

# 2016 AT A GLANCE



CHANNEL OF THE YEAR –  
BROADCAST AWARDS

CHANNEL OF THE YEAR –  
EDINBURGH INTERNATIONAL  
TELEVISION FESTIVAL

DIVERSE COMPANY OF THE YEAR –  
NATIONAL DIVERSITY AWARDS

TV SALES TEAM OF THE YEAR –  
CAMPAIGN MEDIA AWARDS

BRAND OF THE YEAR –  
MARKETING SOCIETY AWARDS

## Creative success

The Rio 2016 Paralympic Games – the biggest ever overseas broadcast in Channel 4 – was a huge success, while returning hits and new programmes resonated with viewers across the schedule. This resulted in record scores on Channel 4's audience reputational trackers – the majority of the trackers are at their highest or joint highest ever levels.

We invested a record £695 million in content this year, of which £501 million – another record – was spent on originations. Our supply base was broadened, with 317 companies providing our TV, film and digital media commissions, and £169 million spent on programming from the Nations and Regions.

Record

# £695m

total content spend – 10% higher than our previous record

Record

# £501m

spent on originated content across all services +10%

Worked with

# 317

suppliers

# 327

awards

# £169m

spend on production companies outside of London

## Financial stability

We reported a pre-tax deficit of £15 million in 2016, as we drew on our content reserves in order to sustain record content investment spend and prioritise projects such as the Paralympics, despite market slowdown in the latter part of the year.

At a time of continuing audience fragmentation, our portfolio audience share was down by just 0.1 percentage point, and reach fell by the smallest amount since 2011 (0.3 points).

We saw 24% growth in digital revenues this year, highlighting the continuing prominence of this revenue stream.

# £995m

corporate revenue and cash reserves of £215m

# 10.5%

viewing share across the portfolio

# 24%

growth in digital revenues

# 620m

programme views initiated on demand +21%

## Innovation and sustainable future

Our digital strategy continued to evolve in 2016, with 14.9 million people in the UK registered with All 4 by the end of the year, including more than 50% of all 16–34-year-olds.

TV viewing continued to grow on All 4, which became available on more platforms this year: 620m programme views (+21% year on year) were initiated on the platform in 2016.

# 14.9m

viewers registered with All 4

Over

# 1/2

16–34s in the UK registered with Channel 4

# £14m

of £20m Growth Fund committed

# THE REMIT AND MODEL

Channel 4's public service remit drives all that we do – agreed by Parliament and enshrined in legislation, it provides the framework for how we operate commercially and creatively. Our remit commands us to be an alternative voice in Broadcasting, giving us a unique and important role in the British cultural landscape.

The remit, which has evolved and been refined in legislation since 1982 combines a number of elements. It requires Channel 4 to be innovative, to inspire change, to nurture talent and to offer a platform for alternative views. It also requires us to not just provide Education content for 14–19-year-olds, but to provide content with an editorial tone that is educational in programmes from other genres, including Factual.

It applies across all genres and services, Channel 4, E4, More4, Film4, 4seven, All 4 and digital projects. Channel 4 must also meet a set of specific quantitative licence obligations, set and monitored by Ofcom, for news and current affairs, original production, regional production, subtitling and audio-description services and much else besides.

The Statement of Media Content Policy (pages 60 to 87) was introduced to enable Channel 4 to report on the fulfilment of its public service remit. The idea is to look across the full range of services Channel 4 offers and, in this report, provide a transparent and comprehensive account of our delivery of the remit.

The component parts of the remit are included against each chart and case study contained in the report as an indication of how we have delivered the remit across the year.

Some rounding differences may occur in the presentation of the metrics. A detailed breakdown of the remit, along with background to the selection of public value measures and changes to metrics, can be found in the methodology document that accompanies the report. All audited metrics in the document are identified with a remit icon, as indicated opposite.

## The evolution of our remit

### Launch of Channel 4

Appeal to tastes and interests not generally catered for by ITV:

- Educational
- Innovation and experiment
- Distinctive
- High general standard
- Wide range of subject matter.

### Communications Act

S.265 (3) of the Communications Act 2003 sets out Channel 4's public service remit as follows:

- High-quality and diverse programming
- Innovation, experimentation and creativity in the form and content of programmes
- Distinctive character
- Appeals to tastes of a culturally diverse society
- Make programmes of an educational nature and schools programming/provide educational content for teens.

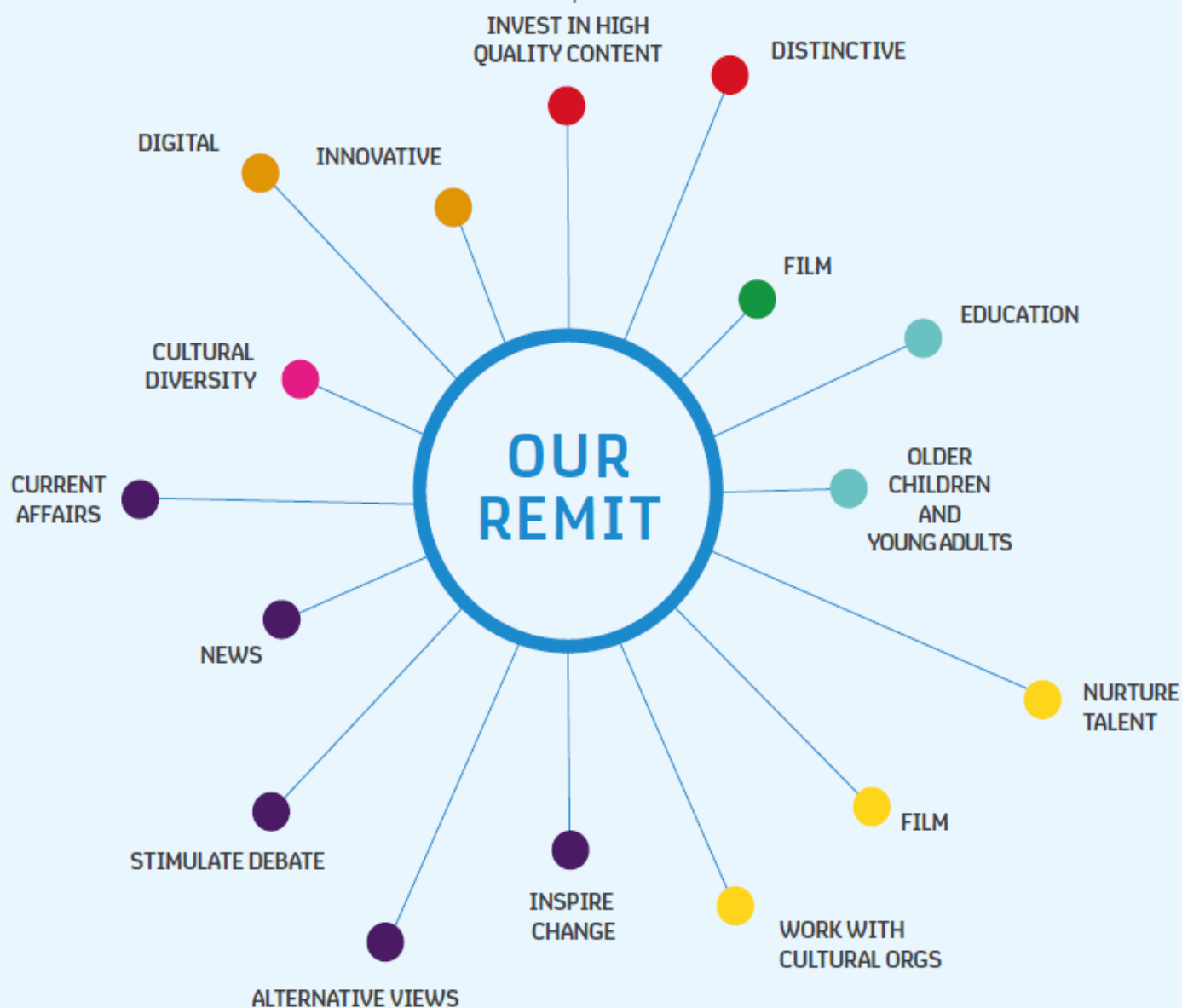
### Digital Economy Act

- High-quality and diverse programming
- Innovation, experimentation and creativity in the form and content of programmes
- Distinctive character
- Appeal to the tastes and interests of a culturally diverse society
- Make programmes of an educational nature and schools programming/provide educational content for teens

In addition, the DEA 2010 introduced new media content duties as part of Channel 4's primary functions:

- Support the development of people with creative talent, in particular people in the film industry and at the start of their careers
- Support and stimulate well-informed debate
- Promote alternative views and new perspectives
- Provide access to material that inspires people to make changes in their lives
- Work with cultural organisations
- Make a broad range of relevant media content of high quality via different types of communications networks
- Appeal to the tastes and interests of older children and young adults
- Make relevant news content
- Make relevant current affairs content
- Make, distribute and broadcast high-quality film

<b>INVESTMENT IN QUALITY</b> <ul style="list-style-type: none"> <li>- Distinctive</li> <li>- Invest in high-quality content</li> <li>- Film</li> </ul>	<b>SUPPORTING CREATIVE BUSINESSES</b> <ul style="list-style-type: none"> <li>- Nations and Regions</li> <li>- Growth Funds</li> </ul>	<b>YOUNG PEOPLE</b> <ul style="list-style-type: none"> <li>- Education</li> <li>- Older Children and young adults</li> </ul>	<b>TALENT</b> <ul style="list-style-type: none"> <li>- Nurture talent</li> <li>- Film</li> <li>- Work with cultural orgs</li> </ul>	<b>CATALYST FOR SOCIAL CHANGE</b> <ul style="list-style-type: none"> <li>- Inspire change</li> <li>- Alternative views</li> <li>- Stimulate debate</li> <li>- News</li> <li>- Current Affairs</li> </ul>	<b>DIVERSITY</b> <ul style="list-style-type: none"> <li>- Cultural diversity</li> </ul>	<b>INNOVATION</b> <ul style="list-style-type: none"> <li>- Digital</li> <li>- Innovative</li> </ul>
SEE PG20	SEE PG26	SEE PG30	SEE PG36	SEE PG42	SEE PG48	SEE PG54



# CHANNEL 4 IS A CREATIVE GREENHOUSE

Our overall role is to champion innovation in TV, film and digital – nurturing and growing new ideas, formats, views and voices, faces, talent, audiences and production companies.

## PSB CHALLENGER BRAND

**We're a challenger brand in broadcasting, encouraging high standards across the industry.**

Our investment in UK-originated content is rising, set against declining investments in PSB elsewhere.

Our existence is important in providing plurality in genres that deliver public good, where it is important that audiences have a choice of distinctive provision, such as News and Current Affairs.

We're at the forefront of innovation and harnessing new technologies and in the premier league of international creativity.

Being ahead of the market again and again not only has kept viewing share stable, but also keeps others on their toes.

## CREATIVE GREENHOUSE

**We're a greenhouse for new creative and digital ideas of significant economic importance.**

Our overall contribution to the UK's creative economy is notable given our relative size in the marketplace.

We grow small businesses across the whole of the UK and our formats are successful around the world.

We have a track record of commissioning more programme ideas than any other public service broadcaster ('PSB') and spend more with independent producers than any other channel.

## CATALYST FOR SOCIAL CHANGE

**We inspire citizenship, especially among hard-to-reach audiences.**

We have a greater impact than any other UK broadcaster in making audiences think, giving diverse viewpoints and inspiring change in people's lives.

We have a stronger relationship with young people than any other PSB in the world.

And we're a world leader in bringing diversity into the mainstream.



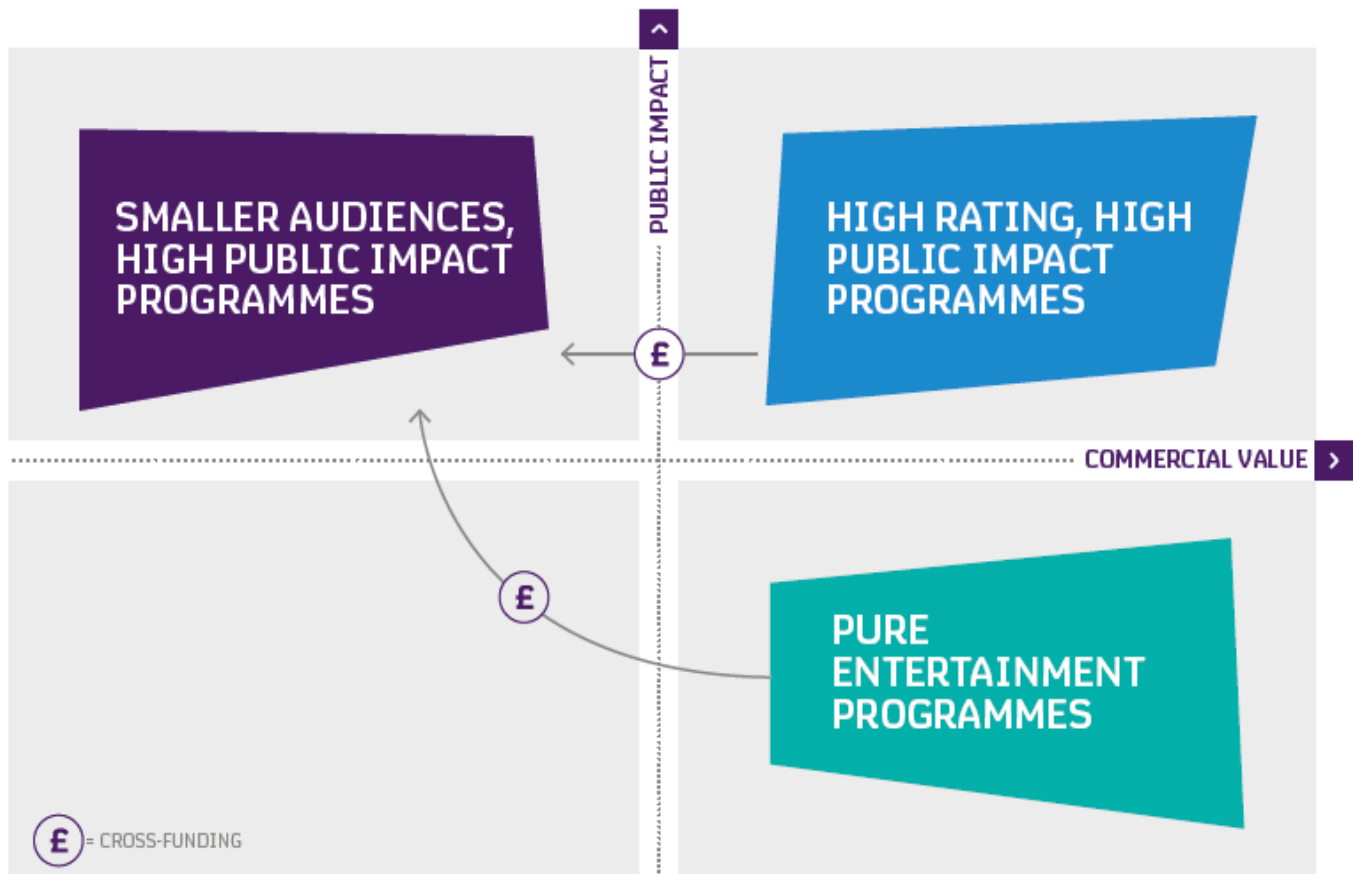
**Channel 4 fulfils national social and economic priorities, including supporting SMEs, growing businesses across the UK, stimulating innovation and promoting diversity.**

## Our model

The UK broadcasting ecology is the result of enlightened intervention by politicians and regulators. It's a carefully balanced mix of different organisations, with different missions, business models and governance structures that has made UK broadcasting a worldwide success.

