

## ITV – Modern Slavery Statement year end 2019

ITV plc and our subsidiaries are committed to identifying, addressing and preventing modern slavery in our operations and supply chains in a manner that puts concerns for potential victims at the centre. This is our fourth modern slavery statement in which we set out the steps we have taken during the 2019 financial year in support of this commitment.

### About us

ITV produces and broadcasts television programmes in the UK, Europe, the US and in a number of other countries. We also distribute finished programmes and formats worldwide through licensees. As of 2019, we employ 6,416 people globally as full-time equivalent employees, 4,727 people in the UK and a further 1,689 people across 14 different regions (US, Netherlands, France, Germany, Italy, Finland, Norway, Denmark, Sweden, Australia, Middle East, Israel, Hong Kong, India).

### Our companies

ITV is headquartered in the UK, with significant operations in the US, Netherlands, France and Germany. The company formed through mergers of regional broadcast licence-holders and has since expanded through acquisitions of production, distribution and digital content businesses. We have been growing internationally since 2012.

We have wholly-owned ITV Studios subsidiaries in the Netherlands, France, Germany, Denmark, Israel, Norway, Finland, Australia and the US. These production businesses mainly remake ITV formats for the local market. We also hold majority and minority stakes in production companies in France, Sweden, Italy and Denmark, whose work focuses on scripted programmes which have a local focus.

Our Global Distribution business sells finished tapes of mainly scripted programmes to international broadcasters. Our Global Entertainment business sells TV formats, such as *The Voice*, internationally. We enhance our offering to consumers through events, merchandise and studio tours of *Coronation Street* and *Emmerdale*.

### Our colleagues

Our colleagues include permanent and fixed-term employees, freelancers (mainly in TV production and broadcasting) and people working at ITV on behalf of our suppliers, including those in cleaning, maintenance and catering.

#### Case study: Living Wage

We know that modern slavery is at the extreme end of a spectrum of labour rights issues and that we need to address labour issues well before they reach that threshold. As part of this, in 2014 ITV became the first broadcaster in the UK to be accredited by the Living Wage Foundation as a voluntary Living Wage employer. This means that we pay all colleagues (permanent and fixed term employees including apprentices, freelancers, contractors and agency workers) as a minimum, the hourly rate set independently and updated annually by the Living Wage Foundation, which is higher than the Government's National Minimum Wage and National Living Wage rates. We have also standardised all our agreements so that anyone employed or contracted by ITV via a third-party organisation will receive the Living Wage. The Living Wage is a route to encouraging social mobility and access to the industry, particularly in higher cost of living locations. We do annual checks to ensure that increases in rates are applied.

## Our modern slavery approach

### Policies

All our [policies](#) flow from ITV's [Code of Conduct](#), which states that, "It is our intention only to contract with suppliers and other associated parties who can satisfy our standards or pass our checks with regards to labour and welfare conditions, anti-slavery, anti-bribery, the prevention of tax evasion and/or facilitation of tax evasion, information and cyber security, health and safety and environmental management or who have given a commitment to achieve these standards within an agreed time-frame."

Supporting this, we have policies on holidays, sick pay, working conditions, disciplinary processes and whistleblowing. Each business area throughout our global operations has a dedicated Human Resources team to provide continuous support and guidance on all these policies. Our Human Resources teams receive training from an employment law firm four times a year, which in 2019 included a session on modern slavery. This will be included within the training on an annual basis and extended to all colleagues who book freelancers ("Approved Engagers").

Across the business there is annual mandatory online training which references modern slavery, among other aspects, and reminds colleagues of the policies in place. This helps us ensure that the highest standards of safety are maintained and that ethical and good judgement is applied when making decisions. We have also included modern slavery risk considerations to the intensive anti-bribery and corruption processes that we have in place given the overlap between the issues.

