## **BBC Studios Modern Slavery Statement 2023/24**

This statement has been prepared and published on behalf of BBC Studios Ltd for the financial year ended March 31<sup>st</sup> 2024 in accordance with the UK Modern Slavery Act 2015, the Australian Modern Slavery Act 2018 and the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act 2024.

For the purposes of the UK Modern Slavery Act, this is the ninth such statement for BBC Studios Ltd (CRN 04463546) and those lines of business managed through subsidiary companies, including BBC Studios Production Ltd (CRN 09463829), BBC Studios Distribution Ltd (CRN 01420028), UK Programme Distribution Ltd (CRN 03323782), BBC Grafton House Productions Ltd (CRN 08539875), UKTV Media Holdings (CRN 07596400) and those independent production companies in which we hold shares. Links to previous statements can be found at the bottom of this statement.

For the purposes of the Australian Modern Slavery Act this statement relates to BBC Studios Australia Holdings (ABN: 85 127 624 104, "BBC Studios Australia"), a holding company which is used primarily for consolidated reporting. Its activities are carried out and managed through its subsidiary trading companies: BBC Studios Australia Pty Ltd (ABN: 20 129 255 616 for distribution and BBC Studios Productions Australia Pty Ltd (ABN: 47 129 527 082) (and its Special Purpose Vehicle subsidiaries) for production. These subsidiaries operate within the same compliance risk assessment framework as BBC Studios Australia Holdings Pty Ltd and the same consultation process has applied across these entities. They were consulted in the development of this statement. BBC Studios Australia Holdings is a wholly owned Australian subsidiary of BBC Studios Ltd.

For the purposes of the Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act this statement relates to BBC Studios Ltd (CRN 04463546) which is the principal distributor of BBC programming bringing BBC content to Canadian audiences through the discretionary service television channel, BBC First. Our commercial activities in Canada are primarily carried out through our subsidiary companies, BBC Studios Canada Ltd (BN 3993329-9) and BBC Studios Americas Inc (801059705), both of which are wholly owned and controlled by BBC Studios Ltd and also operate within the same compliance risk assessment framework as BBC Studios Ltd.

BBC Studios Ltd sets the policies and processes to assess and address modern slavery, forced labour and child labour risks in its supply chains and these are followed by the reporting subsidiaries set out in this statement. The same consultation process has applied across these entities. They were consulted in the development of this statement.

(For the BBC Group UK Modern Slavery statement, see here.)

#### Our organisation

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

Our commercial activities are divided into two lines of business: Production & Distribution and Channels & Streaming.

Production & Distribution is responsible for creating thousands of hours of television, radio and podcast content for the BBC and other commissioners around the world, as well as the subsequent commercial sale of titles in the UK secondary window and international markets.

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 brands.

Channels & Streaming broadcasts and streams these programmes to international audiences on BBC Studios' branded channels and services, including BBC Earth, BBC Knowledge, CBeebies, BBC First, BBC Brit and BBC Kids. It is also responsible for the operation of BBC Global News, which encompasses international news channels and <a href="mailto:bbc.com">bbc.com</a>. This line of business also includes <a href="mailto:UKTV Media Holdings">UKTV Media Holdings</a>, a commercial multichannel broadcaster operating in the UK and the Republic of Ireland via pay, free-to-air and digital platforms. UKTV is the home for channels such as Drama, Dave and Yesterday and streaming service, UKTV Play.

BBC Studios' head office is based in London with further regional offices located throughout the UK and the world. A detailed list of our offices can be found <a href="here">here</a> and <a href="here">here</a>.

BBC Studios Ltd has over 5000 staff across its 21 offices. Our offices in the UK (including UKTV) has approximately 3800 employees. Our office in Toronto, Canada has 10 employees and our office in Sydney, Australia has approximately 100 employees.