Within this ecology, Channel 4 is a government-owned, self-sustaining social enterprise, raising commercial revenues from the market and reinvesting surpluses back into British content from UK independent producers.

We do this through cross-funding commercially challenging genres such as News and Current Affairs, and Education with revenues from commercially profitable programming, like Factual Entertainment.



# 2016 PARALYMPICS

Channel 4's remit to stand up for diversity and inspire change in people's lives drives us to take on creative risk and challenges that others wouldn't. The Rio 2016 Paralympics exemplifies the kind of creative alchemy that our remit can trigger.



YES I CAN AWARDED:

CAMPAIGN MAGAZINE'S  
CAMPAIGN OF THE YEAR

SHOTS MAGAZINE'S  
GLOBAL AD OF THE YEAR





2/3

OF OUR ON-AIR PRESENTING TEAM WERE DISABLED.

48%

OF THE UK POPULATION REACHED WITH OUR PARALYMPIC COVERAGE

>40m

VIEWS ACROSS ALL SOCIAL PLATFORMS.

1.8m

APPEARING IN HALF OF THE UK'S FACEBOOK FEEDS AND WITH OVER 1.8 MILLION SHARES, 'YES I CAN' WAS THE MOST SHARED OLYMPIC/PARALYMPIC AD GLOBALLY THIS YEAR.

London 2012 was a watershed moment for Paralympic sport, and the Rio 2016 Paralympics went even further in raising the profile of disability sport and positively improving public perceptions of disability in the UK and around the world.

It also established a new international benchmark for Paralympics coverage. The UK is now considered an exemplar for its approach to the Games by the International Paralympic Committee and Channel 4 has shared this success story with broadcasters around the world since the 2012 Games.

Preparing for Rio 2016 following the success of London 2012 was no small order, however we saw it as more of an opportunity than a risk – because taking creative risks pushes boundaries in the pursuit of positive change, which is part of Channel 4's DNA.

#### MARKETING THE GAMES

As part of our ongoing 360° Diversity Charter, we made 2016 our Year of Disability, with the Paralympics at its centre. We decided the marketing focus for the Games would be about making this more than just a sporting event, using it as an opportunity to fundamentally change public attitudes towards disabled people.

We took an early decision to celebrate the achievements and abilities not just of elite athletes, but also everyday disabled members of the public. Taking the Paralympic spirit and celebrating ability in the widest sense.

**"THEY'RE EDGY, FUNNY AND, AT TIMES, BORDERLINE OFFENSIVE, BUT THREE COMICS WHO HAVE DOMINATED CHANNEL 4'S EVENING SCHEDULE OVER THE LAST FORTNIGHT MIGHT HAVE ACHIEVED A BREAKTHROUGH FOR A SUBJECT THAT IS NOTORIOUSLY HARD TO TACKLE."**

THE OBSERVER  
(THE LAST LEG)

The result was a three-minute film featuring 140 disabled people with a band specifically created by Channel 4 and assembled from across the world. At its centre was a group of disabled musicians who re-recorded Sammy Davis Junior's 'Yes I Can' in a musical extravaganza.

The marketing campaign was the most accessible campaign ever produced by Channel 4. Signed and subtitled and audio described versions of the main film ran across the Channel 4 network, in cinemas and on YouTube and Facebook. We also partnered with a range of brands to offer the public the most accessible ad break in history.

- 74% felt the campaign will help people feel more comfortable to talk to those with a disability
- 76% said the campaign will help people feel more comfortable talking about disability
- 76% said the film had opened their eyes to what disabled people can be capable of

Its impact has been felt beyond the UK audience with Australia's Channel 7 using the campaign as part of their own promotion of the Paralympic Games coverage and both the US State Department and the United Nations using the campaign as part of disability initiatives. The advert has also been played in schools across the UK and the world.

#### OUR RIO COVERAGE

Taking on the ratings challenge of an away Games with a notable time difference, we broadcast more than 700 hours of coverage across all TV and online platforms, including the opening and closing ceremonies live in full.

- Viewing share among 25–34-year-olds was up +5% vs London 2012
- Audience share for September was up 50% on its average for the same time last year
- Coverage was watched by nearly half of the UK population
- 79% said Channel 4's coverage of the Paralympic Games improves society's perceptions of disabled people
- 58% said the Paralympics coverage made them feel more positive about Channel 4

The highly popular *The Last Leg* was broadcast live every night from Rio with regulars Alex Brooker, Josh Widdicombe and Adam Hills taking viewers through the sporting highlights of the day. The programme proved highly successful with young people, and also proved an impactful way of engaging audiences with the sports coverage. We also innovated with exclusive digital content on All 4 and more online streams of live sport than ever before. Our coverage included a brand new animated LEXI – the revolutionary on-screen graphic which explains the complex classifications of Paralympic sport – voiced by actress Julie Walters.

## 2016 PARALYMPICS CONTINUED

In addition, this was the most accessible Paralympics yet for disabled viewers, with subtitles available across all the Paralympic coverage across all of linear, and some non linear platforms, and live audio description and signing of the opening and closing ceremonies simulcast on 4seven. There were also audio described and signed editions of *The Last Leg* available each evening on 4seven soon after the live broadcast.

### A PLATFORM FOR NEW TALENT

This year, we went even further in our commitments to the diversity of our on air and production teams. As part of Channel 4's Year of Disability commitments in 2016 we announced plans to increase both on and off-screen representation of disabled people across the schedule.

On screen, we assembled the largest ever team of disabled presenters on UK television: two-thirds of our presenting team had a disability. The team included, 2012 stalwarts Ade Adepitan and Arthur Williams, who was discovered through our talent search in the run up to the London games, *The Last Leg* star Alex Brooker, *Breaking Bad* actor RJ Mitte, and broadcaster Sophie Morgan and ex-commando JJ Chalmers, who were brand new presenters. 73% of viewers said they enjoyed the fact that disabled presenters were on screen.

In addition, more than 15% of the Sunset+Vine production team were people with disabilities – most of whom were brand new talent identified and nurtured through Channel 4's ground-breaking training schemes. Following its success in 2012, we brought back our Paralympics Training Scheme. The scheme gives people with disabilities an opportunity to start a career working in television and digital media, recruiting entrants via 4Talent through adverts online and on air. Of the 24 original trainees, 18 went to Rio: the majority secured future employment or continued their training contracts after the scheme finished.

### SUPERHUMANS WANTED

The advertising industry faces its own challenges when it comes to representing the diversity of Britain. Our own commitment to diversity aimed to help the ad industry to combat this: we launched a £1 million Superhumans Wanted competition to encourage advertisers and brands to reflect disability in their adverts.

Winners Maltesers® launched their ad campaign that champions diversity and disability: three TV ads featuring disabled actors in the lead roles. The ads were first broadcast during the opening ceremony of the Games; one of the adverts was aired using British Sign Language. The campaign was a huge success, with Maltesers announcing that the ads pre-tested better than any campaign they had run for six years.

We also partnered with seven advertisers to deliver the most accessible ad break in history with each ad fully signed by deaf artist and actor David Ellington and broadcast during *The Last Leg*: Live from Rio.

Students taking the new Media Studies GCSE and A-level courses from exam board AQA will study the representation of particular groups and communities in the media. The exam board has named Channel 4's Paralympics coverage as one of the best examples of how the media can represent people with disabilities, and recommended it for study as part of these qualifications.



#### TOKYO 2020 AND BEYOND

In September, we were delighted when the IPC announced that they would be awarding the broadcast rights for Tokyo 2020 to Channel 4.

**"AS SHOWN WITH ITS OUTSTANDING COVERAGE OF RIO 2016, CHANNEL 4 CONTINUES TO SET THE INTERNATIONAL BENCHMARK FOR HOW PARALYMPIC SPORT SHOULD BE COVERED BY A BROADCASTER. THEY LEAD THE WAY BOTH ON AND OFF THE SCREEN."**

**SIR PHILIP CRAVEN**  
IPC PRESIDENT



# OUR WORK IN THE NATIONS AND REGIONS

Channel 4 works with many creative businesses and talent across the UK, and we provide a platform for diverse voices from across the UK through our programmes.

Our investment in the Nations and Regions spans not just TV production, but also film and digital content. We back local expertise, investing and partnering with businesses, education institutions and regional agencies to develop talent and skills and support creative SMEs to start and grow.

The Channel 4 portfolio attracts a greater share of young audiences across much of the UK, including Scotland, Northern Ireland and many English regions, in comparison to London.

The adjacent map sets out just some of the work that we do across the UK, which includes:

- **Production in the Nations and Regions** – spanning film, TV and games
- **Portrayal** – showcasing people, places, communities and perspectives from across the UK in our most popular series, right through to feature films
- **Seed-funding creative SMEs** – from Alpha Fund investment in creative development, pilots and key new staff positions to investing in regional independent production companies through our Indie Growth Fund
- **Partnerships to develop talent and skills** – from partnering with regional production companies on paid, practical training schemes to working with universities to develop specialist skills for the creative industries
- **Outreach** – from monthly commissioner briefing sessions across the Nations and Regions to our C4 Pop Ups

Extreme Makeovers: On Fleek



## 55%

OF THE FIRST-RUN ORIGINATED PROGRAMME HOURS (+2PTS) CAME FROM SUPPLIERS IN THE NATIONS AND REGIONS



## 3000

JOB'S SUPPORTED IN THE NATIONS AND REGIONS (APPROX.)



## 40%

OF THE VALUE OF FIRST-RUN ORIGINATIONS (+1PT) CAME FROM SUPPLIERS IN THE NATIONS AND REGIONS



APPROX

## £1.5bn

SPENT ON CONTENT IN THE NATIONS AND REGIONS IN THE LAST 10 YEARS



#### ● PRODUCTION IN THE NATIONS AND REGIONS TELEVISION AND ONLINE CONTENT

- My Kitchen Rules – Birmingham (7 Wonder Productions)
- Joe Wicks: Lean in 15 – Birmingham (Full Fat TV)
- Travel Man – Birmingham (North One)
- Patricia Routledge's Beatrix Potter – Leeds (Daisybeck Studios)
- Hollyoaks – Liverpool (Lime Pictures)
- Dispatches – Manchester (Nine Lives Media)
- Breaking the Silence – Leeds (True North)
- Britain's Ancient Tracks with Tony Robinson – Belfast (DoubleBand Films)
- Extreme Makeovers: On Fleek – Belfast (Big Mountain)
- Winnie-The-Pooh: The World's Most Famous Bear – Glasgow (Finestripe Productions)
- Location Location Location – Glasgow (IWC Media)
- Fill Your House for Free with Gok – Glasgow (Raise the Roof)
- Unreported World – Oxford (Quicksilver Media)

- Born To Be Different – Brighton (Ricochet)
- Heroes of Helmand: The British Army's Great Escape – Bristol (Testimony Films)
- Posh Pawn – Cardiff (Boomerang)
- IPC Athletics European Championships: Grosseto 2016 – Cardiff (Boomerang)

#### FILM4 SHOOTING LOCATIONS

- The Lobster – Republic of Ireland
- Macbeth – Scotland
- Free Fire – Brighton
- Dark River – Yorkshire
- Journeyman – Sheffield, Leicester, Doncaster and surrounding areas
- T2: Trainspotting – Edinburgh
- Old Boys – Sussex
- Beast – Isle of Wight

#### ALL 4 GAMES COMMISSIONS

- Trusted Developments – Oxfordshire
- BigBit – Brighton
- Strawdog Studios – Derby
- PaperSeven – Brighton
- Lucid Games – Liverpool

#### ■ HIGHER EDUCATION PARTNERSHIPS AND PTS LOCATIONS

- Big Mountain – Belfast
- Waddell Media – Belfast
- Full Fat TV – Birmingham
- De Montford University – Leicester
- Bournemouth University – Bournemouth
- University of Abertay – Dundee

#### ▲ OFFICES

MANCHESTER, GLASGOW, LONDON (HEADQUARTERS)

#### ○ OUTREACH ACROSS THE UK

##### C4 POP UPS

- Cardiff
- Belfast
- Doncaster
- Corby

#### INDEPENDENT PRODUCTION COMPANY BRIEFINGS

- Glasgow
- Belfast
- Cardiff
- Newcastle
- Manchester
- Bristol
- Leeds

#### ★ PORTRAYAL

- The Secret Life of the Zoo
- Ireland with Ardal O'Hanlon
- Amazing Spaces
- Come Dine With Me
- Gogglebox
- Four in a Bed
- Paul Merton's Secret Stations
- No Offence
- Grayson Perry: All Man



Born To Be Different

REMIT PERFORMANCE



# INVEST- MENT IN QUALITY

National Treasure



## INVESTMENT IN QUALITY

We have a dual purpose at Channel 4: to deliver our public service remit creatively and to be commercially self-sufficient and sustainable.

We deliver this dual purpose through high-quality TV, film and digital content that spans a range of genres, from original Drama to a strong slate of returning Factual and Entertainment series, and we continue to strike a balance between the creative ideals and commercial forces that drive us.

Our commercial model has been about more than sustaining our own business. It's just as much about strengthening our sector and creating impactful, distinctive content that draws in sizeable audiences. Our trailblazing coverage of the Paralympics is exemplary of this approach: high-quality content that challenges audiences to think differently, promotes diversity, changes perceptions around disability and that has a huge commercial impact.

Our investment in content has been rising year-on-year, as further demonstrated in 2016 with our record content spend levels. Once again we have shown how our unique model allows us to cross-fund innovative content, as profits from commercially valuable programming have been invested in content that is loss-making, but which has clearly delivered remit value and made a positive impact in the UK and beyond.

INVESTMENT  
IN QUALITY  
CONTINUED

"BRILLIANT... IT'S  
REAL TO THE CORE."

THE GUARDIAN  
(NATIONAL TREASURE)

## National Treasure

The distinctive drama *National Treasure* was a timely examination of sexual misconduct in the world of fame, sex and power. Paul Finchley is a cherished household name with a career that spans several decades – a bona fide national treasure. That is, until accusations of historical sexual offences arise, tarnishing the life he once knew and resulting in his, and his family's, world being shaken to its foundations.

This four-part series starred BAFTA winner Robbie Coltrane (*Harry Potter*), BAFTA and Golden Globe winner Julie Walters (*Indian Summers*), BAFTA nominee Andrea Riseborough (*The Devil's Whore*), BAFTA

winning Director Marc Munden (*The Devil's Whore* and *Utopia*) and Channel 4 alumnus and BAFTA-winning Writer Jack Thorne (*Harry Potter* and the *Cursed Child*, *This is England*).

Garnering critical acclaim and rave reviews from viewers, this chilling depiction of reality sheds light on real-life recent revelations within the media industry in a brave and compassionate manner, demonstrating how drama can be used to give insights into real-life headlines. Launching with 4.3 million viewers, *National Treasure* was Channel 4's third biggest originated Drama launch for more than a decade.

## Creating strong returning series

2016 was a year where our investments in creative renewal bore more fruit, further establishing a strong schedule of returning hits that deliver our remit while also attracting large audiences. These series – the result of creative experimentation and innovative use of formats – have been nurtured to become stalwarts in the schedule. Around half of Channel 4's top contributors to share in 2016 were commissioned from 2011 onwards.

We have continued to showcase Britain in all of its diversity in many of our most popular hits: *Humans*, *Gogglebox*, *First Dates*, *The Secret Life of 4, 5 and 6 Year Olds*. We made a bold comment on modern lifestyles and our reliance on technology by challenging the limits of human endurance in *The Island*, *SAS: Who Dares Wins* and *Hunted*.

While we've launched many successful new shows, we've also experienced audience erosion on some longer running titles. Commercial hits like *Come Dine with Me* and *Deal or No Deal* have seen viewing declines while some established documentaries like *One Born Every Minute* are down. We are focussed on succession planning in all genres.

These series, all pillars in our schedule, capture stories about modern Britain that our audiences keep coming back to, taking contemporary issues and placing them right in the mainstream.