### Approach to risk management

Across ITV business divisions own the management of their risks and are responsible for:

- Identifying and reporting local risks
- Maintaining risk registers and business continuity plans where appropriate
- Reviewing and implementing mitigating actions and controls

Business divisions are supported by Group Functions, which include Procurement, Human Resources and Workplace Services.

The Modern Slavery Steering Committee, comprising senior representatives from each business division, conducts an annual modern slavery risk assessment across the group. The process identifies key risks, highlights mitigating factors and potential gaps in control. We will review this assessment process in 2020 in order to account for changes in the business and to ensure that we are factoring in emerging issues.

### Procurement practices

Our centralised procurement function supports all ITV's UK operations and operates a list of pre-approved suppliers.

All new supplier engagements with a value over £50,000 or where risk is considered high are assessed to ensure appropriate pre-qualification questions are answered and evaluated. Questions cover a broad range of risk domains including modern slavery.

ITV's standard terms of engagement with suppliers require them to:

- comply with all relevant laws, including modern slavery legislation;
- warrant that they have suitable practices and procedures in place to ensure that bribery, tax evasion, human trafficking and modern slavery does not take place in their organisations or their supply chains;
- notify ITV if they become aware of any violations; and
- allow ITV to audit them to ensure that they are complying with modern slavery laws.

Where issues are identified, it may be necessary for ITV to terminate the engagement and our standard terms include provisions which would allow us to do so. However, we understand that in certain cases summary termination is likely to exacerbate the plight of already vulnerable workers and therefore in these circumstances we would seek to work with suppliers to deliver compliant practice and use termination as a last resort.

### Supporting freelancers

TV production and broadcasting relies on engaging freelancers and subcontractors. Teams of people come together for the time it takes to make a programme and then they move on to other programmes, sometimes with ITV and sometimes with other production companies. In the UK, we work with approximately 2,000-2,300 freelancers at any one time who are mainly involved in the production and broadcast of our TV programmes. The freelance nature of engagement in the TV industry can be both a benefit to workers, in terms of flexibility and a challenge, due to the unpredictable nature of assignments. Ensuring that our freelancers have their labour rights respected is an important aspect of our work with them.

At ITV, only Approved Engagers can book freelancers. To become an Approved Engager a person must complete training that includes material on labour rights and the importance of the Living Wage. All Approved Engagers must complete annual refresher training. In 2019, we provided communications on the Living Wage directly to Approved Engagers to make sure that everyone booking freelance workers is aware of and adopts ITV's approach.

### Workplace services

ITV directly employs people to deliver workplace services which include reception services, logistics and mechanical & electrical at our hub buildings in London, Leeds, Manchester and Preston, as well at the sites used for filming *Coronation Street* and *Emmerdale*. We work with suppliers for security and catering, mechanical & electrical and cleaning services. We understand that roles in security, catering and cleaning are often higher risk for poor labour practices. Accordingly, we manage our contractors closely, building strong relationships with them and checking their employees' terms and conditions and levels of pay to ensure that all workers are paid a minimum of the Living Wage. In 2019 we commissioned an audit to verify this.

The audit identified a gap in ITV's due diligence process on construction projects, regarding the engagement of third party contractors by ITV's main contractor. In 2020 we will work with all our main contractors to ensure that we have visibility of their conduct towards subcontractors engaged on construction projects.

There were no specific modern slavery issues raised within the workplace services teams during 2019.

### Raising concerns

There are a range of ways that people can raise concerns at ITV. Our [whistleblowing process](#) is available for all workers to access should they have any concerns about labour rights practices. It is important for us to evaluate employee confidence in this process and therefore as part of our annual employee engagement survey we include the question: "I am confident that, through the processes set out in the ITV whistleblowing policy, any concerns I raise will be addressed - Yes or No".

In 2019 we ensured that our whistleblowing policy was made applicable to workers beyond direct employees. Further, we extended the scope of the policy to apply to workers outside the UK, translating it for ITV's core non-English speaking territories including into Italian, French and German.

