

EDITORIAL POLICY GUIDANCE NOTE

FINANCIAL JOURNALISM GUIDELINES

(Last updated: October 2010)

EDITORIAL GUIDELINES ISSUES

This guidance note should be considered in conjunction with the following Editorial Guidelines:

- **Conflict of Interest**
See Editorial Guidelines Section 14, Conflict of Interest
- **Editorial Integrity and Independence**
See Editorial Guidelines Section 15, Editorial Integrity and Independence

SUMMARY OF MAIN POINTS

- It is essential that the integrity of the BBC and its output is not undermined by the outside activities or financial interests of any of its journalists. Our audiences must be able to trust the objectivity and impartiality of the BBC's output and to be confident that editorial decisions are based purely on sound, objective editorial judgement, and that those judgements are not influenced by outside business or financial concerns.
- Journalists and presenters of the BBC's financial output should register all their shareholdings, financial and business interests or dealings in securities. All BBC employees must conform to the BBC's Employment Policy "BBC Declaration of Personal Interests" (see [here](#))

- Journalists must not use for their own profit any privileged information or financial information they receive in advance of its general publication, nor should they pass such information to others.
- It is essential that financial journalists do not promote, or give the impression of promoting, any business or financial service in the BBC's output.
- Financial journalists are subject to some specific legal restrictions. They must not promote financial services or products without proper authorisation from the relevant regulatory authority. And they must not use non-public information they acquire to trade in securities, or pass that information on to others who may trade in securities. This is "insider trading", which is a criminal offence.
- We may need to make our audiences aware that guests on financial news output have a financial or commercial interest in the topics under discussion.
- The EU's Market Abuse Directive requires to us to make our audiences aware of some additional information if it directly recommends buying or selling some securities.

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Introduction

It is essential that the integrity of BBC output is not undermined by the commercial, business or financial interests of any programme makers, journalists, or presenters. There must never be any suggestion that commercial or financial interests have influenced BBC coverage or the subject matter of programmes or the choice of items.

Transparency is the key. In order to ensure that the public cannot doubt the integrity of our financial journalism, the requirements for disclosure are greater for financial journalists than for other programme makers. These additional requirements for disclosure apply to all financial journalists including presenters, reporters and producers.

The onus is on the journalist to let the BBC know if they have any interests that could give rise to an actual or perceived conflict of interest. Would they or the BBC be embarrassed to read about it in the press? If in any doubt the journalist should talk to their editor.

Declaring Interests

The scope of financial journalism is very wide. Financial journalists may cover stories about finance or business in any area. For this reason all financial journalists must assume that any shareholdings could be connected with programme content. All shareholdings therefore must be declared. Journalists who own any shares or other securities, unit trusts, share options, equity ISAs and PEPs, personal pensions or any other financial instruments must register them with BBC People and with their senior editor or relevant Head of Department. Financial journalists should also register any other business dealings or interests including directorships, stakeholdings or consultancy work and they should name the provider of any personal pension plans. This would include, for example, being a director, company secretary or significant stakeholder in a company, or any consultancy work.

It is essential that all business and financial interests are registered to ensure they are not incompatible with the journalist's work for the BBC. Interests should normally be declared using the BBC Declaration of Personal Interest Form, a copy of which will be held on the individual's personal file. Editors and Heads of Department responsible for financial programming should ensure that they have declared all their financial interests to their line manager and that the interests are registered with BBC People.

Any journalist who has failed to register any business interest must do so immediately. When shares or other securities are bought or sold these changes should be registered as soon as possible. This information is held confidentially and acts as a protection to prevent conflicts of interest.

Journalists should not write/broadcast about shares or securities if they know that they, their partners or close family have a significant financial interest unless they have disclosed this information to their editor. If journalists have concerns that they may be working on a story which could involve a conflict of interest they must speak to their Editor or Head of Department as soon as possible. If the editor considers that there could be a real or perceived conflict of interest, the editor should deploy another journalist. In exceptional circumstances, for strong editorial reasons, a journalist may be asked to cover an area where he or she has a significant interest, in this case the interest should be declared on air.

All BBC employees must conform to the Agreed Statement "Conflict of Interest" (see [here](#)).

Guarding against exploitation of information

Journalists must not use for their own profit any privileged information or financial information they receive in advance of its general publication, nor should they pass such information to others

To maintain their integrity, journalists should not speculate by buying and selling shares on a short term basis if they have written or broadcast about them recently or know that they will be doing so in the near future.