#### Our operations and supply chains

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

- In our offices we contract with third parties for key services such as cleaning, catering and security.
- Production relies on the services of freelancers and support from contractors such as riggers, stagehands, caterers and security to help make our programmes, as well as post-production houses for editing.
- In Distribution we use the services of post-production houses to deliver our content to UK and international broadcasters.
- In our live events business we work with licensees who contract with venues for our shows, who in turn often contract with labour service providers, such as cleaners, catering and security.
- Within consumer products, the vast majority of our branded products are produced by licensees who source from manufacturers across the globe. We do work directly with a small number of CD, DVD and vinyl manufacturers and distributors. We also purchase goods from third-party suppliers and licensees to serve our modest online retail offering, BBC Shop, which is managed by our New York office and serves the US and Canadian market. As part of that service we contract with a third-party warehouse for storage and services such as customer service, fulfilment and shipment of orders.
- In our channels and digital services, we contract with suppliers for a range of broadcast operations relating to our channels as well as the 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 <u>Due diligence and risk</u> <u>management through our ethical trading programme</u> below.

#### Governance and oversight of BBC Studios' Ethical Trading Policy and programme

In keeping with the BBC's mission and values, BBC Studios has a strong commitment to ethical trading and corporate human rights.

A team of subject matter experts are responsible for the implementation and management of our Ethical Trading Policy and programme with overall executive ownership sitting with our Chief Operating Officer, who also chairs BBC Studios' Operations Committee. This committee has responsibility for the company's risk management process and, as such, oversees and challenges our ethical trading risks at their quarterly meetings. Further risk and compliance reporting is also provided on a quarterly basis to both the BBC Studios' Senior Executive Committee and the BBC Commercial Board.

See <u>Our policies in relation to modern slavery and forced labour</u> and <u>Due diligence and effective risk</u> <u>management through our ethical trading programme</u> for detail on our Ethical Trading Policy and programme.

## Our policies in relation to modern slavery and forced labour

Our <u>Ethical Trading Policy</u> is central to the way in which BBC Studios does business and has been since its establishment in 1999. Modelled on the ETI Base Code, it references 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.

The policy sets out 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 (Core Requirements of the Policy) that suppliers must meet to be considered for approval. The first two of these address forced labour and child labour.

It is a public document that can be viewed on our website and forms a part of our contracts and <u>purchase conditions</u> with suppliers and licensees.

#### Due diligence and effective risk management through our ethical trading programme

BBC Studios operates an ethical trading programme that incorporates principles of due diligence and risk management. Through utilising independently sourced data from a range of resources and assessing the geographical region and/or sector in which our activities are taking place, we identify those areas of our operations and supply chain where the risk of exploitation may be greater and manage our response accordingly.

BBC Studios has identified those activities which result in the manufacture of physical product as presenting the greatest risk for exploitation. Therefore, these supply chains are a priority for the business, particularly those associated with our Licensed Consumer Products business due to the volume of product it generates and the large geographical spread of its supply chain.

The majority of the factories that manufacture these products are located in the following countries: China, India, United States of America, Portugal, Bangladesh, United Kingdom, Italy, Vietnam, Turkey and Australia.

This assessment process enables BBC Studios to identify those risks most salient to these supply chains. Those risks can be summarised as follows:

Risk:	How these risks could appear in our product supply chains:	Sourcing regions typically impacted:
Forced Labour	Involuntary overtime Withholding workers' passports State-imposed forced labour Restricted movement Recruitment fees	Asia, Americas, Europe
Working hours	Regular working excessive weekly hours risking worker safety Regular working excessive consecutive days risking worker safety Insufficient rest periods provided	Asia, Americas
Unsafe workplaces	Failing to provide appropriate PPE Disabled and/or missing safety mechanisms on machinery Inadequate fire safety measures in place & inappropriate emergency exits Failing to store chemicals safely	Asia, Americas
Wages and benefits	Delayed payment of wages Wage deduction used as disciplinary method Incorrectly calculated overtime pay Failure to pay overtime wages Fees and deductions Incorrect provision of benefits	Asia, Americas
Vulnerable workers	Workers under legal working age Young workers working night shifts Young workers assigned unsuitable work Apprenticeships/work experience programmes being inappropriately managed Temporary/agency/migrant workers being inappropriately managed	Asia, Americas

The risks of forced labour and child labour in these supply chains are further impacted by four main factors:

- 1. the ongoing concerns rising from those sourcing regions where the employment of migrant workers is common and regulated contrary to best practice;
- 2. the increasing instability in sourcing regions due to geopolitical unrest and natural disasters;
- 3. the changing employment landscape for the workforce that has historically supported the manufacturing industry; and
- 4. the growth of our licensed consumer products business resulting from the success of key BBC Studios' brands.