We are explicit in our Code of Conduct and relevant policies that reprisals or victimisation of anyone who raises concerns will not be tolerated. In 2020 we shall encourage leavers to complete a questionnaire to gather their perspective.

The systems that are in place to enable colleagues to speak up are reviewed annually by the Audit and Risk Committee.

In addition to the whistleblowing policy and the engagement survey, colleagues can speak up through a variety of mechanisms including:

- Informal conversations with managers and ITV's Talking Performance programme
- Employee Assistance Programme
- Talking to Human Resources
- Raising an issue with a member of the management board
- Raising a formal grievance
- ITV's Ambassador Network, the make-up of which in 2019 included the appointment of a designated Non-Executive Director in the Workforce Engagement role

Beyond whistleblowing we have collective agreements with colleagues in certain areas of ITV and we consult with the Broadcasting Entertainment Communications and Theatre Union (BECTU), Unite and the National Union of Journalists (NUJ). We see good relationships with trade unions as an important mechanism for people to raise concerns about their labour rights.

Internally we have a group of employee networks which provides other avenues for people to raise labour rights concerns. These include The Ambassador Network of 77 colleagues across ITV who represent each and every department in ITV, The Women's Network, ITV Able, ITV Embrace, ITV Pride and ITV Balance.

Although some subcontractors will have their own mechanisms in place, there is currently no formal process for workers in our supply chains to raise concerns. In 2020 we shall adopt the recommendations from the work of the TV Industry and Human Rights Forum in relation to grievance procedures and implement improvements to this to our supply chains.

## **Broadcasting**

ITV operates the largest commercial family of channels in the UK. We broadcast and commission news, sport, documentaries, entertainment, drama, comedy and children's programmes via our channels and on demand through platforms such as the ITV Hub. Our broadcasting division employs 1,728 people as full-time equivalent employees, most of whom are based in regional offices around the UK.

We also know that the way we commission television programmes can have an impact on the labour practices of production companies and their treatment of suppliers. Our pre-commissioning processes include due diligence around payment of the Living Wage and checks to identify any higher risk commissions and suppliers. Where increased risk is identified further due diligence is required and the commissioning decision is escalated. ITV's commissioning requirements stipulate that production partners must pay, as a minimum, the Living Wage to eligible employees and freelancers and the National Minimum Wage to volunteers, apprentices and trainees.

As a minimum, our commissioning agreements include equivalent provisions on modern slavery to those included in ITV's standard terms of engagement (referred to on page 2).

### **Modern slavery risks in broadcasting**

Our broadcast operations focus on getting programmes to air and ensuring technical compliance for them. Our main supply chains for broadcasting include suppliers of IT support, data centres, software and technology contractors. Of these, we have previously identified IT support operations based in India as a possible risk. We engage closely with our supplier and in 2017 and 2018 we undertook site visits to the operations to assure ourselves that labour rights were being respected.

Our teams may also encounter possible victims of modern slavery in the course of their work, for example in the hotels that they stay in or at events that they cover. We provide information to teams visiting high risk territories on the issues that they may encounter and ensure that all colleagues are aware of and have access to the whistleblowing line.

There were no specific modern slavery issues raised by broadcasting teams during 2019.

### Using our platform

As the largest commercial broadcaster in the UK, ITV reaches millions of people on a daily basis through our channels and online services. Our huge and varied output reflects the society we represent and our significant reach gives us the opportunity to enrich the national conversation and raise awareness of key issues. Every week, our programmes reach around 40 million viewers in the UK. That gives us the opportunity to shape society, start conversations and encourage action on the things that matter.

In 2019 we featured a modern slavery storyline on one of our leading soap operas, *Coronation Street*, to highlight the practice of human trafficking in the UK.

#### Case study: Alina's story – Coronation Street

*Coronation Street* is known for tackling hard-hitting issues and this year we decided to address modern slavery through the story of Alina, a young woman forced to work in a nail bar. We partnered with The Salvation Army to ensure that the storyline accurately reflected how victims might find themselves in these situations and the realities that they then might face. At the end of the relevant episodes, we gave viewers The Salvation Army's modern slavery helpline number to encourage them to report any real-life situations that concerned them.