SAS: Who Dares Wins

## Film4 strategy

Film4 is one of the most vital supporters of film in the UK, developing and co-financing films, and with a track record of working with the most distinctive and innovative talent working in the UK.

In February 2016 we announced a change in our strategy. Our key role as a talent incubator, finding and taking risks on new voices, remains very much part of our DNA. However in order to mirror the self-sustainable model successfully employed in other areas of Channel 4, going forward we will invest more boldly in our commercial projects to maximise our profit share, so underpinning any losses on our riskier projects. To this end, we announced a major boost to Film4's funding from £15 million to £25 million, with the aim of maintaining this in future years. The first film to benefit from this model was *Three Billboards Outside Ebbing, Missouri*, financed on a 50/50 basis by Film4 and Fox Searchlight Pictures. *American Animals* and *Fighting with My Family*, which both recently completed shooting, are further examples of this new model of financing, and Film4 will look to finance more films in this way with studios or financing entities.

"(FILM4 IS)  
A MOVIE  
POWERHOUSE."

LOS ANGELES TIMES



Freefire



£22.4m

SPENT ON FEATURE FILM  
PRODUCTION AND  
DEVELOPMENT IN 2016

## KEY METRICS

£695m

total content spend +10%

£684m

spend on programming across TV  
portfolio +10%

10.5%

viewing share across the  
TV channel portfolio -1%

74%

of the main channel peak-time schedule  
devoted to first-run originations +2pts

70%

of total viewing across main  
channel, E4 and More4 to  
network originations +2pts

£501m

spent on originated content across  
all services +10%

83.5%

of all TV viewers reached  
every month across  
Channel 4's TV channels  
-0.3pts

9.3hrs

of first-run originations every day on  
average across the C4 portfolio +12%

3,410hrs

of first-run originations across the  
portfolio +13%



YOU CAN FIND MORE OF THIS  
DATA (AS WELL AS COMPARATIVE  
DATA) AND EXPLANATORY  
NARRATIVE FROM PAGE 60

All Ofcom quotas  
met or exceeded

## 2017 AMBITIONS

- We will seek to maintain overall spend on programming despite year of predicted uncertainty in the market.
- 2017 will see the fruits of our investment in scripted content hit screens, including Phillip K Dick's *Electric Dreams*, as well as comedy series *Loaded* and drama *Born to Kill*, which explores psychopathy and coming of age.
- Film4 will continue to invest in proven, quality filmmakers with unique vision who want to make films for international audiences. Film4 backed films launching in 2017 include Martin McDonagh's *Three Billboards Outside Ebbing, Missouri*, and Cannes Competition entries *The Killing of the Sacred Deer*, from Yorgos Lanthimos and Lynne Ramsay's *You Were Never Really Here*.

## INVESTMENT IN QUALITY

CONTINUED



We're Going on a Bear Hunt

## We're Going On A Bear Hunt

*We're Going on a Bear Hunt* formed the centrepiece of Channel 4's 2016 Christmas schedule. Produced by the makers of the acclaimed *The Snowman* and *The Snowdog* animations, and based on the much loved bedtime book by Michael Rosen and Helen Oxenbury, the 30 minute animation featured the voices of Olivia Colman, Pam Ferris and Mark Williams.

A rare example of hand-drawn British animation, the film took 18 months and a crew of 96 people to make, including 30 animators responsible for more than 35,000 hand-drawn and coloured frames of animation. It was a huge hit, becoming the our most-watched show of 2016, with a total of almost 6.8 million viewers.

The film particularly appealed to younger viewers – with a 28% share of 10–14-year-olds and a 60% share of all 4–9-year-olds. A quarter of the viewers to the animation were aged between 4 and 15. The film was also accompanied by an interactive game that placed children within the story; inviting them to swish through the grass, splish through the river and tiptoe into the cave. The game reached number three in the paid iPad games chart in the week following its launch.



ALMOST

6.8m

VIEWERS

OUR MOST-WATCHED  
SHOW OF 2016.

**"CHRISTMAS'S MOST MAGICAL  
TV SHOW... ENCHANTINGLY  
BROUGHT TO LIFE IN A  
CHARMING ANIMATED FILM."**

**DAILY MAIL  
(WE'RE GOING ON A BEAR HUNT)**

We're Going on a Bear Hunt

## Sport

# Formula 1

At the end of 2015 Channel 4 signed a three-year deal to become the terrestrial home of Formula 1, continuing our history of investing in high-profile sports content that delivers innovative coverage to viewers.

Fronted by a diverse presenting line-up including Karun Chandhok and Lee McKenzie, we aired ten live races in 2016, including Silverstone, the nail-biting season finale in Abu Dhabi and, for the first time in five years, made the legendary Monaco Grand Prix available live on free-to-air TV.

Building on our reputation for innovation, we aired our live race coverage without ad breaks, a first for a UK terrestrial commercial broadcaster. Produced by Growth Fund recipient Whisper Films, our coverage won the Association for International Broadcasting award for Sport in 2016.

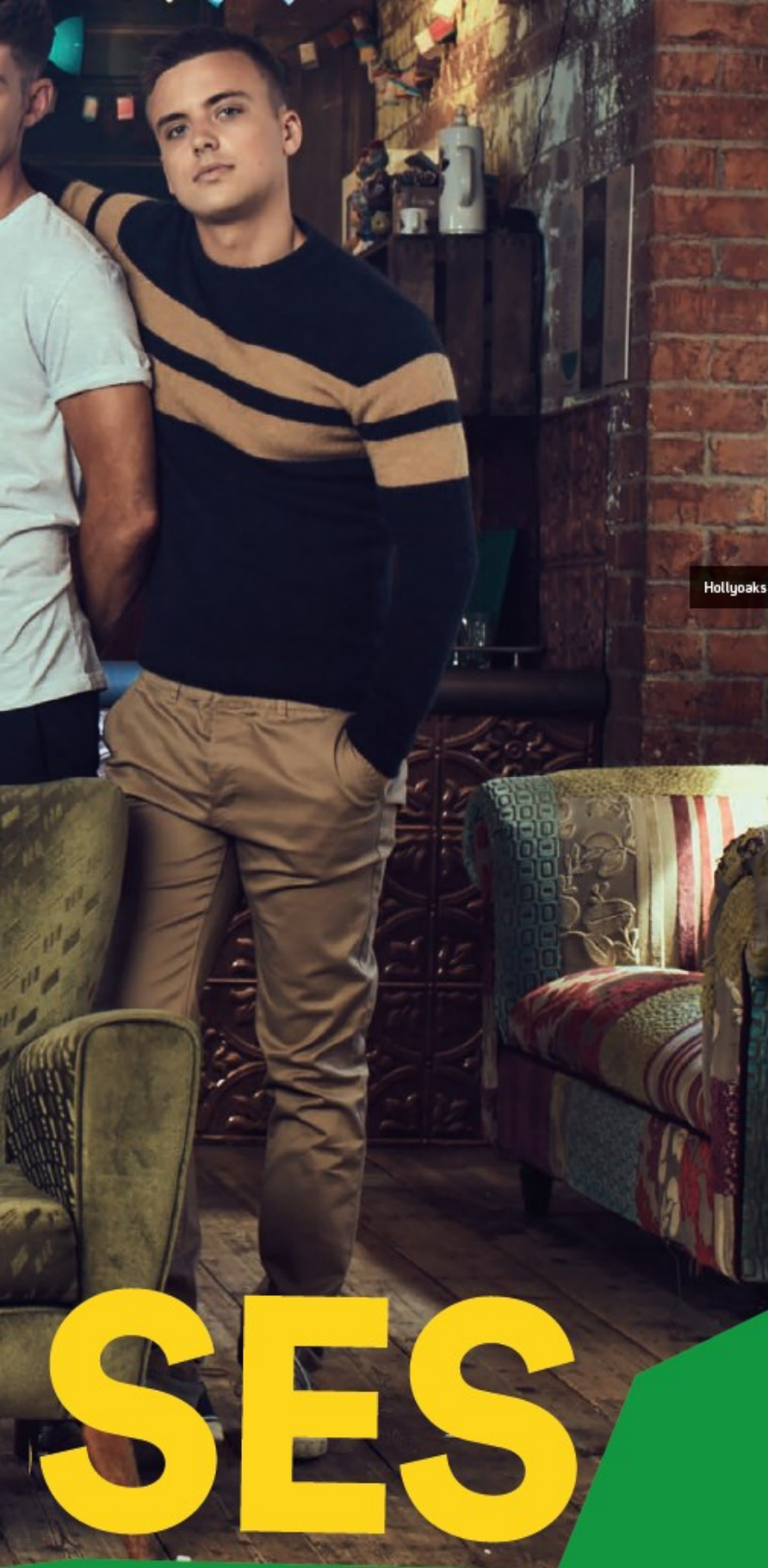
Channel 4's investment in Formula 1 paid dividends, delivering ratings success with our coverage reaching 28 million viewers (nearly half the population) and our highest-viewed race, the Mexican Grand Prix, reaching 3.1 million. Channel 4's coverage also attracted upmarket audiences valued by advertisers and provided a halo effect for the rest of the schedule. It generated 4.3 million catch-up views on All 4.



REMIT PERFORMANCE

A family of four is posed in a rustic, bohemian-style interior. A man in a light blue long-sleeved shirt and jeans stands with his arm around a woman wearing a patterned jacket and jeans. Two children, a girl and a boy, are sitting on a patterned sofa in front of them. The background features wooden walls, string lights, and various decorative items. The floor is made of wooden planks.

# SUPPORTING CREATIVE BUSINESSES ACROSS THE UK



Hollyoaks

## SUPPORTING CREATIVE BUSINESSES ACROSS THE UK

We're proud to play a unique and influential role in the UK's creative economy. By stimulating this fast-growing and innovative sector, we are doing more than creating exceptional, internationally acclaimed programming.

Our record of supporting sustainable growth in SMEs means we're also establishing an economic and cultural legacy that will last long into the future. We support 17,000 jobs throughout the creative sector, contributing £1.1 billion GVA each year.

Our investment continues to have a huge economic impact in the UK, as we spend millions with our creative partners each year, building and nurturing a sector that is built on quality relationships with our partners.

We commission exclusively from external suppliers, which enables us to build and support the independent sector all over the UK. What's more, our Indie Growth Fund continues to nurture independent producers, with turnover across our investments more than doubling in 2016.

Supporting creative businesses and people is an intrinsic part of our business model and our purpose, as our investment helps maintain Britain's position as a global creative powerhouse.

## SUPPORTING CREATIVE BUSINESSES ACROSS THE UK CONTINUED

### Investing in Creativity in the Nations and Regions

Channel 4 works with many creative businesses and talent across the UK. In 2016, we continued to grow our investment in the Nations and Regions, investing £169 million in production outside of London. We have exceeded all our Ofcom-agreed targets: On the main channel, we once again exceeded our commitment to commission from the Nations, growing our main channel spend in the Nations by nearly 25% to £34.2 million and production hours by 12% to 259 hours in 2016. Our absolute spend in the Nations and Regions has risen by 13% from 2015. Outside the main channel, as we develop our original commissions on All 4, we have also been working with a range of companies in the Nations and Regions with expertise in digital.



**+13%**

**SPEND IN THE  
NATIONS AND  
REGIONS**

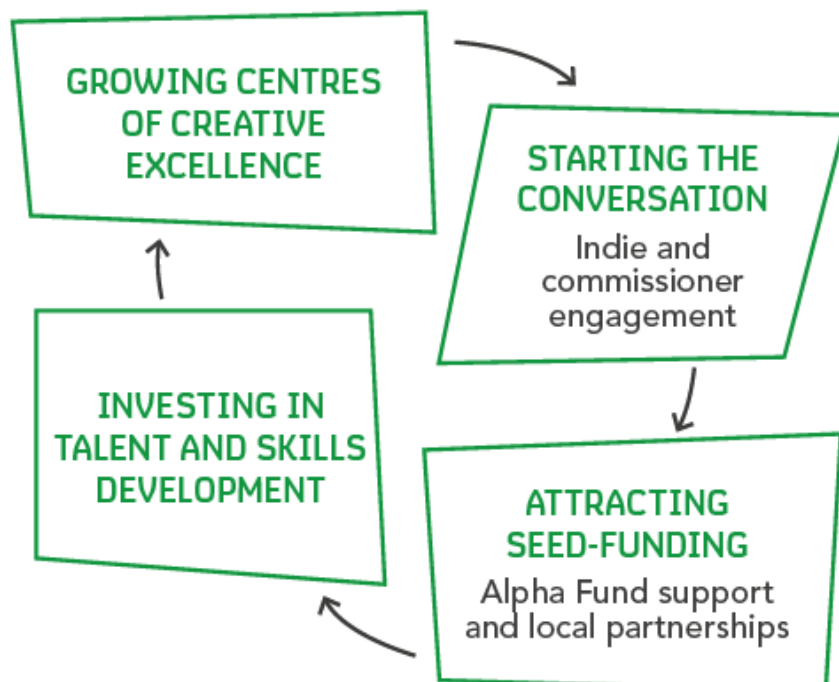
Stimulating the creative economy in the Nations and Regions is central to Channel 4's objective as a public service broadcaster with a role to support creative talent across the UK. Our strategy focuses on spreading our investment, not just to meet our quotas but also to support regional talent in growth, particularly SMEs, creating sustainable production companies all over UK. We support this strategy by facilitating contact between indies and commissioners, seed-funding via our Alpha Fund and investing in talent and skills development to grow centres of creative excellence across the UK. Channel 4's Glasgow-based Nations and Regions team held thirteen briefing sessions with commissioners and production companies across a number of UK cities in 2016, including Belfast, Newcastle-upon-Tyne, Manchester, Leeds, Bristol and Cardiff. Over 250 individuals from 137 creative companies based outside of London attended the sessions.

Many of Channel 4's biggest and most popular shows in 2016 were made by companies in the Nations and Regions, with nearly 70 new commissions across the English Regions alone. Productions ranged from new powerful drama, such as four-part series *National Treasure* shot by The Forge in Leeds, to innovative factual shows such as *Breaking the Silence Live*, from Leeds-based production company True North, and *Eden* – a unique social experiment which follows 23 people as they start a society from scratch in the Ardnamurchan peninsula on the west coast of Scotland.

Channel 4 also seeks to portray the length and breadth of the UK across its schedule through popular shows such as *Location, Location, Location*, *Come Dine with Me* and *Gogglebox*, which features families from towns and cities across the UK, including Merseyside, The Wirral, Clacton-on-Sea and Wiltshire. We have also seen viewing share increase in areas being portrayed on screen; filmed on location in Scotland, *Eden's* share was up 22% versus the slot average, and the highest-rating episode of *The Secret Life of the Zoo* (filmed at Chester Zoo) was up 118% on the slot average in the North West of England.

All 4 Games, Channel 4's digital games publishing arm, also continued to support and commission from new digital developers outside of London in 2016. Highlights included the critically acclaimed *Super Arc Light* from Glasgow developers NoCode, which was featured as Apple's 'Editor's Choice' app of the week and has attracted 1.48 million downloads to date. The accompanying game for *Eden*, developed by Strawdog Studios in Derby, also garnered 2.68 million downloads and was awarded 'Best Amazon App' at the 2016 TIGA Awards; while *We're Going on a Bear Hunt*, developed by Liverpool's Lucid Games, was ranked the #3 app in the paid iPad app charts.

#### CHANNEL 4'S NATIONS AND REGIONS STRATEGY



Joe Wicks: The Body Coach

## Indie Growth Fund and Commercial Growth Fund

In 2014 Channel 4 launched a £20 million Indie Growth Fund designed to nurture the independent sector by providing access to funding for small and medium-sized UK independent production companies to help them grow and develop their business. Two years later the Growth Fund has seen investments in 11 separate companies from across the UK, with more planned in 2017. They include companies specialising in sports, comedy, factual, youth, drama and online.

