakeholders (internal and external) on understanding where there may be labour rights risks and how they might be addressed.

See below on how we plan to build on this work.

- Industry collaboration and engagement

As mentioned in previous statements, collaboration and external engagement form a core part of our activities.

In addition to the risk assessments that we undertook internally, we continued to work with our peers in the **TV Industry Human Rights Forum (TVIHRF)** and collaborated on a project plan to start to identify and address the risks through joint action. (See below for more on this.)

We have also maintained our commitment to wider collaboration and cross-sector engagement. Last year, BBC Studios attained full member status of the **Ethical Trading Initiative (ETI)**, a tri-partite organisation of businesses, trade unions and NGOs supported by the UK government. Our Head of Ethical Policy was also re-elected to the board of **Sedex**, another leading ethical membership organisation.

In October 2018 our Head of Ethical Policy attended the **UN Forum on Business & Human Rights** and in March 2019, he and our Director of Regulatory Affairs led sessions on modern slavery for leading company executives at the **General Counsel and Compliance Strategy Forum**, providing practical insights on ways to embed human rights considerations within business operations.

Finally, we continued to work closely with colleagues in our parent company and across the BBC Group, providing guidance for the continuing development of the wider BBC's modern slavery and ethical trading strategy.

Looking ahead

With our revised policy and governance structure in place, we are committed to the following actions in the next year:

- Industry collaboration

As noted above, the members of the TVIHRF have devised a project plan to assess and mitigate labour rights risks with TV production. Over the next year, the Forum members will work in partnership with external consultants to build an understanding of how TV production labour service supply chains work and where there may be gaps in good practice, which we will seek to address collaboratively.

- Licensing supply chains

In addition to the regular audit programme described above, we will revisit our programme of forensic assessments, working with a selection of key licensees to understand in detail any labour rights issues that may be present in their factories.

- Guidance documentation

Further to last year's policy update, we will review and revise the ethical trading guidance that we provide to our licensees and suppliers, ensuring that it reflects good practice on principles of remedy and on identifying forced labour risks, among other topics.

This statement has been approved by

Martyn Freeman

General Counsel, BBC Studios

on behalf of the BBC Studios Executive Committee.

1 May, 2019