Alina featured in 21 episodes of *Coronation Street* in 2019 (including the Christmas episode). The episodes featuring this storyline reached an average audience of 6.3 million viewers with the most watched episode (Monday 13 May 2019) reaching 6.7 million viewers. Across the episodes featuring Alina from April to August, *Coronation Street* reached a total of 15.3 million viewers. We also extended our reach through substantial social media engagement. Across Facebook, Twitter, Instagram and YouTube, Alina's story had reached a combined total of 3.5 million people. Her story generated 15.8 million video views and 6,000 "click throughs" (where a viewer clicks on the link connected to the post).

The Salvation Army aligned the timing of their 2019 European campaign to coincide with days when critical parts of Alina's story were broadcast. The campaign posts linked to *Coronation Street* generated 230,000 "impressions" (the number of people to whom the content was delivered), with a "reach" of 146,000 (the number of people to actually see the content) and 63,000 "engagements" (likes, shares and comments). The posts redirected viewers to a real-life story of someone exploited as a modern slave who is now being supported by The Salvation Army. Further, the actress who played the role of 'Alina', Ruxandra Porojnicu, supported the Salvation Army's awareness campaign around Anti-Slavery Day 2019 including promoting the hashtag #WeAreNotForSale. Kathy Betteridge, director of anti-trafficking and modern slavery at The Salvation Army, said, "We hope that this story of one woman's ordeal will help more people not only to realise the reality of modern slavery in today's society but also the importance of being aware of suspicious signs around us and to report any concerns they have to the authorities. In this way lives can be saved."

Hekate Papadaki for victim support charity Hestia said that, "Programmes like *Coronation Street* offer a real opportunity to shine a light on what is happening before our eyes. They enable us to create a discussion not only around what modern slavery is, but also the support available and the signs that it's happening to someone in your community."

## TV production

ITV Studios' main business is producing TV programmes for UK broadcasters. In 2019, we made 513 productions through 55 labels in 13 different territories.

### Risk management in TV production

For productions, we have developed a programme called 'Leading Risk' in partnership with Dr Emma Soane, an academic expert from the London School of Economics on the psychology of risk. The programme focuses on developing the right behaviour and aims to ensure that those in the business making decisions on the ground are empowered to understand and own the risks in the making of their content. We have trained all our leadership teams on this approach and are in the process of refreshing this training with the insights we have gleaned over the last two years. Our initial focus has been on physical and mental health but the programme is more widely applicable and gives us an important mechanism for drawing attention to labour rights risks in content-making.

The approach is supported by a strong focus on reporting, a culture of speaking up and a [Duty of Care Charter](#) for all those involved in a production. We support production staff at all levels to push back on aspects of productions that they are concerned about, including labour rights issues. Our ITV Studios positive risk climate supports our productions in establishing local production team cultures that support this.

Everyone on a production in the UK is asked to download and use a reporting app (the airswab AVA app) to flag incidents and concerns, which they can do anonymously. The data is shared transparently which is improving the communication between productions and central risk teams. This is enabling us to respond to issues before they become serious and to develop a better understanding of inherent risk factors for different types of production. In 2019 we translated the app into all ITV languages and we will begin to roll this out across our international business in 2020.