In 2016 Channel 4 invested in two new companies, Barcroft Holdings Ltd and The Rights Exchange Ltd (TRX), further diversifying our portfolio of investments and extending the Fund's business portfolio beyond traditional UK independent production support. Channel 4's investment in Barcroft is our first in a British multi-media company specialising in content creation and digital distribution, while TRX offers a new global online deal-making tool that enables TV rights buyers and sellers from around the world to connect and complete licensing deals entirely online.

Since its launch the Indie Growth Fund has successfully nurtured and grown independent production companies, with turnover across our investments more than doubled in 2016. In 2017 the Fund has announced two new investments; one in a Scottish production company, Firecrest Films and another in a virtual reality start up, Parable Ventures Limited. The Fund sold True North Productions Limited to Sky in January 2017, delivering a profit on sale. To date we have committed £14 million of the £20 million fund. Following the success of the Indie Growth Fund, Channel 4 launched a Commercial Growth Fund in 2015 offering high growth potential companies not currently advertising on television the opportunity to build their business through advertising on Channel 4 marketing platforms in return for equity stakes or striking revenue share arrangements.

Since its launch the Commercial Growth Fund has completed ten deals including 6 equity investments. In 2016 these investments included Readly, The Idle Man and Pay As You Gym amongst others. The Fund has quickly found success, with companies such as Readly, the digital magazine newsstand, more than tripling its UK subscriber base over the last year, boosted by a TV campaign on Channel 4. The Fund will look to further grow its investment portfolio in 2017.

## KEY METRICS

# £441m

investment in first-run  
external commissions on the  
main channel in 2016 +9%

# £36m

spent on production companies  
in the Nations +28%

# 40%

of the value of first-run  
originations +1pt

Investment in the Nations

# 9%

of first-run originated programme  
hours = with last year

# 8%

of the value of first-run  
originations +1pt

# £169m

spent on production companies  
based outside of London +13%

# 317

companies working with  
Channel 4 portfolio across TV,  
film and digital media, including  
160 indies +7%

we worked with

# 70

new suppliers + 32%

Investment in the Nations  
and Regions

# 55%

of first-run originated  
programme hours +2pts



YOU CAN FIND MORE OF THIS  
DATA (AS WELL AS COMPARATIVE  
DATA) AND EXPLANATORY  
NARRATIVE FROM PAGE 60

## 2017 AMBITIONS

- We will continue to support production companies across the UK, with regionally produced programmes such as new drama *The ABC*, as well as returning factual series *The Secret Life of the Zoo* and *999: What's Your Emergency*.
- Our content will reflect the lives of people throughout the UK, with programmes including dramas *No Offence* and *The ABC*, long-running soap *Hollyoaks*, as well as ensuring a breadth of regional diversity in our popular Features formats.
- We will continue to nurture talent throughout the UK: with indies via producer briefings and our Alpha Fund investment and with young people via our C4 Pop Ups and higher education partnerships.
- We will be working with Government to understand how we can build on our existing work in the Nations and regions, as part of a consultation in early 2017.
- 2017 investments include a female-led, factual and current affairs production company based in Scotland and a virtual reality content production company. We aim to make at least one further investment in the year. We have also completed our first exit in 2017 with the sale of True North to Sky.

# £14m

COMMITTED VIA THE  
INDIE GROWTH

REMIT PERFORMANCE

# YOUNG PEOPLE

The House of Teen Mums



## YOUNG PEOPLE

Channel 4 has always had a special relationship with young audiences. Our remit to be alternative and different manifests itself in content that speaks to young people about things and in a way that engages them with contemporary issues.

This approach translates into Channel 4 having a particularly strong viewing appeal amongst younger people, significantly more than other public service broadcasters. This appeal is driven by original, distinctive programming – All ten top performing shows amongst all 16–34-year-olds were original commissions and came from a range of genres – Drama, Factual Entertainment, Entertainment and Documentaries.

In addition to hit TV shows, we are continuously evolving our online service to make sure it is responding to the consumption habits of young people – adding exclusive short-form content and previews alongside catch-up viewing. More than half of all 16–34-year-olds are registered with All 4 (as many as are registered to vote) with original Comedy, Drama and Factual Entertainment proving the biggest hits amongst this audience. And our educational output seeks to inform older children (10–14-year-olds) about contemporary issues in relevant and engaging ways.

## YOUNG PEOPLE CONTINUED

### Engaging young audiences

One of the most effective ways we engage 16–34-year-olds is via our Factual Entertainment programmes. Our approach is to take serious subjects, such as sexuality, politics and disability, and contemporary themes, such as the surveillance society or gender roles, and explore them in engaging, entertaining ways that will resonate with young audiences. This has proved a highly effective way of reaching young people with factual content – six of the UK's top ten factual programmes for 16–34-year-olds were on Channel 4, including *The Island with Bear Grylls*, *The Undateables*, *Hunted* and *Eden*.

Our new dating show *Naked Attraction* divided the critics but proved to be a particular hit amongst young people – averaging 1.7 million viewers across the series and up 119% on the slot average for 16–34-year-olds. The programme was a bold take on sexuality – challenging taboos around nudity and body image, encouraging frank discussion about our sexual attraction and celebrating people who are comfortable in their own skin – regardless of their size, shape, gender, colour or physical ability. The show performed strongly online – driving registrations to All 4 and becoming one of our most talked-about shows of the year across social media. Another hit with young audiences was *The Island with Bear Grylls*, which explored the different ways in which men and women respond to survival situations, and which was one of Channel 4's best performing shows of the year for 16–34-year-olds. Other series resonating with this audience include *Gogglebox*, *Secret Life of 4 and 5 year olds* and *24 Hours in Police Custody*.

## KEY METRICS

# 16.2%

portfolio viewing share amongst 16–34-year-olds -2%

# 5.0%

viewing share for E4 amongst 16–34-year-olds -1%

## More than half

of all 16–34-year-olds are registered with Channel 4



YOU CAN FIND MORE OF THIS DATA (AS WELL AS COMPARATIVE DATA) AND EXPLANATORY NARRATIVE FROM PAGE 60

## 2017 AMBITIONS

- We will seek to once again increase our spend on content for older children, through content such as drama *The ABC*, which follows two comprehensive schools in Yorkshire, that are merged into a new academy, shining a spotlight on racial tensions in the area.
- Our Education content will focus on factual content for teens that explores issues relevant to them, as well as content that focuses on life skills for teens.
- We will build on our successful online strategy to engage young people in News and Current Affairs via social channels.

Naked Attraction



"CHAMPION(S)  
BODY DIVERSITY."

THE GUARDIAN  
(NAKED ATTRACTION)

# 1.5m

14–19s REACHED  
WITH OUR  
EDUCATION  
PROGRAMMING  
IN 2016 – UP 7%

The Island with Bear Grylls





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Democracy ✓  
@Channel4NewsDemocr  
cy

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## News and Current Affairs that super-serves 16–34-year-olds

Over the last year – a particularly busy year news-wise – we set out to find new ways to engage young people with our News and Current Affairs content, both online and on-screen. In 2016 we expanded our digital-first strategy based on publishing impactful, fact-checked short form news video on social media channels – particularly Facebook and YouTube – given the popularity of these platforms amongst young audiences. These channels reflect, editorially, the linear Channel 4 News remit, by selecting stories that cover serious political, international or social topics.

This year, we also successfully launched two spin-off Facebook strands to accompany the main Channel 4 page: *Channel 4 News Democracy*, and *Channel 4 News Identity*. *Channel 4 News Democracy* focuses heavily on UK politics and allows us to post wall-to-wall political coverage without downing out any international news on the main page. *Channel 4 News Identity* is dedicated to reporting the voices of communities from across the UK, with a particular focus on those voices not heard elsewhere.

This expansion on Facebook signals our strategy to engage young people with serious, credible, trusted journalism on the platforms where they are increasingly consuming news. Stories are focused on explaining international/political stories or stories that highlight issues affecting minorities, international or political stories, and those that explain key topics. This strategy has proved highly successful, with *Channel 4 News* now one of the UK's leading video news brands on Facebook. In 2016 videos across the Channel 4 News portfolio received almost 2 billion views, an increase of over 200% from 2015.

Commissioned research amongst 16–34s shows that Channel 4 News Facebook videos deliver strongly to our remit – 77% of respondents said they felt more informed as a result of watching them (compared to 64% for BBC News) and 61% said it made them see an issue in a different light (compared to 57% for BBC News).

We also delivered Current Affairs content to young people via other mainstream/popular formats on screen – most notably *The Last Leg*. The most powerful episodes have been those with a political spin: the US election special, held the night after the results were announced, achieved the programme's highest ever live viewing figures, eventually consolidating at 2.6 million viewers at 9pm and a 16.8% share of 16–24-year-olds; the episode where Jeremy Corbyn MP was a special guest had a 21% share of 16–24-year-olds. This series will be expanded to 40 episodes in 2017, ensuring that it can cover current events right across the year.

Additionally, in 2016 our long-running soap *Hollyoaks* teamed up with the Electoral Commission to encourage 18–24-year-olds to register to vote, ahead of the local elections in May. Channel 4 sought to address the fact that this demographic was the least likely to be registered and launched a series of adverts featuring stars from the soap in a campaign to remind viewers of the voter registration deadline and its importance.



1.6m

10–14-YEAR-OLDS  
REACH WITH OUR  
EDUCATION  
PROGRAMMING



ALMOST

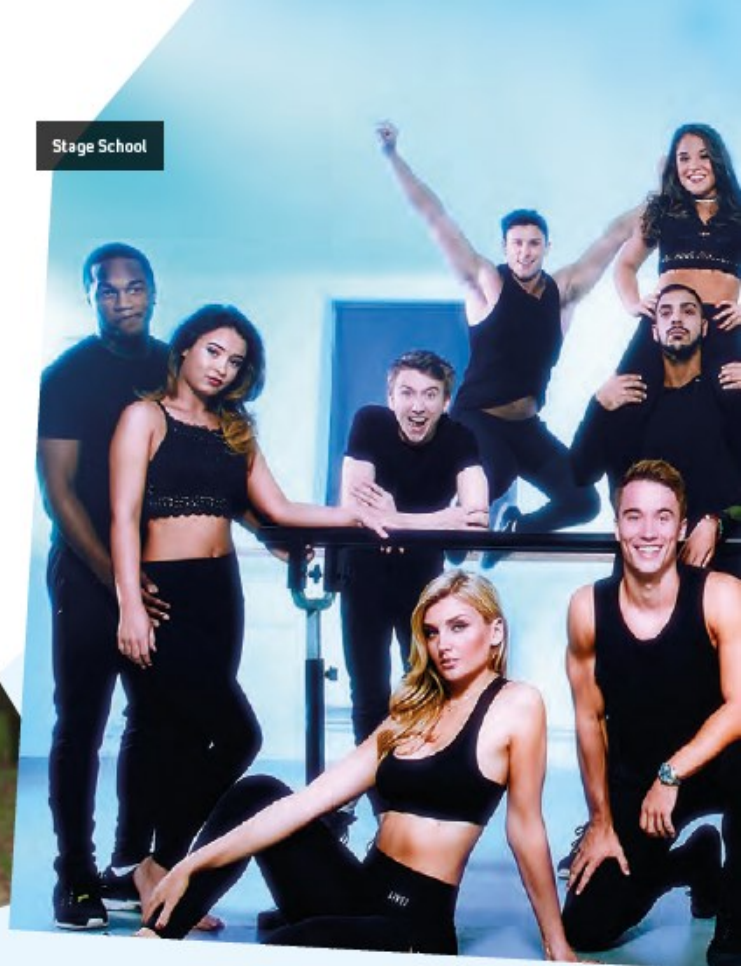
2 billion

VIEWS FOR C4 NEWS VIDEOS

## YOUNG PEOPLE CONTINUED



Millionaire Dads and me



Stage School

## Educational content for teens (14–19-year-olds)

Our educational output for teens aims to reflect the complicated lives of young people in Britain today, as well as asking them to challenge their own preconceptions. We seek to cover life skills not covered elsewhere – with themes in 2016 including family and relationships, body image and self-confidence and the impact of social media and the online world. We increased our commitment across all platforms, not only commissioning for the main channel but also launching a new series for E4 and four series of online shorts. We have found that our strategy is most effective with a cross-platform approach – TV content in a prime-time slot, accompanied by online shorts promoted on All 4 and educational articles and video content on Education's online hub, *Am I Normal?*

Several documentaries explored teenagers growing up in unconventional families – *House of Teen Mums* tackled the growing crisis of homelessness among young Brits at the sharp end of the housing crisis, with access to one of the YMCA's hostels for young mothers. The documentary was accompanied by an online short on *Am I Normal? My Millionaire Dads and Me*

followed the teenage sons of the first gay fathers to have babies via surrogacy and explored what life has been like for them growing up. We also examined different aspects of body image and identity. *Obsessed with My Body* looked at the growth in vanity amongst teenage boys, in an era where social media has meant their bodies are constantly under peer review. Our online series *Stripped Bare* won an RTS Award for its portrayal of how different people, including a transgender person and a girl with alopecia, use make-up to empower themselves.

Other original series for All 4 included *The Dark Side of Being Young*, in which six young adults confide their darkest moments as a warning to others, including technology addiction, bullying and eating disorders. We also commissioned a new scripted comedy, *Me and My Teen Self*, written by and starring new transgender talent, Lewis Hancox, discovered as part of our 2015 Transgender Season. Based on his own experience of growing up transgender, the series also covered universal themes of growing up – how to get on with your parents, find a girlfriend and stop worrying about your looks.

"COURAGEOUS ENOUGH  
TO DO WHAT ONLINE  
DISCUSSION IS OFTEN  
INCAPABLE OF"

THE GUARDIAN  
(KIDS ON THE EDGE)



## Older children content strategy (10–14-year-olds)

Our strategy for older children is to provide content designed to appeal to children by reflecting their lives and interests, but which also has a popular mainstream appeal. As distinct to BBC children's provision, it is largely aimed at 10–14-year-olds, effectively filling a 'gap' in the market between younger children and teens – although some of our shows, such as *We're Going on a Bear Hunt*, have a strong appeal to younger children as well. In 2016 we invested £6 million (growing from £1 million investment in 2011) in content which sought to fill this gap between dedicated children's programmes and content aimed solely at adults. This has proved successful – with Channel 4 performing better than any other PSB channel for how it indexes with 10–15-year-olds.

We particularly focused on the 8pm slot on Channel 4, where we are able to reach significant volumes of young people. After the success of the 2015 Christmas special, we launched the first series of *Gogglesprogs*. Featuring a diverse range of children aged between four and 13, the series asked them to tell us what they really thought of TV and politics in what turned out to be one of the most changeable periods in British political history. Episode 1 of *Gogglesprogs* was the biggest 8pm broadcast this year for 10–14-year-olds, and the series as a whole was 87% up on slot average for this age group. *Child Genius*, *The Suprvet* and *The Secret Life of the Zoo* also all out-performed their slot average amongst this age group. Overall, our focused investment in this slot meant its share was up by 10% year-on-year for 10–14-year-olds in 2016.

In August 2016 we announced plans to further increase investment in shows appealing to this audience over a three year period, including factual drama and entertainment shows.

Audience research amongst this age group highlighted the positive impact of these programmes – with 10–14-year-olds stating they enjoy them because of the themes involved (children enjoyed *Suprvet* and *The Secret Life of the Zoo* because of the animals featured) and because they are often about children of their age (viewers of *Gogglesprogs* and *Child Genius* said they could relate to the children featured). They also have an educational impact – half of young viewers to *Child Genius* said they learnt something new from watching, rising to six in ten among viewers of *The Suprvet*.