Guarding against on-air promotion

It is essential that financial journalists do not promote, or give the impression of promoting, any business or financial service. However, where editorially justified, references may be made to particular services, businesses or branded products. In some cases it will be editorially relevant to evaluate the advantages and disadvantages of a financial service or product. Financial journalists must always guard against the impression of promoting or plugging particular products or services.

It should be noted that all BBC journalists must conform to the Guidelines on product placement and product prominence set out in Section 14 "Editorial Integrity and Independence from External Interests" of the BBC Editorial Guidelines.

Product placement

We must never include a product or service in sound or vision in return for cash, services or any consideration in kind.

(see Editorial Guidelines Section 14 Editorial Integrity and Independence from External Interests: Product Placement)

Product prominence.

Where editorially appropriate, we may refer to real commercial products, organisations and services. However, we must avoid any undue prominence or giving the impression that we are promoting or endorsing products, organisations or services.

(See Editorial Guidelines Section 14 Editorial Integrity and Independence from External Interests: Product Prominence)

Legal Restrictions on Financial Journalists

For financial journalists there are additional legal constraints:

- It is illegal to promote financial services without proper authorisation from the relevant regulatory authorities. It is vital that no BBC financial journalist ever calls their integrity into question by appearing to promote or endorse any financial product or investment, especially if they or members of their immediate family have a financial interest in that product or investment.
- It is illegal to use financial information acquired in advance to trade ahead of the markets.

Guests on Financial News Programmes

Guests speaking on financial news programmes on the BBC are covered by the principles of these guidelines but we do not normally require them to declare a personal interest.

However, in some cases, normally in the area of personal finance, it will be appropriate to seek recommendations by properly qualified persons supported by objective data. If it is known beforehand that they do have an interest in what they are recommending, then on-air disclosure should be considered best practice. They only need to declare any directly held shares or options, futures or other derivatives held in shares not any collective funds like unit trusts. Speakers who are FSA-regulated will know what is appropriate.

When we interview employees of companies about their company's shares or products, they will not necessarily be expected to be objective as they are speaking from a particular standpoint, but they must be clearly identified on air as employee of the company. Even so, we should guard against any guests on our programmes giving unsupported and blatant plugs for shares or products.

The Market Abuse Directive

The EU's Market Abuse Directive applies to BBC content. In complying with this directive the BBC is self-regulating. Individuals producing the BBC's content meet the requirements of the directive by observing the BBC Editorial Guidelines and this Guidance for Financial Journalists.

The Directive refers to the provision of investment advice defined by the legislation as *"information that directly recommends the buying, selling, subscribing for or the underwriting of a financial instrument..."*

It applies mainly to BBC journalists rather than to guests or pundits.

It covers the unlikely scenario where a BBC journalist would make a direct recommendation or disseminate a recommendation – for example by quoting an analyst or expert who is a "regulated person". In that event we would be required to state on air that the programme or item was produced under the BBC's code and provide a link for the audience to find a full version of the guidelines on a BBC website.

If guests make a recommendation they are seen as the disseminator not us. So if a pundit tells us in an interview – 'buy Tesco's', there is no need to refer to our code. But if we then quote the pundit, in 'Mr Pundit tells us, "buy Tesco's"' we are the disseminator and we must include a reference to our code. Unregulated guests like academics are not covered by this requirement. As before, we merely need to ensure that they are not taking advantage of their appearance for personal advantage.

This applies to all BBC content on any platform. Suggested words: 'This item/programme was produced under the BBC's guidelines for financial journalism, a full version can be found at bbc.co.uk/business.'

NB: This directive would rarely, if ever, apply since our position is that we do not make direct recommendations about financial products.

(An illustrative example of the care that needs to be taken in this area is provided by the practice on the business online desk which commissions and edits from pieces from outside experts and commentators for the "Money Talks" series on the BBC News website, and explicitly credits them. These pieces must never champion specific financial services or products. Instead, they are required to focus on providing background and information that helps readers to understand the context, benefits and drawbacks of such services and products. All such pieces must be accompanied by an appropriate disclaimer. The disclaimer in use in 2010 says:

The opinions expressed are those of the author and are not held by the BBC unless specifically stated. The material is for general information only and does not constitute investment, tax, legal or other form of advice. You should not rely on this information to make (or refrain from making) any decisions. Always obtain independent, professional advice for your own particular situation.)

Maintaining awareness of these issues

This guidance note will be issued to all newcomers and any changes circulated to all those involved. Journalists are required to remain vigilant in this area, to declare all stock held, bought and sold and on a regular basis to review their Declaration of Personal Interest Forms.

Other Sources of information

The Editor, Economics and Business Centre in BBC News may also be consulted on the issues covered by this Guidance.