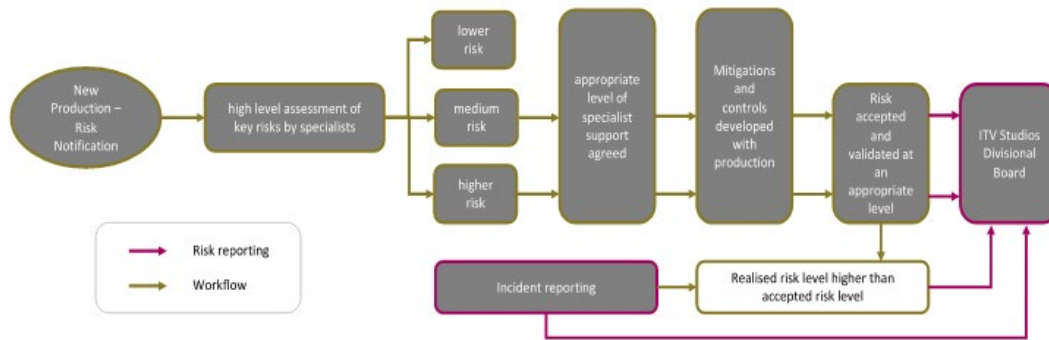
Over the course of the year we have also conducted two programme 'MOTs' which are in depth reviews of major productions introduced in 2019 as an assurance process to support our operational learning across production making. The MOTs build on our good practices and help us identify any areas where we need to improve and plan how we do this. These enable us to build a real understanding of how the production is delivered day to day, looking at what decisions and activity have been taken to make the show and what challenges are overcome in the production process allowing us to build a picture of how risk is managed across the lifecycle of the production. The ultimate aim is to evolve our risk culture, ensuring people understand, own and manage their production risks and are provided with the support and expertise to enable them to achieve this.

This allows us to understand whether our policies and good practices are truly embedded and implemented. The focus of this is continuous improvement and on gathering emerging themes and lessons, not on attributing blame.

In 2019 it became mandatory for every new production globally to complete an online Risk Notification Form<sup>1\*</sup> which helps us to understand inherent risks including risks related to modern slavery, among other issues and to prioritise those productions that need additional support. The information triggers central support teams to look into key issues. On a monthly basis this information is reported to the ITV Studios Board which decides whether it is comfortable with the mitigations in place and the residual risk of medium and high-risk productions.

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<sup>1\*</sup> Figure 1 Production risk management reporting



Production risk management and reporting

### Modern slavery risks in TV production

TV production includes supply chains for clothing, equipment, props, set construction materials, vehicles and support services such as catering, cleaning, security, driving and construction. We know that some of these sectors are higher risk for modern slavery and labour exploitation and we are in the process of understanding what that looks like for our industry. Many of the support services are provided through companies that specialise in supporting TV production, although there are occasions where production companies will need to find local non-specialist suppliers to meet their needs.

Our involvement in the TV Industry and Human Rights Forum is providing more insight into where the risks of modern slavery might be greatest and the factors that might make exploitation more likely. In 2019, the Forum commissioned a programme of research to better understand labour rights risks in TV production. Part of that research is looking at the commissioning practices that might contribute to increased labour rights risks.

ITV is contributing to the working group by sharing our knowledge, expertise, policies and documents, and providing access for the researcher to our staff and other industry contacts. Initial findings show that there are gaps in ensuring that the most vulnerable people involved in TV productions are protected from labour rights abuses although no evidence has yet been found of modern slavery.

At the moment, the UK is experiencing a boom in TV production which means that resources are thinly stretched and productions increasingly need to look outside pre-approved suppliers to meet demand for labour. Productions which research to date has shown may be more at risk of labour issues include those with small budgets, inexperienced or non-diverse production staff, those beset by challenges of time and planning and those using multiple locations to film, particularly when using local production coordinators. Risks vary by country but roles which may be at higher risk of labour abuses include set construction, security, cleaning, catering, facilities management and driving.

Findings have also identified a need for better training among senior production staff across the industry and diversity of production teams to ensure that the competencies are there to identify and address potential risks. Due to the freelance nature of the industry with few production companies retaining large numbers of staff, the role of commissioners and broadcasters such as ITV, will be crucial.