E4 also showed a notable growth this year among 10–14-year-olds (up +44%), due to the success of new programmes. A particular hit was *Stage School*, a 30-episode original musical structured reality series which was stripped over six weeks at 7:30pm. *Stage School* was E4's best performing 7:30pm series this year for 10–14-year-olds and is returning in 2017.



REMIT PERFORMANCE

# TWALE

Ellen



## TALENT

Investing in and developing new creative talent is an important aspect of Channel 4's public service remit, underpinning a vibrant and innovative UK television and film sector.

In 2016, Channel 4 continued to provide a platform for diverse new ideas, perspectives and voices through on-screen initiatives which give first-time commissions to breakthrough writers and directors.

We are committed to ensuring that everyone, from all walks of life and backgrounds, can pursue a career in television, and our numerous schemes and initiatives exist to bring young people into the media talent pipeline.

Our work includes travelling across the UK with our Channel 4 Pop Ups programme to inform young people about a career in the media industry, a plethora of on-screen talent initiatives that support new writing and directing talent, and a work experience and apprenticeship programme that, for 2016, focused on supporting new disabled talent.

We also support talent across the country via our own work experience and apprenticeship programmes, to broaden access into our industry – last year we used these programmes to focus on opportunities for applicants with disabilities. Our partnerships with a number of higher education institutions, including the National Film and Television School, also seek to educate and inform young people about opportunities, as well as offering a practical route in to our industry.

## TALENT CONTINUED

**"A FRESH AND  
LYRICALLY TOLD TAKE  
ON ADOLESCENCE"**

**THE TELEGRAPH  
(ELLEN)**

### Ellen

Developed as part of Channel 4's *Coming Up* strand, which provides first-time TV commissions for new drama talent, thought-provoking drama *Ellen* marked the exciting debut in 2016 of breakthrough UK female talent: writer Sarah Quintrell and director Mahalia Belo.

Developed and produced by Touchpaper TV, *Ellen* is a powerful, prescient story of a tough teenager trying to take control of her chaotic life. The 90-minute film reveals a poignant and vital portrayal of 14-year-old Ellen, played by actress Jessica Barden, forced to grow up too quickly.

As well as giving a platform to a brand new writer and director, the programme saw an array of new talent behind the camera, with its director of photography, editor, production designer and casting director all female first-timers. The music was composed by Jonathan Hill, also marking his broadcast drama debut.

### Nurturing talent on and off screen

Distinctive and thought-provoking films *The Extraordinary Case of Alex Lewis* and *The Ballroom Boys* were produced through Channel 4's First Cut strand, which offers documentary filmmakers the opportunity to make their first full hour-length productions for national television. In Drama, a number of first-time writers and directors had their debut TV commission through our *Coming Up* strand; while Channel 4 also launched a new initiative 4Stories, with the opportunity for diverse new UK writing and directing talent currently under-represented in TV drama to create a unique three-part series. We also continued to uncover bright new stars and showcase fresh ideas in Comedy through our *Comedy Blaps* slate of five-minute online short films on All 4.

In 2016, Channel 4 continued to provide meaningful, paid opportunities to gain hands-on practical experience and skills for those at entry and mid-level in the TV industry. These included our pan-UK Channel 4 Pop Ups programme, apprenticeship scheme, our one-year production training scheme, which provides on-the-job experience with independent production companies across the UK, our freelance 4Crew scheme, the Northern Writers Award, and our investigative journalism scheme which develops skills in this highly specialist and important field. Channel 4 is also developing a pipeline of talent in the wider UK creative sector, with support for emerging film and theatre talent through our work with the National Film and Television School, Channel 4 Playwright and Wellcome Trust screenwriting schemes.

In addition to work experience and apprenticeships at Channel 4's offices in London, Manchester and Glasgow, our production training scheme offers 12-month salaried placements that provide on-the-job TV production training with independent production companies across the UK – including Northern Ireland and the West Midlands. Following the Rio 2016 Paralympics, 24 disabled trainees also completed our Rio Production Training Scheme – over half of whom are now employed in the industry.

The Extraordinary Case of Alex Lewis



## 4Talent

Our 4Talent schemes seek to nurture the next generation of young talent from across the UK: from our Pop Ups that travel the UK providing information and workshops, to our apprentice and work experience schemes that ensure that Channel 4's doors are open to all, regardless of age, experience or background. With a remit not just to nurture talent but also to inspire change and champion alternative viewpoints, it is crucial for Channel 4 that we reflect the diversity of modern Britain.

In 2016, Channel 4 continued its national outreach programme of 'Pop Ups' – practical careers days which support young people to find routes into the industry, network with local creative businesses and learn more about the career opportunities open to them in the media sector. The scheme deliberately targets young people living outside of the main 'media hub' cities of the UK, with days held in areas such as Cardiff, Doncaster, Belfast and Corby. Over 650 young people attended Channel 4 Pop Ups in 2016, from an even greater proportion of diverse backgrounds than 2015: 21% came from ethnic minority backgrounds, 13% LGBT and 8% had disabilities – double the proportion from 2015.

A quarter of those on Channel 4's work experience placements this year attended a C4 Pop Up, demonstrating that the programme is successful in drawing in new young talent from across the UK to careers in television. Over half of Channel 4's work experience cohort for 2016 came from outside of London, 37% came from ethnic minority backgrounds and 45% did not have a university degree. As part of Channel 4's 2016 Year of Disability commitments, 30% of work experience placements and 50% of apprenticeships in 2016 were ring-fenced for people with disabilities. Through targeted recruitment we met or exceeded those targeted – 35% of all work experience participants had a disability, and 50% of all apprenticeships.

C4 POP UPS LOCATIONS INCLUDED CARDIFF, DONCASTER, BELFAST AND CORBY



650

people attended C4 Pop Ups



More than

50%

of work experience cohort came from outside of London

C4 Pop Up



TALENT  
CONTINUED

**"...GRITTY BLUE-COLLAR REALISM  
WITH MOMENTS OF  
EXTRAORDINARY TENDERNESS  
AND LYRICISM"**

**THE INDEPENDENT  
(AMERICAN HONEY)**

## Will Sharpe

Will Sharpe is the writer, director and actor in his debut six-part comedy drama series *Flowers*, the unusual noir comedy which aired to critical acclaim in 2016. This was Will's first TV writing work, following his BAFTA-nominated first feature film *Black Pond*, which he wrote and co-directed with frequent collaborator Tom Kingsley, caught the eye of the Comedy department, who worked with Will to develop the comedy series.

*Flowers* is an imaginative, cinematic show about an eccentric and dysfunctional family struggling to hold themselves together, starring Julian Barratt and Olivia Colman, and is Will's first TV work. It will return for a second series in 2017.

Will and Tom were also named in *Variety*'s top ten European directors to watch, and won the Evening Standard Film award for Best Newcomers. He has also recently completed a second feature film *The Darkest Universe*, co-written with Tiani Ghosh and co-directed with Tom Kingsley once again.

**"GLORIOUSLY DARK...  
GENUINELY ORIGINAL"**

**THE GUARDIAN  
(FLOWERS)**

## Film4: supporting British talent

Film4 has built a strong reputation for nurturing filmmakers, working with them over the long term, supporting them as they grow and develop creatively. Danny Boyle, who has worked with Film4 from the start of his enormously successful career on films like *Shallow Grave*, *Trainspotting* and more recently *Slumdog Millionaire*, in 2016 directed the sequel *T2 Trainspotting*, which picks up with the original cast twenty years later. So far the film has amassed an impressive £17 million at the UK box office. Ben Wheatley's *High-Rise*, was released in March 2016, and his next film, *Free Fire* will be our fifth collaboration with him and his highest profile film so far. It was selected as the closing night film of the 2016 London Film Festival, and was released in March 2017.

Several other projects have been made in 2016 with returning collaborators: Andrea Arnold (*American Honey*), Clio Barnard (*Dark River*), Paddy Considine (*Journeyman*), Martin McDonagh (*Three Billboards Outside Ebbing, Missouri*), Andrew Haigh (*Lean On Pete*), Yorgos Lanthimos (*The Killing of a Sacred Deer*). And already in production in 2017 are *Maradona*, our fourth film with Asif Kapadia, who won last year's Best Documentary Oscar winner for his film *Amy*, Mike Leigh's *Peterloo* and our second film with Director Bart Layton, *American Animals*.

As part of our commitment to new voices there are a number of filmmakers making their debuts too: *Beast*, by Michael Pearce, Toby MacDonald's *Old Boys*, Rungano Nyoni's *I Am Not A Witch* and Stephen Merchant's *Fighting with My Family*, his second feature, based on a Channel 4 documentary about a wrestling family in Norwich.

At a time when there is a lot of attention on the lack of female filmmakers, we also have a proud history of supporting female filmmakers: Andrea Arnold's *American Honey* won the Jury Prize at the 2016 Cannes Film Festival, as well as Best Film and three of the other main prizes at the British Independent Film Awards. We also have upcoming projects with Lynne Ramsay (*You Were Never Really Here*), Clio Barnard (*Dark River*) Tinge Krishnan (*Been So Long*) and first-time filmmaker Rungano Nyoni (*I Am Not A Witch*).

Film4 will continue to develop and co-finance an annual slate of creatively distinctive films which includes both new and established British and international talent, with potential to play not only across a variety of Channel 4 platforms but also to worldwide audiences. And we will lead the way in adopting the BFI Diversity Guidelines as the industry standard whilst ensuring that we are aligning our objectives with the 360° Charter.

Flowers



## Random Acts: Arts Council collaboration

Channel 4 introduced *Random Acts* in 2011 to show films by artists and has since broadcast over 500 short films. Unlike traditional arts programming (where programmes are made about artists) the strand is unique in encouraging artists to become filmmakers; providing a new platform for artistic talent and offering viewers an opportunity to experience storytelling through new and alternative perspectives.

In 2016, *Random Acts* launched with renewed purpose: to work with more established artists and allow them to play with the form and premiere work from them, as well as to identify and develop fresh and diverse creative talent from across the UK, offering young people aged 16 to 24 the opportunity to create high-quality short films. Over three years, Arts Council England has committed to invest £3 million in five *Random Acts* Network Centres, enabling as many young people as possible from across the UK to access routes into arts and filmmaking, including in areas where access to film and TV has been limited.

Random Acts

> 500

SHORT FILMS SHOWN  
SINCE RANDOM ACTS  
WAS LAUNCHED  
IN 2011

## 2017 AMBITIONS

- We will be significantly increasing the number of apprentices we have at the Channel, in line with the Government's Apprenticeship Levy, refreshing our flagship Production Training Scheme to include an apprenticeship aspect, as well as super-charging the work we do out of London to engage young people in a career in media.
- Film4 will continue to support new talent and nurture diverse voices as an essential component of both our feature and short film slate. Debut films we've backed that will launch in 2017 include Toby MacDonald's *Old Boys*, Michael Pearce's *Beast* and Rungano Nyoni's *I Am Not a Witch*.

American Honey

REMIT PERFORMANCE

# CATALYST FOR SOCIAL CHANGE

The Last Leg



## CATALYST FOR SOCIAL CHANGE

2016 was a year of extraordinary social and political change – Channel 4 was there to cover it in a way that engaged diverse audiences, provoked debate and gave a voice to a range of viewpoints.

We continued to deliver innovative News and Current Affairs programming that pushed boundaries and took risks, from delivering long-form content in peak time to connecting with young people through digital platforms.

We brought the wider world to our audience, not least through our US election programming and our coverage of the war in Syria. But aside from reporting and reflecting the headline events of the year, our commitment to investigative journalism shone through with series such as *Unreported World*.

While momentous events loomed large over 2016, more subtle changes were happening too. We were there to reflect them through mainstream lifestyle programmes. Experience tells us that this kind of content can be a powerful catalyst for social change, as it can cover thought-provoking issues as diverse as food, health, relationships and finances.

## CATALYST FOR SOCIAL CHANGE

CONTINUED

**"STAND UP TO CANCER CERTAINLY GAVE YOU BANG FOR YOUR BUCK WITH AN ALL-STAR EVENT FEATURING APPEARANCES FROM BONA FIDE STARS."**

DIGITAL SPY



>

**£15.7m**

RAISED FOR CANCER  
RESEARCH UK

## Stand Up To Cancer

In 2016 SU2C was back: a telethon for the Stand Up To Cancer charity with 100% of the donations going to the cause. The celebrity-packed line-up included sketches and stories of those who've been affected by cancer, and Channel 4 shows that were given the SU2C treatment included *Celebrity Island* with Bear Grylls, *Celebrity Child Genius*, *The Crystal Maze* and the *Hollyoaks* love-story of Jade and Alfie – two teenagers both diagnosed with Hodgkin lymphoma.

An average of 1.6 million viewers across the entire evening, with #standuptocancer trending all night and the support of famous faces from Boy George to John Legend to Taylor Swift, and guest appearances from Bastille, Little Mix and Frances, this programme combined its unique blend of entertainment, sport and music, underpinned by a heartfelt mission to raise funds and awareness.

We raised over £15.7 million on the night – the biggest ever total raised on a commercially funded UK channel.

## EU referendum coverage

As with our coverage of all major political events, we approached our coverage with a particular focus on our remit to appeal to young adults, provide alternative views and to support and stimulate well-informed debate.

In order to maximise engagement, we aired a breadth of programming across the schedule. *Channel 4 News* provided comprehensive coverage throughout the entire election period which included two debates with young and diverse audiences who debated the issues relevant to them. We aired *Boris v Dave: The Battle for Europe*, a Michael Crick fronted documentary that explored the personal battle between David Cameron and Boris Johnson on the election outcome.

In Comedy, we launched *Power Monkeys*, building on the success of *Ballot Monkeys* in 2015, a weekly topical comedy show on

all things EU. And, we brought back 90s hit *Eurotrash* which showcased the best, worst and weirdest that the EU has offered the UK.

On the night before polling day, we also aired *Europe: the Final Debate*. Led by Jeremy Paxman, the programme featured a wide range of well-known guests including leading politicians, opinion formers and other high profile pro and anti-protagonists. 43% of viewers stated that the Channel 4 programme was the best TV debate they had seen on the subject, rising to over half (53%) among 18–34-year-olds.

We used innovative marketing to promote not just referendum programming, but to engage young people in the electoral process. On-air, we invested a marketing value of £3 million across EU-related programming. *The Last Leg* ran social media reminders to register to vote prior to the deadline and E4 showed a dedicated *Made*

*in Chelsea* promotion featuring the show's stars in a mock version of the programme talking about both sides of the argument. Online, Jon Snow voiced a short video for Facebook reminding people to register and vote, reaching 1 million views in just 24 hours, and Channel 4 News Factcheck provided a range of dedicated Facebook content on EU-related issues.

Following the outcome of the referendum, we also examined the factors that shaped the Brexit debate: *Are You Owed a Pay Rise?* considered how low wages and job insecurity affected the EU referendum result; *Racist Britain* revealed the reality of the impact of the EU referendum on xenophobia in the UK and *Brexit: Who'll Do Your Job Now?* investigated the international movement of labour.

