



BBC GROUP MODERN SLAVERY ACT STATEMENT FINANCIAL YEAR ENDED 31 MARCH 2016

1. INTRODUCTION

The BBC Group is committed to running its business responsibly and to maintaining a high standard of ethical and environmental trade practices. The BBC is supportive of the aims of the Modern Slavery Act 2015 and, in publishing an annual statement, the BBC recognises the importance of the role it can play in preventing human trafficking and slavery within its spheres of influence, to create a culture of awareness and transparency and actively engage in the eradication of modern day slavery.

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by the British Broadcasting Corporation and its other relevant group companies during year ending 31 March 2016 to prevent modern slavery and human trafficking in its business and supply chains.

The BBC is one of the largest public service broadcasting organisations in the world, established by Royal Charter and publicly funded from licence fee revenue paid by UK households. It operates nine national TV channels, 10 national radio stations, 40 local radio stations, maintains an extensive website and broadcasts across the world in 27 languages.

The BBC Group also has commercial subsidiaries which operate internationally, most notably BBC Worldwide Ltd and BBC Global News Ltd and, in addition, BBC Studioworks which provides studios and post-production facilities.

For more detailed information on our businesses and operations, see <http://www.bbc.co.uk/aboutthebbc>.

2. BBC GROUP POLICY

The BBC Group is committed to ensuring a high standard of ethical and environmental trade practices, including the provision of safe working conditions and the protection of workers' rights, across its supply chains.

As a responsible organisation which seeks to meet high standards of social, ethical and employment practice, the BBC Group has an Ethical Policy in place which is in line with the Ethical Trading Initiative ("ETI") Base Code and incorporates key International Labour Organisation ("ILO") Conventions and Recommendations. It is a public document which can be viewed online (see http://downloads.bbc.co.uk/supplying/pdf/BBC_Ethical_Policy.pdf) and encourages all of the BBC's direct suppliers and their sub-contractors to adopt similar principles and observe best practice.



The policy sets out the BBC's requirements on labour standards and is prefaced by a list of minimum standards which the BBC expects its suppliers to observe before the BBC is able to work with them. The first of these minimum requirements relates to compulsory labour:

"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."

3. UNDERSTANDING RISK WITHIN THE BBC'S OPERATIONS AND RESPONDING TO IT

In assessing how the BBC Group can best address the issue of modern slavery within its supply chains, the BBC has consulted with various relevant stakeholders across its business to determine which parts of the BBC Group are likely to be affected.

The BBC Group operates a significant licensing and branded consumer products business, using a complex and diverse global supply chain and this has been identified as being at particular risk. For that reason the relevant parts of the BBC Group have a well-established and reputable ethical sourcing programme in place managed by a specialist ethical policy team. As part of this, the relevant suppliers and licensees must sign up to the BBC's Ethical Policy (referred to above) and agree to put their factories through an ethical sourcing programme, which includes an extensive system of on-going audits. The programme is governed by three fundamental principles:

1. All supplier factories must be assessed and approved before its products can be manufactured.
2. The BBC will approve supplier factories that have demonstrated that they meet certain minimum standards, including those on forced labour, and are working towards full compliance with the BBC's policy, appreciating that suppliers in some areas face challenges in immediately meeting the standards prescribed in full and ensuring that appropriate regard is taken to their industry, country and business.
3. If suppliers or their factories do not meaningfully engage with the programme or attempt to hide what is really going on then the contractual relationship will be terminated.

In addition to the licensing and sale of branding consumer products, given the nature and size of its operations, the BBC Group has other exceptionally wide and varied supply chains with additional goods and services required by its business sourced by BBC Procurement, including:

1. Property and workplace services;
2. Broadcast and transmission equipment and services;
3. IT hardware, infrastructure and related services;
4. Marketing services; and
5. Corporate Services (e.g. stationery, recruitment, professional services).

When procuring contracts through a public procurement process, it is the general practice of the BBC to ask prospective suppliers to demonstrate the methods they use to help the BBC manage,



control and reduce the BBC's own ethical sourcing risk. Where a contract is identified as being within a particularly high-risk area (whether that is by product or geographical area) suppliers are also asked to confirm that they will adhere to the BBC's Ethical Policy (referred to in section 2 above) and, where relevant, to provide details of any schemes or initiatives they carry out to ensure that any products provided to the BBC come from ethically sound manufacturers.

4. ENSURING THE EFFECTIVENESS OF BBC POLICY AND ETHICAL SOURCING PROGRAMME

In addition to the procurement practices set out in section 3 above, the BBC also has robust contract management systems in place, with dedicated teams having regular meetings with suppliers and monitoring performance under each relevant contract. The BBC constantly reviews its contract management and enforcement practices to ensure they are as effective as possible and will continue to do so with a view to expanding as necessary to manage the risk of modern slavery being present within the BBC's supply chains.

When entering into a relationship with new suppliers in higher risk areas of the BBC Group, there is also the ability to take the commercial team through the requirements of the ethical sourcing programme and teams can continue to work closely alongside new supplier partners to support their progress through the ethical sourcing programme including but not limited to factory visits.

We also operate a Whistleblowing Policy, aimed principally at our employees but also available to others including those working in our supply chains which encourages staff to report any wrongdoing which extends to human rights violations like Modern Slavery. All reports will be fully investigated and appropriate remedial actions taken.

5. COMPLIANCE TRAINING

The BBC Group has a programme of on-line ethical sourcing training which aim to highlight some of the different forms that bonded/forced labour can take. The training is mandatory for certain BBC Group employees in sourcing or licensing roles but there is also an introductory section available more widely.

The BBC Group will continue to work internally and with its supply partners to develop and disseminate this training and further information through the organisation as appropriate.

6. LOOKING AHEAD

Over the next year the BBC Group intends to build on the work that has already been carried out in identifying risks in the BBC Group supply chains and take this forward to inform an enhanced programme of supplier due diligence as part of the BBC's efforts to ensure there is no compulsory labour and human trafficking within the BBC Group supply chains. Responsibility for progressing and monitoring this will be included in the remit of the Business Assurance team who will work to ensure that the BBC Group as a whole can identify and address ethical sourcing



issues as effectively and efficiently as possible. Contractual provisions, including additional audit rights in this area, and management protocols will also be reviewed to ensure they are increasingly effective in managing the risk of modern slavery being present within the BBC Group supply chains.

The BBC is a dynamic organisation with a constantly evolving business and supply chain and therefore recognises that there are always improvements that can be made to the way in which it works. The BBC regularly reviews and refines its policies and procedures and will include updates on these actions in its future statements.

A handwritten signature in blue ink that reads "Anne Bulford".

ANNE BULFORD
DEPUTY DIRECTOR-GENERAL
(on behalf of the Executive Board)
BRITISH BROADCASTING CORPORATION