We operate an enhanced risk assessment and due diligence process for ITV Studios’ produced content made in high risk locations. All productions are tracked through a central database enabling us to know the stage of each production and its location. High risk locations are flagged to the Legal and Business Affairs team who proactively engage with the production team to ensure they have the right modern slavery checks in place. In addition, our production teams are encouraged to only engage suppliers from a pre-approved list.

There were no specific modern slavery issues raised by production teams during 2019.

### **Embedding attention to labour rights in international TV production**

Internationally, ITV Studios works through wholly-owned subsidiaries and through investment in other companies. Where we have direct control of a production company or a majority stake, we require them to adopt our policies and procedures including ITV's Code of Conduct, which has requirements on labour and welfare conditions, anti-slavery, anti-bribery, the prevention of tax evasion and/or facilitation of tax evasion, information and cyber security, health and safety and environmental management. Specifically, these require modern slavery due diligence on suppliers and the adoption of appropriate precedent clauses and general warranties in contracts with suppliers and partners. Assessing the likelihood of modern slavery risk is included in the due diligence process for all mergers, acquisitions and joint ventures.

At the end of 2018 and in early 2019, we trained every employee of ITV Studios International in governance, which included a significant component on modern slavery. This was a face-to-face opportunity to make the issue relevant to individuals in their day-to-day work and give them the opportunity to ask questions and understand how to apply important governance processes. Alongside the training, we developed and publicised the Key Group Governance Principles. The objective of the training was to put the annual mandatory online training into context.

### **Distribution, licensing and merchandise**

ITV generates revenue directly from consumers through subscription video on demand (SVOD) on the ITV Hub+, competitions, live events, gaming apps, merchandise and pay per view events, driving value from consumers' increasing willingness to engage with brands. ITV also enters into licences with third parties (licensees) for the use of ITV's intellectual property for the creation, production and distribution of consumer products by the licensees on their own account. Whilst these licensees are not suppliers as such and ITV does not typically have a role in managing the creation and manufacture of the products, for any product licences with a value of over £50,000, the licensees are asked to complete the procurement due diligence questionnaires, which identify where risks might be for modern slavery in terms of geography and business activity.

As a minimum, ITV's standard product licence terms with licensees require licensees to adhere to equivalent provisions on modern slavery to those included in ITV's standard terms of engagement (referred to on page 2). ITV also has a right to audit compliance with the licence agreement.

In 2019, we introduced a manufacturers agreement as part of our standard product licence agreement in order to pass these commitments along the supply chain. This requires licensees' manufacturer(s) to contractually confirm directly to ITV that they comply with all obligations in the licence agreement as described above.

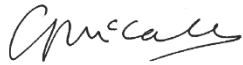
There were no specific modern slavery issues raised by the distribution, licensing and merchandise teams during 2019.

Understanding labour rights risks in the growing 'Direct to Consumer' area of the business will be a focus area for ITV in 2020. We see higher risks for modern slavery in relation to live attractions and the supply chains for merchandise produced by our licensees.

There were no specific modern slavery issues raised across ITV's business during 2019. ITV's Modern Slavery Steering Committee's work will implement the actions identified for 2020 in this statement. It will also continue to promote awareness of modern slavery risks within our business and monitor the effectiveness of the controls and mitigations identified to enable ITV to maintain our commitment to addressing and preventing modern slavery in our operations and supply chains.



This statement has been approved by the Board of Directors of ITV plc on 25 February 2020.

A handwritten signature in black ink, appearing to read 'C McCall'.

Carolyn McCall  
Chief Executive

This statement relates to the ITV plc Group, including the following key subsidiaries:

- ITV Breakfast Limited
- ITV Breakfast Broadcasting Limited
- ITV Broadcasting Limited
- ITV Consumer Limited
- ITV Digital Channels Limited
- ITV Global Entertainment Limited
- ITV Network Limited
- ITV Properties (Developments) Limited
- ITV Rights Limited
- ITV Services Limited
- ITV Studios Limited
- ITV 2 Limited
- Mammoth Screen Limited
- SDN Limited
- TwoFour Broadcast Limited