## KEY METRICS

**370**

long-form News and Current Affairs programmes in peak +4%

**24pt<sup>lead\*</sup>**

or being the best for documentaries that present alternative views = with last year

**76%**

average Buzz score for our top 10 TV shows

**15%**

of viewing to Channel 4 News by 16–34-year-olds audience -1pt

**31pt<sup>lead\*</sup>**

lead\* for allowing people an alternative point of view +2pts

**8.3m**

people watched Channel 4 each month +1%

**27pt<sup>lead\*</sup>**

for challenging prejudice +2pts

**27pt<sup>lead\*</sup>**

for showing the viewpoints of minority groups in society +1pt

**15pt<sup>lead\*</sup>**

for making viewers think about things in new and different ways = with last year

**16%**

of viewing to Channel 4 News by BAME audience +2pts

**65%**

of viewers said that Channel 4's factual programmes inspired change in their lives +2pts

**77%**

of Channel 4 News viewers regard it as independent from gov't -4pts

**36pt<sup>lead\*</sup>**

for tackling issues other channels wouldn't = last year

**29pt<sup>lead\*</sup>**

for taking a different approach to subjects compared with other channels = with last year



YOU CAN FIND MORE OF THIS DATA (AS WELL AS COMPARATIVE DATA) AND EXPLANATORY NARRATIVE FROM PAGE 60

\* lead over average for other channels

## 2017 AMBITIONS

- In a post-Brexit world we will continue to produce programmes that challenge viewers and stimulate debate, including *Crossing the Border*, Peter Kosminsky's drama of Brits who fight for ISIS and *The Jury*, a documentary drama that shines a light on the workings of our justice system.
- *Channel 4 News* will continue to focus on investigative journalism and holding power to account, with a focus on campaigns and providing comment from a range of diverse experts and contributors.
- We will continue our support of parasport in 2017 with coverage of the *IPC World ParaAthletics Championships*, as well as our latest addition to the sports slate, the *UEFA Women's Euros*.



Channel 4 News

CATALYST FOR  
SOCIAL CHANGE  
CONTINUED



The Jihadis Next Door

## Impactful British Current Affairs

In a year of record Current Affairs spend, Channel 4 aired an array of impactful Current Affairs programmes with a focus on the UK. In 2016, our long-running investigative strand *Dispatches*, took the strategic decision to focus its domestic investigations on five core issues – inequality, the changing world of work, welfare reform, housing and the pressure on public services.

We examined the lack of homes built, despite promises to increase housing in *The Great Housing Scandal* and *Britain's Homebuilding Scandal*.

The film, *Britain's Pensioner Care Scandal*, had significant national impact after revealing concerns about home care provided to older people, particularly in the London Borough of Haringey. Following this programme, Haringey Council terminated its contract with one of the care providers investigated in the film and 17 home care workers brought a case against this provider over non-payment of the minimum wage.

We also revealed failings in the Personal Independence Payment ('PIP') assessment process – a benefit that disabled people can claim, in *The Great British Benefits Row*,

where our findings were subsequently raised with the then Secretary of State for Work and Pensions and Minister for Disabled People by a number of MPs.

Our impactful Current Affairs also featured in other factual genres too, evidenced in *The Secret Life of Prisons*, as it depicted the brutal reality of life inside these British institutions. It featured numerous videos shot illegally by prisoners on smuggled-in mobile phones and revealed the prevalence of violence, drugs and anarchy.

## Thought-provoking lifestyle programming

At Channel 4, we believe that our mainstream lifestyle programmes can inspire audiences to make positive change in their lives. Over the past year, our output has featured a range of thought-provoking content that educates and challenges our audiences on everyday subjects such as food, health, relationships and finances.

We reflected the drive to tackle obesity amongst children and adults in *How to Lose Weight Well* which reached 8.7 million people across the series. This message was also reiterated in *Food Unwrapped*, *Joe Wicks: The Body Coach* and *Jamie's Superfoods*, as each deconstructs where our food comes from and presents the message of healthy living in a positive way.

Whilst *Supershoppers* and *Tricks of the Restaurant Trade*, explained to audiences how they can avoid manipulation through marketing and branding, or can find the best quality food, by revealing some of the techniques that retailers and restaurants use to make customers spend more.

These informative pieces aimed to appeal to audiences by reflecting modern life back to them in a way that builds knowledge, in popular formats.

**"A SHOCKING INSIGHT INTO THE BRUTAL REALITY OF LIFE BEHIND BARS."**

DAILY MAIL  
(THE SECRET LIFE OF PRISONS)

## Reflecting the wider world to our audiences

In a year that saw significant developments at home and abroad, Channel 4's remit to provide access to views and information from around the world was more important than ever. Channel 4 brought the stories that matter from across the globe into our living rooms, providing audiences with in-depth analysis of the forces and phenomena shaping our world.

Channel 4 continued its commitment to report on the conflict in Syria and its impact, with poignant documentaries such as *Children on the Frontline: The Escape* from filmmaker Marcel Mettelsiefen which documented the journey of a family fleeing Syria and starting a new life in Europe as refugees, as well as cutting edge reports such as those from young, Syrian filmmaker Waad al-Kateab on conditions on the frontline in Aleppo – whose videos were viewed almost 200 million times on Facebook.

Channel 4 also comprehensively covered political developments in the US in the run-up, during and after the Presidential election. Channel 4 identified and explored the drivers behind the appeal of Donald Trump from early on in his presidential candidacy, with a series of prime-time documentaries from *Channel 4 News'* Matt Frei charting his campaign. During the campaign period, Channel 4 broadcast all three presidential debates in their entirety,

as well as examining some of the important social issues defining modern America through documentaries such as *The Gun Shop* and *My Trans American Road Trip*.

In 2016, the *Unreported World* team's vivid and agenda-setting reports gave a voice to those who wouldn't normally be heard, combining accessible human stories with rigorous journalism and analysis. In *Yemen: Britain's Unseen War*, Krishnan Guru-Murthy and his team became the first TV journalists to document the famine in Yemen, sparking widespread debate about Britain's role in the conflict, while Fazeelat Aslam's report from Karachi on the city's water crisis was recognised with the Foreign Press Association Environment Award. The diverse backgrounds and experiences of the *Unreported World* team helped the series cut through to many stories that might often stay hidden, including the treatment of trans people in Malaysia in *Muslim, Trans and Banned* and the experiences of young Kenyan athletes trying to battle against rampant doping in *The Betrayal of Kenya's Athletes*.

Channel 4 programmes also took audiences to lesser travelled places around the world, showcasing breathtaking scenery and diverse cultures in Levison Wood's *Walking the Himalayas* and *Flying to the Ends of the Earth* with Arthur Williams. And in *Our Guy in China*, Guy Martin explored this industrialising nation, revealing the unseen side of its innovation, technological development and manufacturing.



+7%

INCREASE IN VIEWING  
TO UNREPORTED  
WORLD AMONGST  
16-34S

My Trans American Roadtrip



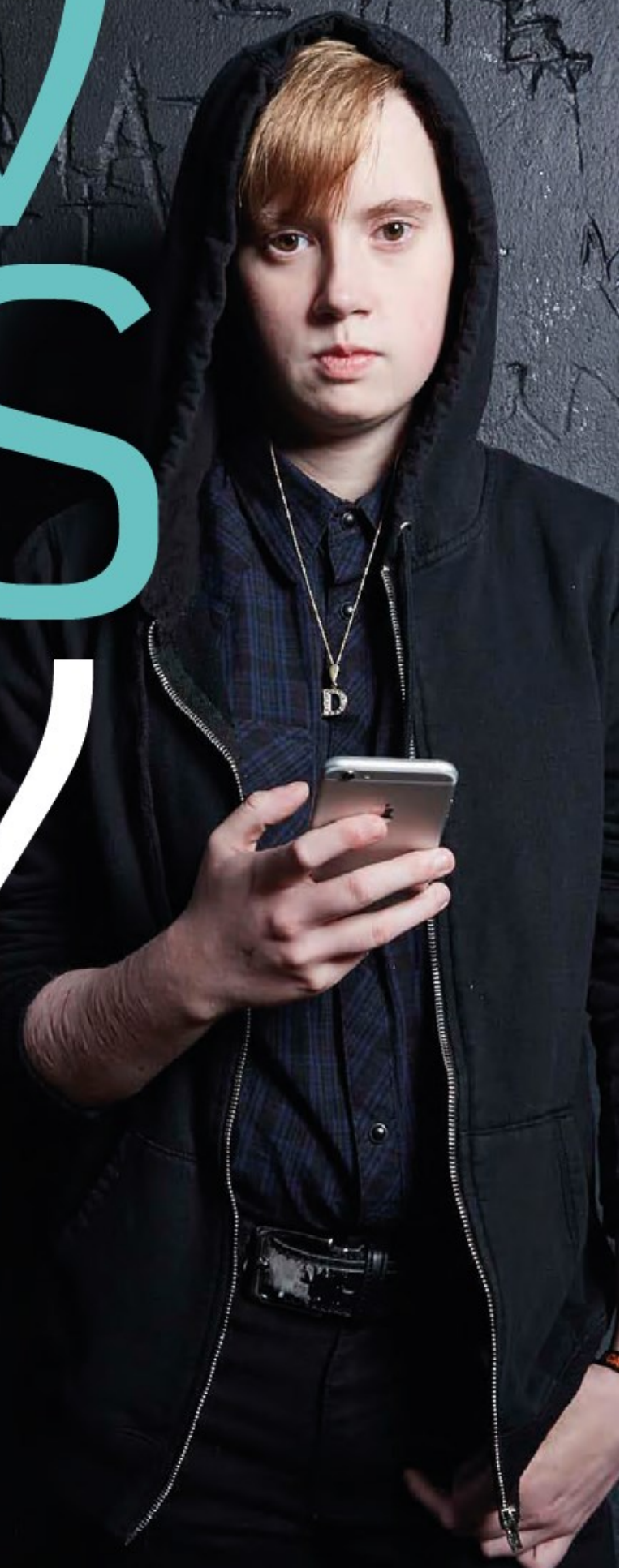
77%

OF 16-34S SAID THEY  
LEARN SOMETHING  
NEW EVERYTIME THEY  
WATCH UNREPORTED  
WORLD



REMIT PERFORMANCE

# DIV ERS ITY





## DIVERSITY

Channel 4 has always stood up for diversity – it is at the centre of our purpose and a key part of what we exist to do. Our reputation for showcasing Britain in all its diversity remains as strong as ever.

We're still adding to a 34-year-old legacy of ground-breaking TV that has helped to redefine the way society thinks and talks about issues such as disability, mental health, sexuality, race, ethnicity and gender. From *Desmond's*, the first black sitcom, to coverage of the Paralympics, Channel 4 has brought previously neglected experiences and perspectives into the mainstream. In 2016, the story continues.

The new 360° Diversity Charter has played an instrumental part in strengthening our commitment to this part of our remit. Thanks to this we are nurturing leadership in diversity at every level of our organisation. This goes beyond iconic content and boundary-pushing dramas appearing on our screens. It's about recognising the people who make this happen and ensuring everyone has access to opportunity.

## DIVERSITY CONTINUED

### 2016: Year of Disability

The Year of Disability ('YoD') has been a major success with all our key goals exceeded. We have also put into place a comprehensive long-term disability employment strategy with the aim of becoming the best employer of disabled people in the country.

On screen we have doubled the number of disabled people in 21 of our top shows (vs target 20), and off-screen we have progressed the careers of 26 disabled talent within 20 of our biggest indie partners (vs target 20).

And we also saw great results from our other Year of Disability initiatives. In our own backyard, we awarded 50% of Channel 4 apprenticeships and 35% of work experience placements to disabled people, and the Year of Disability Advisory group (YODA) offered the highest level of support, commitment, advice and engagement around a range of key areas, including the disclosure campaign and our disability employment strategy. We also increased the number of staff declaring a disability from 3% to 11%.

The Glasgow pilot for the Nations and Regions PTS proved so successful that all the companies agreed to extend their trainees' contracts: the majority of the Glasgow trainees are still in work, and employed by Glasgow indies. Off the back of this success we rolled out the pilot scheme to Cardiff and Bristol.



Annie Wallace

## KEY METRICS

# 77hrs

of first-run programmes covering international topics +26%

# 32%

of output on the Film4 channel came from outside the US

# 10.2%

portfolio viewing share amongst BAME audiences +1%

# 18%

were British films

# 22pt<sup>lead\*</sup>

for catering for audiences other channels don't cater for +3%

# 161hrs

of first-run foreign language content across the portfolio +28%

# 246hrs

of first-run originations covering diversity issues on the main channel +126%

# 24pt<sup>lead\*</sup>

for showing different kinds of cultures and opinion = with last year



YOU CAN FIND MORE OF THIS DATA (AS WELL AS COMPARATIVE DATA) AND EXPLANATORY NARRATIVE FROM PAGE 60

\* lead over average for other channels



CHANNEL 4 WAS AWARDED 'DIVERSE COMPANY' AT THE NATIONAL DIVERSITY AWARDS.

HOLLYOAKS' ACTRESS ANNIE WALLACE WON THE 2016 CELEBRITY OF THE YEAR AWARD AT THE NDAS AND WAS BAFTA-NOMINATED.

The first transgender actress to receive such a nomination after being shortlisted in the Best Actress category at the Scottish BAFTAs.



## 2017 AMBITIONS

- We will continue to champion diverse talent, including a raft of new formats for fresh, emerging talent including blind adventurer Amit Latif and our key 2016 Rio Paralympic Games presenters Sophie Morgan.
- As outlined in our Two Years On Report, as part of our refocused 30 charter initiatives we will be working on Four New Frontiers in 2017: focus on BAME progression, Spotlight on diverse directors, more diversity between our programmes and developing a pioneering social mobility strategy.



Idris Elba



**CHANNEL 4 WAS AWARDED  
THE EY'S NATIONAL EQUALITY  
STANDARD AT THE HIGHEST LEVEL –  
"INSTITUTIONALISED INCLUSION"**



## 360° Diversity Charter: One year on

2016 was a highly successful year for our 360° Diversity Charter, as we cemented our reputation as the leader in the broadcasting sector, and emerged as a leader across all industry. We continued to assess Charter progress with a Green/Amber/Red scoring system against its 30 initiatives: in 2016 we scored Green on 28, with two Ambers and zero Reds.

In January we launched our One Year On report in Parliament, with a keynote speech delivered by Idris Elba, news of which went around the world on the wires, and over 100 people attended, including many MPs and Peers. The inaugural D.I.V.E.R.S.E conference in January brought together talent, commissioners, indies and charities, to celebrate diversity and to tackle the issues that still need addressing. Speakers included Jessica Hynes, Sandi Toksvig, Grayson Perry and Asifa Lahore, and we also published new research: "Treating men and women equally: are we nearly there yet?"

The Commissioning Diversity Guidelines continue to influence the nature of our content, with 83% fulfilment in 2016; we were pleased to see industry monitoring system Diamond launch in August.

Project Diamond went live in 2016, launched by the Creative Diversity Network in Edinburgh. The first set of Diamond data is anticipated to be released in summer 2017.

Our Alpha and Indie Growth Fund continued to support diverse production companies. The Alpha fund has continued to invest in BAME-led companies like Zeitgeist, Acme, Greenacre Films, Ten55 and Maroon. We currently hold three Growth Fund investments in BAME led-indies (Renowned, Whisper and Voltage) out of 11 investments in total, and we continue to work with and support them.

We launched a ground-breaking internal communications campaign to encourage staff to disclose diversity data. We produced a series of films that allowed staff to tell their candid, personal stories of living and working with a disability, with companion advisory content for line managers. This campaign led to a huge rise in numbers of disabled staff, from 3% to 11%. BAME representation is up year-on-year and LGBT and Female remain broadly stable.

Diversity has increased across two leader groups, with a small decrease in LGBT. Growing our BAME leaders from 10 to 15% by 2020 is an important challenge we are committed to addressing.

As part of our Deputy Commissioning Editor commitment, three delegates completed a 12-month immersive commissioning experience plus associated training. All three candidates are now in elevated career positions in the industry as a result of the leadership programme.

## DIVERSITY CONTINUED

### Standing up for diversity in film

At the London Film Festival in October, Film4 became the first UK organisation outside of the BFI themselves to adopt the BFI diversity standards.

While we had previously operated to the guidelines set out in Channel 4's diversity charter, we recognised the need for the film industry to have one set of standards for UK producers to work with and to encourage the rest of the industry to follow suit.



