

BBC WORLDWIDE LTD MODERN SLAVERY STATEMENT 2015/16

Last updated: 29 September 2016

The BBC's statement in relation to the Modern Slavery Act can be found [here](#).

BBC Worldwide Ltd: introduction and overview

BBC Worldwide Ltd is a wholly owned commercial subsidiary of the BBC, the UK's public broadcaster. We are an intellectual property company, maximising the value of BBC programmes and brands through our commercial activities and bringing value to the British public by returning to the BBC the profits from our businesses.

BBC Worldwide is a global company and our operations are divided into four geographic regions:

- UK
- Australia/New Zealand
- North America
- Global Markets (all territories outside of the first three regions)

Our largest office is in London but we have regional head and satellite offices in several other countries.

We operate a wide range of businesses, including **TV Sales & Distribution, Channels, Production, Live Events & Licensed Consumer Products** among many others. Some are managed through subsidiary companies and joint venture partnerships (JVs) and we also hold minority stakes in a number of independent television production companies.

For more detailed information on our global businesses and operations, [see here](#).

The supply chains supporting such a wide range of businesses are diverse, in both category and locations. The risks associated with modern slavery similarly differ depending on the country of operation and the type of supply chain. We have therefore focused our efforts to combat modern slavery according to these differing levels of risk. (See below for more details on how we assess and manage risk.)

We do not control or manage the supply chains that fall under our licensing activities, which cover the majority of our physical products; it is our licensees who select factories and decide on order quantities/lead times etc. Nevertheless, we work extensively with our licensing partners to monitor supply chain conditions and to promote best practice. (See below for more details on how we monitor our supply chains.)

BBC Worldwide policy

As a responsible company with clear values, BBC Worldwide has an **Ethical Policy** that has been in place since 1999. It is in line with the **ETI Base Code** and incorporates key **ILO Conventions and Recommendations**. It is a public document which can be viewed on our 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 suppliers must meet before we are able to work with them. The first of these minimum requirements relates to compulsory labour:

1. *Suppliers must not use any form of forced, bonded or involuntary labour, and workers must not be obliged to lodge identity papers or pay any deposit as a condition of work.*

Later clauses expand on this in greater detail and reflect the standards set out in **ILO Conventions 29 & 105** and **Recommendation 35 on Bonded/Forced Labour**.

How BBC Worldwide assesses & monitors risk within supply chains

BBC Worldwide has sought to understand as far as possible where there may be risks of serious labour standards issues (including instances of forced labour) within our operations or supply chains.

In 2007, we worked with an independent labour standards consultancy to undertake a risk assessment of businesses and sourcing regions, based on existing industry and country data. We looked across our businesses and prioritised the licensing and consumer products business which uses a complex and diverse global supply chain. We determined that this represented our most significant area of risk and this analysis then informed our due diligence procedures, including the creation of our ethical sourcing programme with a specific focus on assessing and monitoring supplier factories for these risks.

The programme's operational element is managed by the three members of our **Ethical Policy Team** and is overseen by the **BBC Worldwide Ethical Steering Group**, which includes members of our Executive Committee.

However, all members of staff who are involved in sourcing or licensing are responsible for following company policy and for ensuring that our ethical programme is being implemented in their own business areas. (See below for details on how we train staff.)

As a condition to doing business with BBC Worldwide, all our suppliers and licensees sign up to our Ethical Policy and agree to put their factories through our ethical sourcing programme, which includes an extensive system of on-going audits for factories located in higher risk territories.

The programme is governed by three fundamental principles:

- All BBC Worldwide supplier factories must be approved before our products can be manufactured.
- BBC Worldwide 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 what is really going on then they will be terminated.

Addressing complex issues like bonded/forced labour can be extremely challenging for organisations on their own, particularly one such as BBC Worldwide where we mostly do not manage our supply chains directly. Additionally, our suppliers'/licensees' leverage with their factories is often limited by the relatively small size of our business.

We therefore also work with labour standards experts and multi-stakeholder initiatives such as the **ETI** and **SEDEX** to better understand the risks of issues such as forced labour and human trafficking and to contribute to discussions on how to deal with them effectively and consistently across industry sectors.

Ensuring the effectiveness of our policy and programme

In our training (see below), we advise staff and licensees that they should allow sufficient time when ordering products to ensure that the approvals process can be completed in time and that pressures on manufacturers are kept to a minimum. We also reinforce the message that minimum standards on forced labour and other serious issues must first be met before a factory can be approved for production.

We have developed systems to support these requirements. For example, our creative approvals system is linked to our ethical database and will not allow product approvals on non-approved

factories. We also direct staff to source from suppliers that have already been through our programme whenever possible. Where problems are identified, we place a specific emphasis on working with the supplier to improve standards in line with our policy and best practice. Where suppliers are not able or willing to meet these commitments, only then will we cease to work with them.

Training

In 2015, we re-launched our ethical sourcing training for BBC Worldwide staff, with on-line modules that can be accessed at any time in all global offices.

Within the modules we highlight some of the different forms that bonded/forced labour can take, to demonstrate that these are often hidden issues.

The training is mandatory for staff in sourcing or licensing roles but we also strongly encourage all staff to take the introductory section, to understand how our ethical programme is fully aligned with our company values. The modules also include a video message from BBC Worldwide's CEO, emphasising to staff that it is company policy to adhere to our ethical sourcing guidelines and that there should be no exceptions.

When entering into a relationship with new suppliers, our commercial teams take them through the requirements of our ethical sourcing programme and we provide follow-up written guidance for their reference. Our teams then continue to work closely alongside our new supplier partners to support their progress through our ethical programme.

Looking ahead

BBC Worldwide aims to be a responsible company and we endeavour to understand where there are risks of forced labour within any part of our supply chain so that we can deal with them appropriately and sustainably. We are investing in new technology to assist us in monitoring and reporting on the efficacy of our ethical programme and we are reviewing our guidance for external suppliers to ensure that it highlights the risks of forced labour.

Forced labour and modern slavery do not exist in isolation; more often than not they are tied up with other complex issues and so our ethical sourcing programme is intended to identify and address these issues as a whole.

However, we are a dynamic company with constantly evolving businesses and we therefore recognise that there are always improvements that can be made to the way we work. We regularly review and refine our policies and procedures and will include updates on these actions in future statements.

Over the next year we will continue to build on our work so far and extend our programme to other appropriate areas of the business as part of our efforts to eliminate all forms of compulsory labour and human trafficking from our supply chains and operations.

This statement has been approved by

Martyn Freeman

BBC Worldwide General Counsel & Company Secretary

on behalf of the BBC Worldwide Board.

29th September, 2016