To assess and further mitigate these risks, BBC Studios promotes a continuous improvement approach to supply chain management, acknowledging that not everyone is immediately able to meet our standards in full. However, we do take a zero-tolerance approach to the most serious rights abuses as set out in our Core Requirements, including forced labour and child labour, and these issues must be addressed before BBC Studios can start working with a supplier.

As a licensor we do not directly manage the relationships with these factories and so must work closely with our licensees to assess their proposed sites in order to identify and rectify areas of concern. A key element of this assessment process includes utilising annual, independent, ethical trade audits for sites located in higher risk countries and sectors. For lower risk regions an Employment Profile Assessment (EPA) is used to 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 are required to go through this assessment process and where non-compliances, including issues that fall below our minimum standards, are identified then appropriate remediation is put in place on a case by case basis. For further information on our approach to remediation, see <a href="Our approach to the remediation of modern slavery, forced labour and child labour.">Our approach to the remediation of modern slavery, forced labour and child labour.</a>

All events, actions and outcomes of BBC Studios due diligence and risk process are captured in our ethical trading database. BBC Studios' online product approval system for our licensed consumer products business is linked to this database meaning that production approval cannot be granted to a licensee until a factory has been fully approved. This link helps drive the effectiveness of our programme by motivating licensees to make improvements in their supply chains to avoid delays in their product development process.

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 representatives of BBC Studios and our partners.

# Our approach to the remediation of modern slavery, forced labour and child labour

If issues contravening our policy's minimum standards (including the use of forced or child labour) arise in our licensee's supply chains, we work with our licensees on the necessary actions that they and their suppliers must take to address, mitigate, and where appropriate, remediate identified issues as stipulated by the Core Requirements of our Ethical Trading Policy.

Such remediation can include the engagement of expert third-party labour standards consultancies to address issues such as child labour and/or for monitoring the implementation of an action plan.

If an underage worker were to be identified at a factory through the BBC Studios due diligence process, we would support our partner in implementing a child labour remediation plan that aligns with the Child Labour Operational Procedures devised by Impactt Ltd. In summary, the plan would reflect or include the following points:

- The physical safety and well-being of the child are foremost priorities.
- The child should be removed from the workspace immediately, though safeguarding may often dictate that the child stay onsite/in a dormitory in the short-term.
- The child's parents/guardians should be contacted immediately and ideally asked to come to the site. If they are unable to come to the site, the factory must appoint a dedicated manager to monitor the child.
- The child's needs will be assessed and an appropriate plan should be devised to remove the child from the workplace and place them in a quality education programme until they come of working age.
- The child will be paid a monthly stipend equal to the wages they were earning in employment.
- The child should be offered employment back at the site once they come of working age.
- The remediation programme will be independently monitored.
- The employer must not use coercion or threats to deter the child or their family from entering into a remediation programme.

No cases of forced labour have been identified in the last financial year. Three cases of child labour were found as a result of the BBC Studios due diligence programme at the pre-approval stage of a factory being considered for authorisation to produce BBC-branded goods. Although the factory was never actually used to manufacture BBC branded product, the Ethical Trading Team supported the licensee as it worked with an independent third-party labour standards consultancy to deploy a child labour remediation plan in line with the Child Labour Operational Procedures. BBC Studios requires key milestones of the remedial action plan to be met and updates on the progress of the remedial work before authorisation to use the factory can be granted. We have not found that the steps taken by BBC Studios to eliminate forced or child labour risks have resulted in loss of income for vulnerable families.

#### Our approach to measuring the effectiveness of our programme

To monitor and measure progress as well as the effectiveness of our programme we track a number of KPIs for the business, including:

- training attendance rates;
- number of ethical trade grievances (by topic) received;
- number of factories by sourcing country;
- totals and types of findings that fall below our minimum standards;
- number of audits where findings below our minimum standards have been identified; and
- number of findings below our minimum standards that have been satisfactorily remediated.

By regularly reviewing these, we are able to determine what further improvements are needed to strengthen our existing controls and processes in order to mitigate modern slavery, child labour and other forms of labour exploitation risk. These KPIs are also reviewed and challenged by our senior leadership team on a quarterly basis.