Freefire



## Tackling mental health taboos

One in four people in the UK are affected by mental illness. As the first UK broadcaster to have signed the Time to Change pledge, Channel 4 is committed to tackling stigma and challenging perceptions around mental illness and treatment. In line with its remit to promote diversity and stimulate debate, Channel 4 has sought to deliver new ways of normalising the representation of mental health conditions on mainstream television through its programmes in 2016 in a number of genres, from documentaries to Comedy and Drama.

Described by the *Radio Times* as a "a clever, bleakly funny look at depression", Will Sharpe's original and touching comedy drama *Flowers* aired over six consecutive days in 2016. The series explored the complex personal impact and reactions to mental illness within a family in a thoughtful approach that blended humour and sadness.

Channel 4's mental health programming in 2016 also gave new insights into those on the frontline of mental health treatment. Ground-breaking documentary series *Kids on the Edge* followed the work of the Tavistock and Portman NHS Foundation Trust – a leading mental health trust – documenting the complex mental and emotional health conditions experienced by children and young people. In addition, *Life on The Psych Ward* focused on the work of the South London and Maudsley Hospital's forensic mental health services – an area of mental illness often subject to misconceptions and rarely explored in an in-depth way on television.

A number of popular Channel 4 programmes also challenged the taboo around talking about mental illness. Both *The Island with Bear Grylls* and *SAS: Who Dares Wins* gave viewers an insight into the personal experiences of Hannah and Jason in living with PTSD; while in *Grayson Perry: All Man* highlighted the often taboo issue of male suicide.



Kids on the Edge

REMIT PERFORMANCE

# INNOVAT

Hunted

CAUTION  
BEND YOUR  
HEAD

# ION

## INNOVATION

Creative and commercial innovation really is at the heart of all that we do. Our commitment to innovation spans everything from the content that we commission to how we connect with audiences and the way we distribute programming to them, as well as the way we generate revenue.

Channel 4 has inspired and enabled a long line of digital and technological game changers – from the first on-demand service to the first simul-release online film. This pioneering work continues and underpins our ongoing strategy to deliver content to viewers in new ways. By staying at the forefront, our ability to connect with young people grows ever stronger.

## All 4

Following a successful launch in 2015, All 4 continued to grow and evolve in 2016 – reaching 14.9 million registered users as we entered 2017 and delivering robust growth in viewing, up 21% across owned and operated platforms year-on-year. A successful year was topped off with All 4 winning the Broadcast Award for 'Best Digital Video Service', beating iPlayer, UKTV Play and ITV Hub to the award.

All 4 is a very different offering to its competitors. Far from just a catch-up service for last night's TV, All 4 offers originals, exclusives, box sets and live TV, as well as catch up. In 2016 we invested further in original and exclusive content for All 4, while also maximising our catch-up TV inheritance, appealing to the growing viewer appetite to binge-watch box sets and catering to those who choose to stream live TV on a tablet or PC. As a result, our breakdown of viewing is far more diverse than that of any equivalent offering.

Our investment in content for All 4, which has increased by more than a third since 2015, was a driving factor for the overall increase in viewing. 2016 successes included the return of Dom Joly's *Trigger Happy TV*, an All 4 original, the popularity of which led to a Christmas Eve special on Channel 4. All 4's exclusives also saw success, with *Search Party*, *Married at First Sight Australia*, *The Island USA With Bear Grylls* and *Seven Year Switch Australia* all performing particularly well. *Walter Presents*, our foreign language drama box-set service, is also a successful part of the All 4 offering.

This strong performance was matched by continued innovation on the platform as a simpler, more personal user interface launched across iOS, Android, Amazon and All4.com which will continue to roll out to other platforms in the new year.

In the year ahead we will look to maintain All 4's growth in viewing with increased investment in content and we will specifically target investment at the hard to reach 16–24-year-olds audience. We also plan to further build on our rich heritage of innovation, adding personalised promotions based on taste segments and personalised editorial collections using our data-driven algorithms to offer different curated collections to different users.

Science-based but human-centred, these developments are aimed at striking an intelligent balance between human editorial curation and data-driven algorithms and will vastly improve the experience for every viewer.

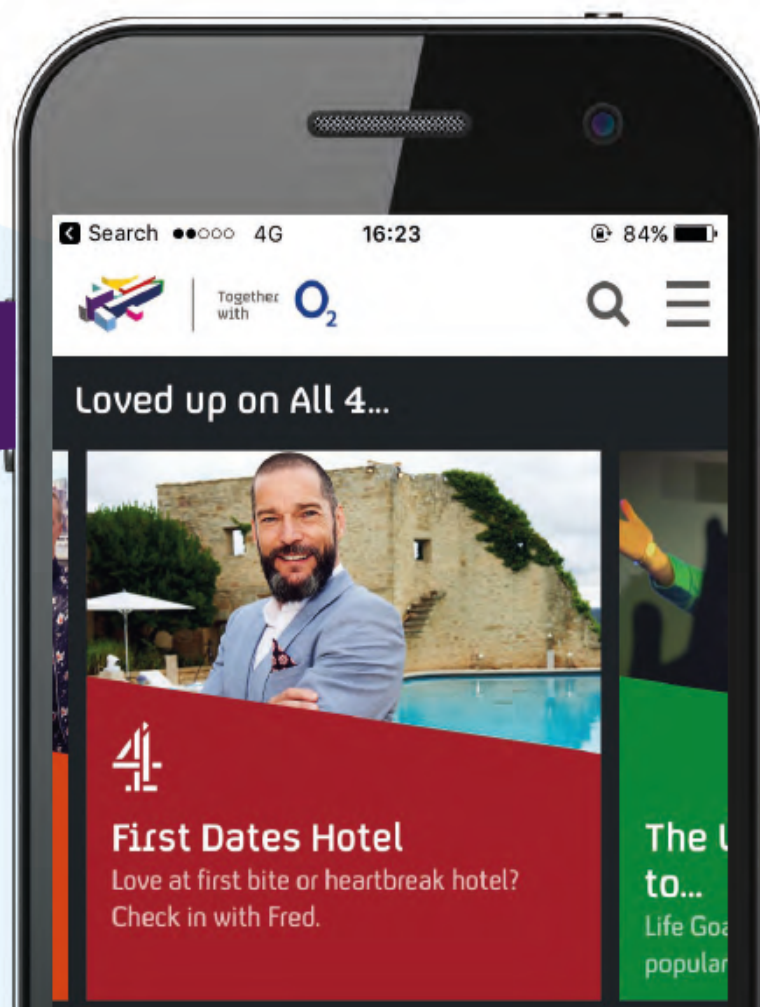
**"A BRILLIANTLY  
DRAWN SEND-UP  
OF NEW YORK  
MILLENNIAL  
HIPSTER LIFE."**

THE GUARDIAN  
(SEARCH PARTY)



# 14.9m

ALL 4 REGISTERED  
USERS



## A fresh approach to arts programming

Channel 4 deliberately attempts to pioneer an alternative approach to arts programmes. Where much arts programming turns its attention inwards on the arts world, such as profiles of artists, we ask artists of all disciplines to be the author, not the subject, of our programmes and to turn their attention outwards to society at large.

By empowering our society's most creative, original and subversive thinkers from the worlds of dance, music, photography and other artistic disciplines, we are able to offer challenging new perspectives on the most important issues of our time; from masculinity to gay marriage and from climate change to 9/11, our arts programming offers the opportunity to see our world through different eyes, challenging our viewers to see the world in a different light.

In 2016 the Turner Prize-winning artist and double BAFTA award-winning Grayson Perry continued to build on his reputation for thought-provoking, unsettling and often moving programming with *Grayson Perry: All Man*, investigating contemporary masculinity in his third series for Channel 4. In a collaboration with Drama, Arts also delivered Channel 4's highest-rating programme of 2016: *We're Going on a Bear Hunt*. 2016 also saw the return of the *Random Acts* strand in new and expanded form, thanks to a £3 million, three-year partnership with Arts Council England.

The strand will continue through 2017, where other arts commissions already announced include dancer and choreographer Akram Khan embedding himself in a giant factory and producing new work based on his experience, and *Western Flag* – a year-long digital simulation by acclaimed artist John Gerrard of the Texan landscape where oil was first struck.

Random Acts

## KEY METRICS

# 175

new and one-off programmes -17%

# 29pt<sup>lead\*</sup>

for being experimental +1pt

# 38pt<sup>lead\*</sup>

lead\* for taking risks with programmes that others wouldn't = with last year

# 620m

programme views initiated on demand +21%

# 522m

total visits to Channel 4's websites and apps +3%



YOU CAN FIND MORE OF THIS DATA (AS WELL AS COMPARATIVE DATA) AND EXPLANATORY NARRATIVE FROM PAGE 60

\* lead over average for other channels

## 2017 AMBITIONS

- All 4 will continue to develop as a standalone content destination, with new thematic commissioning strands including *New Romantics*, which will explore modern love in all its forms, *Ballsy*, a home for those pushing life to the limits and *Freaks & Uniques*, a look at extraordinary people living unbelievable lives, as well as strands for leading edge music and culture, gaming and the internet, topical series and mid-form millennial drama and comedy.
- Our Arts programming will continue to explore auteur-led programming from contemporary artists, including *Western Flag*, an original artwork for Earth Day, created by John Gerrard.
- We will continue to showcase the best international drama via *Walter Presents*, which will also launch in the US in 2017.

## INNOVATION CONTINUED

### Innovation in form

Channel 4 innovates and takes risks in all aspects of what we do, including the methods we use to actually capture and produce our on screen content. The practice of innovating through form, pioneering cutting-edge production and filming techniques, has held an important role in the strategy and success of many of our broadcasts over the last 12 months.

This has been notable in many of our commissions where we have used the latest mobile and fixed camera technology, evidenced in *The Children's Hospital*, *The Job Interview*, *First Dates* and *SAS: Who Dares Wins*. Through incorporating ground-breaking 'fixed-rig' technology, it provides filmmakers with many more cameras compared to traditional observational productions and avoids the potentially intrusive presence of a crew. This allows us to provide poignant, intimate and observational insights in a range of environments previously not conducive to filming, creating a distinctive editorial feel.

We have also increasingly adopted the use of state-of-the-art drone filming in order to capture expansive landscapes and environments. *China: Between Clouds and Dreams* is a notable example of this, as the cinematography depicts a stunning, intimately beautiful series, painting a rarely-seen picture of real life in China, interweaving stories of human drama with nature.

Investing in bold new formats is not without its risk. *Eden* launched with good figures, particularly for 16–34-year-olds, but the unmediated nature of the production process has made it a difficult show to land.

Channel 4 continues to commission around themes that span specific categories, and 2016 saw a range of cross-genre collaborations, including the experimental docu-dramas *People Next Door* and *The Watchman* and the arts-drama Christmas animation *We're Going on a Bear Hunt*. These pieces are born from a new style of commissioning where our different teams engage with each other in development discussions to ensure that they continue to work together in new and exciting ways.

> DEUTSCHLAND 83'S LAUNCH EPISODE WAS  
**the most watched**  
FOREIGN LANGUAGE DRAMA EPISODE  
IN THE UK SINCE 2002



### Walter Presents online catalogue

In 2016, we launched *Walter Presents*, a video streaming service showcasing the world's best foreign language drama on All 4, an innovative first for any British PSB. Handpicked by *Walter Presents* curator, Walter Iuzzolino, the dramas are exclusively available free to UK viewers, with no subscription required. The service was launched through a partnership between Global Series Network ('GSN') and offers a constantly evolving and expanding slate of foreign language dramas, making it the go-to destination for fans of world drama and those curious to discover more.

*Walter Presents* debuted last January with the hit German drama *Deutschland 83*: the launch episode was the most watched foreign language drama episode in the UK since 2002 with 2.5m viewers. The service now includes 27 shows from 14 countries and its library features around 700 hours of curated content, including Swedish noir thriller *Blue Eyes*, French crime drama *Mafiosa* and Israeli romantic comedy *Beauty and the Baker*.

Over the next year, *Walter Presents* is set to launch in the US, marking its first moves into the international market.



The Watchman

## Grayson Perry: All Man

Grayson Perry continues to provoke discussion with his documentaries on Channel 4 with two BAFTA and Grierson award-winning series, and this third series is no exception. In *Grayson Perry: All Man*, Grayson delves into the worlds of modern men in this thought-provoking documentary exploring what it means to be masculine in the modern world.

Double BAFTA-winning TV presenter Grayson Perry investigates contemporary masculinity in this three-part series. Perry immerses himself in three ultra-male worlds: the world of male cage fighters in the North East, the world of men thirsting for rank and territory within the police force and drug industry, and the world of traders and hedge-fund managers in the City of London. In this timely documentary, Perry attempts to see what their extreme masculinity can tell us about the changing lives and expectations of modern men whilst capturing what he sees through art and reflecting on his own prejudices and upbringing.

The series reached 3.2 million people across its three episodes and received positive viewer feedback, *Grayson Perry: All Man* highlights a "male point of view that many views hadn't seen on TV before" as well as being "honest" and "informative".




Grayson Perry

**"INTELLIGENT,  
NOT MAWKISHLY  
SENTIMENTAL  
AND NO POINTLESS  
BACKGROUND MUSIC:  
THIS IS HOW  
FACTUAL TELEVISION  
SHOULD BE."**

THE TIMES  
(GRAYSON PERRY:  
ALL MAN)

Channel 4's investment in innovation touches everything that it does – spanning the range and geographical diversity of its supplier base, the diversity of voices and perspectives on screen, and technological innovation on new digital platforms.

 [annualreport.channel4.com](http://annualreport.channel4.com)

#### INNOVATION THROUGH CONTENT

For the second year running, Channel 4 invested a record amount in (originated and acquired) content across its TV and digital portfolio in 2016. Its total content budget was £695 million, 10% up year-on-year – the largest annual percentage increase for more than 15 years. Spend on Channel 4's own commissions was also up by 10% this year, to £501 million, also a new record level of investment.

Along with the fruits of the new wave of creative renewal, the key highlight this year was Channel 4's *Rio 2016 Paralympics* programming, extensive coverage of which was supported by related content across the schedule.

Channel 4 broadcast 9.3 hours of first-run originations every day on average across the TV portfolio in 2016, a 12% annual increase. On the main channel, the amount of first-run originated programming was 9% up, largely due to the *Rio 2016 Paralympics* along with the broadcaster's first year of coverage of *Formula 1*. On the digital channels, the volume of new commissions rose by 43%, with a slew of major new series on E4 and More4. In peak-time (6–10.30pm), when we reach the largest audiences, 74% of hours on the main channel were made up of first-run originated programming, two percentage points up on the 2015 level and the highest figure since 2003. Including repeats, 81% of peak-time hours were taken up with originations (level with 2015).

INVESTING  
IN

INNOVATION

G

ON

Across the TV portfolio, Factual and Entertainment remained the two biggest genres, in terms of investment levels. Investment in Factual rose for the fifth year running, by 15% to £209 million, supporting new series such as *Eden*, *My Kitchen Rules* and *Stage School*, along with extended runs of *The Supervet* and *First Dates*. There were 1,396 hours of first-run originated Factual programmes, up by 17% year-on-year. In Entertainment, spend fell by 7%, to £103 million, while the number of first-run originated hours fell by 13% (to 628 hours), as *Time Crashers* was not replaced and there was less Alan Carr programming in 2016.

This year, Sport was the second-biggest genre in volume terms, with 714 hours of first-run originated programming (Entertainment fell to third place). The Rio 2016 Paralympics and Formula 1 coverage resulted in a 70% increase in Sports programming in 2016, equivalent to 294 additional first-run originated hours. There was a corresponding £49 million increase in spend on Sports programmes, the biggest single change in investment for any genre this year.

