



BBC Studios Australian Modern Slavery Statement 2022/23

This statement has been published on behalf of BBC Studios Australia Holdings Pty Ltd (ABN: 85 127 624 104, "BBC Studios Australia") for the financial year ended March 31st 2023, in accordance with the Australian Modern Slavery Act 2018.

Our organisation

BBC Studios Australia is a wholly owned Australian subsidiary of BBC Studios Ltd, the principal commercial subsidiary of the UK's publicly funded broadcaster the BBC. Our purpose is to create 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 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 Australian audiences through broadcast on BBC Studios' branded channels and services, including BBC First, BBC Earth, BBC UKTV, Cbeebies, BBC Brit and BBC Kids.

Our office is located in Sydney, and we have approximately 82 full-time employees.

BBC Studios Australia is a holding company which is used primarily for consolidated reporting. For most of FY22/23 its production and distribution activities have been carried out and managed through one of its subsidiary trading companies, BBC Studios Australia Pty Ltd (ABN: 20 129 255 616), with its other subsidiary, BBC Studios Productions Australia Pty Ltd (ABN: 47 129 527 082), remaining dormant. From March 6 2023, BBC Studios Productions Australia Pty Ltd became the main entity used for managing production and will be going forward .

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.

Our operations and supply chains

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

- Within our office, we contract with third parties for key services such as cleaning and security.
- Within Production, we rely on the services of freelancers to help make our programmes, supported by contractors such as riggers, caterers and security, as well as post-production houses for the editing of the finished programmes.
- In Distribution, we use the services of post-production houses to deliver our content to Australian broadcasters.



- 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.
- For our live events business we work with licensees who contract with venues for our shows, who in turn often contract with labour service providers.
- Within consumer products, we work with a number of licensees who source a wide range of product types from manufacturers across the globe.

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

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

We have a team of subject matter experts who 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 specific responsibility in relation to the company's risk management process and, as part of that, oversees and challenges our ethical trading risks on a quarterly basis. 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 the following section, *Assessing and addressing modern slavery risks through our Ethical Trading Policy and programme*, for more detail on our Ethical Trading Policy and programme.

Assessing and addressing modern slavery risks through our Ethical Trading Policy and programme

The BBC Studios Ethical Trading Policy was established in 1999 and is central to the way in which BBC Studios Australia does business. 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 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 of these addresses forced labour.

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

We also operate an Ethical Trading programme in order to assess and mitigate forced labour 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 have a zero-tolerance approach to the most serious rights abuses, including forced labour, as set out in the Core Requirements of our policy. These issues must be addressed before BBC Studios can start working with a supplier.



Our programme incorporates principles of due diligence and risk management, using independently sourced data to help identify those areas of our operations and supply chains where risks of exploitation may be greater. These risks will depend on the geographical region and/or the sector where our activities are taking place and we manage our response accordingly.

Our research continues to show that our most significant risk of forced labour sits within BBC Studios' consumer products licensees' manufacturing supply chains. These licensees are responsible for sourcing a wide range of product from manufacturers all over the world. The majority of the factories that manufacture these products are located in China and Australia. As such, the factories that form these supply chains remain a priority for the business.

This year we have also found that the risks of forced labour in these supply chains have been further impacted by three 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; and
3. the growth of our licensed consumer products business resulting from the success of key BBC Studios' brands.

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.

All events and outcomes of this 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 product approval cannot be granted until a factory has been fully approved. This link helps drive the effectiveness of our programme by motivating licensees to make improvements to the working conditions 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.

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 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 sign-off.

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 and other forms of labour exploitation. As such, 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 companies to tackle labour exploitation risks through collaboration and action.

Speak up culture

BBC Studios Australia's Code of Conduct programme encourages a "speak up" culture through our protected disclosure policy (Whistleblowing Policy) and related reporting mechanisms, which includes a number of routes for employees and third parties to 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 1st April 2023, this training was completed by 98% of all staff worldwide.

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, programme and other relevant topics are also provided to support BBC Studios' employees and partners.

Our actions in the last financial year

In 2022/23, we undertook the following actions to further mitigate the risks of exploitation within our operations and supply chains:

Strengthened the contractual clauses relating to modern slavery in our licensing agreements

In response to the increase in both the risks of forced labour in supply chains and the amount of modern slavery legislation globally, BBC Studios conducted a review of relevant clauses in our licensing agreements to ensure they remained fit for purpose. Working closely with our legal team, these clauses have been strengthened.



Completed an in-depth due diligence survey of licensees

To better understand how our licensees manage their direct supply chains and the steps they take to mitigate forced labour, the Ethical Trading team completed an in-depth survey with these partners. The data compiled from the survey has provided insight into our partners' ways of working enabling us to better assess and address forced labour risks, and it will continue to inform our work in the coming year.

Transitioned cotton used in our licensed apparel to recognised certification schemes

In partnership with our apparel licensees, BBC Studios has taken steps to ensure that where possible the cotton used in our licensed product has been certified by a recognised and trusted scheme. These schemes provide added assurance around how and from where the cotton was sourced reducing the risk of forced labour in this supply chain.

Published guidance to address increased risk resulting from instability in sourcing regions

Over the past financial year, due to geopolitical unrest as well as natural disasters, a number of key sourcing regions experienced increased instability that resulted in increased forced labour risks. To support our partners sourcing from those regions, BBC Studios published a series of guidance documents highlighting these risks, outlining our expectation for how they should be managed and signposting external resources that could provide further information on the issue.

Looking ahead

Further leveraging the data gathered from our 2022 survey of licensing partners, BBC Studios will continue work to enhance our due diligence processes to better assess and manage our modern slavery risk in these supply chains.

Responding to the growth in licensing, we plan to carry out research and assessment activities to build our understanding of modern slavery and other labour exploitation risks in those sourcing regions that are newer and growing in importance to the business.

The BBC Studios' central Ethical Trading team will continue to support the Australian team to improve our due diligence processes around service providers.

To ensure we are able to offer relevant support to our colleagues and partners, BBC Studios will continue to evolve our training and awareness materials.

BBC Studios will also continue to engage with industry organisations, colleagues and partners to develop, support and participate in collaborative responses whenever possible.

This statement was approved by the BBC Commercial Board on July 13th, 2023.

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Tom Fussell
Chief Executive Officer, BBC Studios Limited
22 August 2023