As part of our commitment to continuous improvement, BBC Studios' Ethical Trading Policy, programme and related documents are subject to an annual review by the Ethical Trading team and updates are made when necessary. Any significant changes to the policy or programme are referred to the BBC Studios Operations Committee for approval.

It is fundamental to BBC Studios' programme that we remain aligned with industry best practice and actively engage in cross-industry efforts to tackle modern slavery, child labour and other forms of labour exploitation in our supply chains. Therefore, we maintain memberships of the TV Industry Human Rights Forum, the Ethical Trading Initiative and Sedex, all of which are multi-stakeholder initiatives that bring together like-minded companies to tackle labour exploitation risks through collaboration and action.

#### Speak up culture

Our Code of Conduct programme encourages a "speak up" culture through, amongst other things, our Whistleblowing Policy and related reporting mechanisms, which includes a number of routes for employees and third parties to confidentially raise concerns related to modern slavery and labour exploitation. Any grievance raised via these mechanisms is investigated following strict protocols and appropriate action is taken to remediate any issues.

In the previous financial year no reports were received related to modern slavery.

## **Training**

BBC Studios' Code of Conduct training is mandatory for all employees and freelancers. It provides a general introduction to key company policies and includes an overview of ethical trading that sets out the expectations and processes that we require all staff and freelancers to meet. As of 1<sup>st</sup> March 2024, this training was completed by 94.5% of the total population required to complete it.

Teams in those business areas identified as higher risk for modern slavery and other forms of labour exploitation are also required to attend online workshops presented by the Ethical Trading team. Guidance documents on our policy and programme are provided to support BBC Studios' employees and partners. Where specific issues arise that impact our supply chains, BBC Studios will also develop targeted guidance to provide additional support.

#### Our actions in the last financial year

In 2023/24, we undertook the following actions to further mitigate the risks of exploitation within our operations and supply chains:

### Updated our Employment Profile Assessment (EPA) process

Based on learnings from last year's licensee survey and our research, we reviewed and updated our EPA questionnaires and the related process to better assess risk in those lower risk countries where forced labour and child labour risks have increased. This included the addition of more targeted questions as well as the introduction of additional documentation requirements for those suppliers who present a greater risk to the business.

#### Completed a comprehensive review and update of BBC Studios' salient labour standards risks

Considering the recent growth in our LCP business and supply chains, BBC Studios completed a comprehensive reassessment of our salient labour standards risks and related documentation to ensure that it fully reflected any changes in the risks for the business, including any related to forced labour and child labour.

## Carried out a research and assessment visit to a key sourcing country

As part of our monitoring activity, we carried out a research and assessment visit in Mexico, where we have seen an increase in factory sites, to further assess the challenges and risks of sourcing there. The visit included forensic assessments of a sampling of factories in partnership with a third-party, expert auditing company as well as direct engagement with on-the-ground partners.

# Completed an assessment of BBC Studios' "speak up" programme

As part of our commitment to continuously improve and evolve our culture, we completed an assessment of BBC Studios' "speak up" programme which included a review of initiatives in place to promote an ethical culture. As part of the assessment, further steps were identified to help enhance our activity in this area.

# Looking ahead

Leveraging the learnings from the research and assessments completed in 2023/24, BBC Studios will continue to review and update our due diligence processes to improve our assessment and management of modern slavery and child labour risks in our supply chains.

In the coming year, we aim to complete a comprehensive review and revision of our Ethical Trading guidance documents and awareness materials to better support our colleagues and partners.

Following recent acquisitions by the business, including Britbox International, BBCS Ethical Trading Team will work to embed BBC Studios' Ethical Trading Framework into these operations including its compliance risk assessment framework.

BBC Studios also commits to continuing to engage with industry organisations, colleagues and partners to develop, support and participate in collaborative responses to modern slavery and child labour risks whenever possible.

This statement was approved by the BBC Studios Board on 16 April 2024.

Signed by:

Signed by.

Tom Fussell

Chief Executive Officer, BBC Studios Limited

Date: 16 April 2024

#### **Attestation Statement**

In accordance with the requirements of the Fighting Against Forced Labour and Child Labour in Supply Chains Act 2024, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

- Tom Fussell
- Chief Executive Officer, BBC Studios Limited
- Date: 16 April 2024
- Signature

I have the authority to bind BBC Studios Ltd.

Previous BBC Studios UK Modern Slavery Statements can be found {here}.