#### INNOVATION THROUGH DIVERSITY

Channel 4 provides vital support for the UK's production sector. Uniquely amongst the PSBs, all its commissioned content comes from external suppliers, and it expanded both the size of its investment in the production sector and the breadth of its supply base in 2016. Channel 4 spent £441 million on first-run external commissions on the main channel (up 9% year-on-year), and £487 million across the TV portfolio (10% up). It worked with 317 creative partners across its commissions in TV, film and digital media, 7% more than in 2015. 70 of these suppliers were new to Channel 4, 32% more than last year.

Channel 4 is committed to regional diversity, seeking to commission content from across the UK. In 2016, it sourced 55% of all hours of first-run originated programmes on its main channel from suppliers based outside London, up by two percentage points year-on-year. Channel 4 has now sourced more than 50% of its first-run commissions from outside London for four consecutive years. In expenditure terms, 40% of Channel 4's investment in first-run originated programming on the main channel was on programmes from suppliers outside London, up one percentage point year-on-year. Across the TV portfolio, Channel 4 spent £169 million on programmes from suppliers based outside London, £20 million more than in 2015 (a 13% rise). In percentage terms, there was an even bigger increase

in expenditure on content from companies based in the Nations (Northern Ireland, Scotland and Wales), which rose by 28% to £36 million.

Turning to on-screen diversity, there were substantial increases in the volumes of diversity-related programmes on Channel 4, due primarily to its coverage of the Rio 2016 Paralympics. Channel 4 showed 358 hours of originated diversity-related programmes on the main channel in 2016, up 78% year-on-year. 246 of these hours were first-run programmes (126% up), and 103 of the first-run hours related to programmes that were shown in peak time (a 29% increase). Separate from the Rio 2016 Paralympics, new diversity-related programmes this year included *What British Muslims Really Think* and *My Trans American Road Trip*.

Channel 4's international programming also contributes to the diversity of its schedules. Excluding *Channel 4 News* (which itself has a strong international focus, see page 47), there were 77 hours of first-run programmes covering international topics on the main channel and in the cross-channel *True Stories* documentary strand, the highest level since 2011 (and 26% up on 2015). 2016 also marked the launch of *Walter Presents*, Channel 4's new on-demand service curating the best foreign language TV shows, with some programmes showcased on TV. The launch episode of *Deutschland 83* on the main channel was the most-viewed foreign language drama ever shown on British television. Meanwhile, the Film4 channel continues to offer a diverse and international slate, with 32% of its output coming from outside the US, and 18% comprising British films.

## Innovation through content

**£695m**  
SPENT ON CONTENT  
ACROSS ALL SERVICES  
(TV AND ONLINE)

+10% ON LAST YEAR

● INVEST IN HIGH  
QUALITY CONTENT

**£684m**  
INVESTED IN ORIGINATED  
AND ACQUIRED  
PROGRAMMING ACROSS  
THE CHANNEL 4 TV  
PORTFOLIO (ALL GENRES)

+10% ON LAST YEAR

● INVEST IN HIGH  
QUALITY CONTENT

### INVESTMENT IN ALL CONTENT

Channel 4's content budget reached record levels in 2016. The broadcaster spent a total of £695 million on content across its services, comprising the main channel, digital TV portfolio and digital media services. This represented a 10% increase year-on-year, the largest annual percentage increase for more than 15 years; and, for the second consecutive year, Channel 4 set a new record for its total content budget. The large majority of this budget – £553 million, equivalent to 80% of the total – was spent on the main channel, which continues to attract larger audiences than any other channel or service in the portfolio. £131 million was spent on the digital TV channels, and a further £11 million was spent on digital media, which includes Channel 4's websites, cross-platform content and investment in All 4 content including *Walter Presents*.

All components of Channel 4's content budget benefited from significant increases this year. Expenditure on content on the main channel rose by £46 million, a 9% increase on the 2015 figure (£507 million). Increases in spend were even greater, in percentage terms, for the digital channels and digital media. Content spend on the digital TV channels was up by 15% on the 2015 figure of £114 million, a £17 million rise. And spend on digital media was up by 38%, boosting 2015's £8 million spend by a further £3 million.

Focusing on the TV portfolio (Channel 4's main channel and the digital channels), a total of £684 million was invested in originated and acquired programming across these channels in 2016 (up 10% on the 2015 figure of £621 million). The genres that accounted for the largest amounts of content investment this year were Factual (£209 million), Entertainment (£103 million), Film (£92 million) and Drama (£91 million). Of these, investment in Factual rose for the fifth year running, by 15%, supporting major new series such as *Eden*, *My Kitchen Rules* and *Stage School*, along with extended runs of *The Supertvet* and *First Dates*. Investment in entertainment fell by 7% (equivalent to £8 million), as *Time Crashers* was not replaced this year and there was less Alan Carr programming in 2016. Highlights this year included an extended run of *The Last Leg* covering the Rio 2016 Paralympics. The Film budget was sustained, increasing by 1% year-on-year. Alongside premieres of acquired feature films such as *Paddington*, Film4 premieres this year included *12 Years A Slave* and *Amy*. The Drama budget fell by 8% (equivalent to £8 million), as *Cucumber* was not replaced. Key commissions this year included *National Treasure*.

Across the schedule, the most notable change in 2016 was the £49 million increase in spend on Sports programming, a year-on-year increase of 258%. This substantially increased budget was used to cover the Rio 2016 Paralympics and Formula 1. Spend on the other genres was relatively stable in absolute terms, with individual year-on-year changes of no more than ±£3 million. Spend on Comedy programming held steady, at £59 million, with new hits such as *The Windsors*; as did Channel 4's £26 million investment in its News programmes. There was a 6% rise in investment in Current Affairs programmes, to £28 million, the highest level ever, providing extensive coverage of Brexit and the US Election. While relatively small in absolute terms (around £3 million), there was a substantial 73% increase in investment in programmes which appeal to Older Children, which was spent on new series such as *The Secret Life Of...* strand and *Gogglesprogs*, along with *We're Going on a Bear Hunt*. The content budget for Education (14–19-year-olds) fell by almost £3 million, mainly due to *My Mad Fat Diary* not being recommissioned this year.

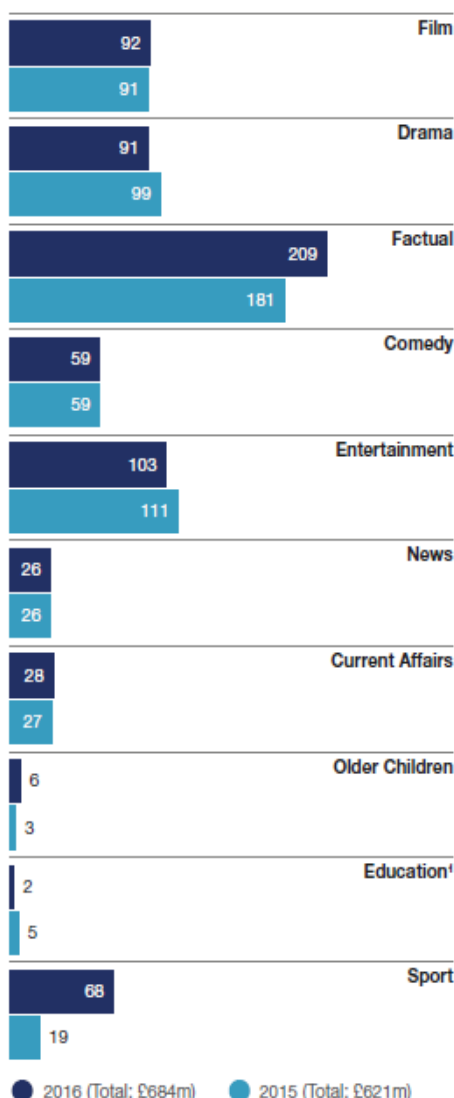
Spend across the Channel 4 network  
on all content (£m)

	Total (£m)		
2016	553	131	11
2015	507	114	8

● Channel 4 (main channel) ● Digital channels  
● Digital media

Source: Channel 4

Total investment in originated and acquired programming across the Channel 4 TV portfolio by genre (£m)



Source: Channel 4

<sup>1</sup> Education in this metric refers to specifically commissioned programmes for 14–19-year-olds, as opposed to Channel 4's broader educational remit.

# Innovation through content

74%

OF THE MAIN CHANNEL  
PEAK-TIME SCHEDULE  
DEVOTED TO FIRST-RUN  
ORIGINATIONS

+2PTS ON LAST YEAR

● INVEST IN HIGH  
QUALITY CONTENT

## OUTPUT MIX ON CHANNEL 4

Channel 4 showcases the majority of its new original programming on the main channel during peak-time hours (defined by Ofcom as 6–10.30pm), in order to attract the largest audiences and have the greatest impact. In 2016, 74% of all peak-time hours on the main channel were made up of first-run originated programming. This is a two percentage point increase on the 2015 level, and represents the highest figure since 2003. With another 7% of peak hours comprising repeats of original programming, originations accounted for a total of 81% of peak-time hours – comfortably exceeding the Ofcom licence requirement of 70%. While Channel 4's daytime schedules include a more balanced spread of originations and acquisitions, originations still accounted for almost two-thirds (65%) of all output on the main channel across the day in 2015, again well above the Ofcom quota of 56%.

Overall, the proportion of originated programming in peak-time on Channel 4's main channel was flat year-on-year, with the three percentage point increase in first-run originations offset by a three percentage point fall in originated repeats. Across the whole day, the proportion of originated programming on the main channel also held steady year-on-year.

Percentage of output on the main channel accounted for by originations and first-run programmes

Peak-time (6–10.30pm)				
2016	74	7	7	12
2015	72	9	8	11

All day				
2016	35	30	7	28
2015	32	33	8	27

● Originations – first-run ● Originations – repeat  
● Acquisitions – first-run ● Acquisitions – repeat

Source: Channel 4

£501m

SPENT ON ORIGINATED  
CONTENT ACROSS  
ALL SERVICES

+10% ON LAST YEAR

● INVEST IN HIGH  
QUALITY CONTENT

## INVESTMENT IN ORIGINATED CONTENT

Channel 4 delivers its public remit primarily through its investment in original content, on TV and in digital media. Its total expenditure on originated content across its TV channels (comprising first-run transmissions and repeats) and online services was £501 million in 2016 – setting a new record, for the second consecutive year, for the largest investment in Channel 4's history.

The main channel accounted for the large majority of this expenditure: its original programme budget was £445 million, equivalent to 89% of the total spend on originations. This included expenditure of £187 million on News, Current Affairs, Education programming, Comedy, Drama series and single dramas (including Film4 productions), Arts and Religion – up 2% year-on-year. This does not include the full range of programming genres e.g. Factual or Sport, where Channel 4 also delivers important public service content.

Beyond the main channel, a further £46 million was spent on original content for the digital channels, and £10 million on digital media content (including websites and cross-platform content) in 2016.

There was a substantial year-on-year increase, of £46 million, in Channel 4's total spend on original content in 2016, equivalent to a 10% rise. The bulk of this increase, £37 million, was directed at the main channel to generate the biggest possible impact. A further £7 million was allocated to the digital channels, and another £2 million to the digital media budget.

Spend across the Channel 4 network on all originated content (£m)

				Total (£m)
2016	445	46	10	501
2015	408	39	8	455

● Channel 4 (main channel) ● Digital TV channels  
● Digital media

Source: Channel 4

## Innovation through content

9.3hrs

OF FIRST-RUN  
ORIGINATIONS EVERY DAY  
ON AVERAGE ACROSS THE  
CHANNEL 4 PORTFOLIO

+12% ON LAST YEAR

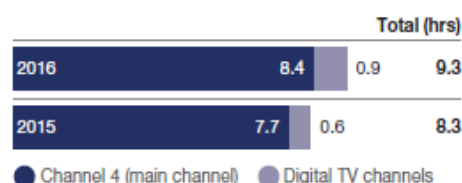
● INVEST IN HIGH  
QUALITY CONTENT

### ORIGINATED OUTPUT ACROSS CHANNEL 4 TV PORTFOLIO

Channel 4 broadcast an average of 9.3 hours of new commissioned programmes (first-run originations) every day in 2016 across the main channel, E4, More4 and Film4. The main channel accounted for 8.4 of these daily hours, with the other 0.9 hours on the digital channels.

The volume of first-run originations across the TV portfolio rose by 12% in 2016, primarily due to Channel 4's extensive coverage of the Rio 2016 Paralympics, along with the first year of coverage of *Formula 1*. This resulted in a 9% increase in first-run originated programming on the main channel. The volume of new commissions on the digital channels rose by 43%; major new series included *Tattoo Fixers on Holiday*, *Celebs Go Dating*, *Stage School* and *Phil Spencer's Stately Homes*.

Average daily hours of first-run originations across the Channel 4 TV portfolio



Source: Channel 4

3,410hrs

OF FIRST-RUN  
ORIGINATIONS ACROSS  
THE PORTFOLIO

+13% ON LAST YEAR

● INVEST IN HIGH  
QUALITY CONTENT

### VOLUME OF FIRST-RUN ORIGINATIONS BY GENRE

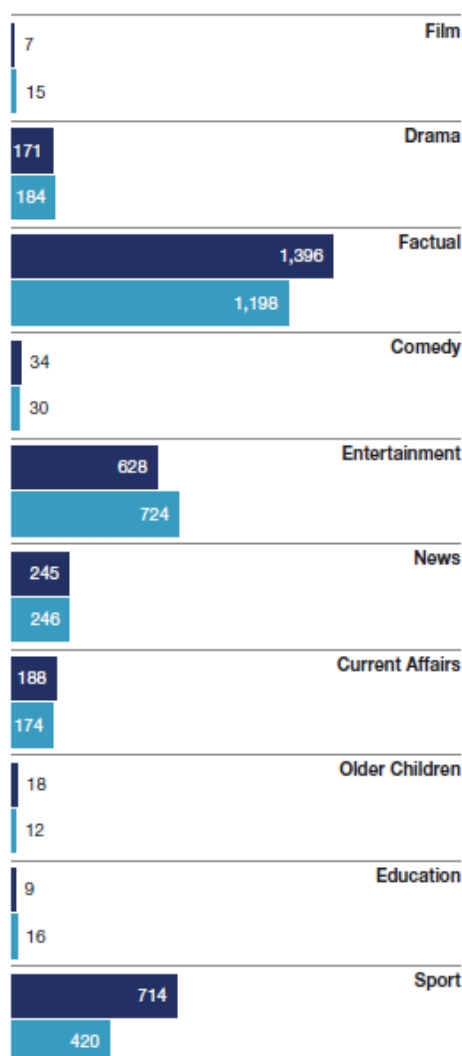
In 2016, Channel 4 broadcast 3,410 hours of first-run originated programming across its TV portfolio. The genres with the largest volumes of first-run originations this year were Factual (1,396 hours), Sport (714) and Entertainment (628 hours).

The total volume of first-run originations rose by 13% in 2016, equivalent to 391 hours. Three-quarters of this increase, or 294 hours, was accounted for by Channel 4's expanded Sports output, the volume of which rose by 70% year-on-year thanks to the coverage of the Rio 2016 Paralympic Games and the *Formula 1 Grands Prix*. There were two other substantial changes in the volumes of first-run originations this year: an additional 198 hours of Factual programming, equivalent to an increase of 17% (with new series such as *My Kitchen Rules*); and 96 fewer hours of Entertainment, a drop of 13% (*Time Crashers* was not replaced this year and there was less Alan Carr programming).

Year-on-year changes were relatively small in the other genres in absolute terms: all fell within the range of  $\pm 14$  hours. Of the other genres with increased hours of first-run originated programming, the most notable increase in percentage terms was for programmes for Older Children (a rise of 49%, or 6 hours), due primarily to the *Secret Life Of...* strand and *Gogglesprogs*. There were also increases in Comedy (11% up, or 4 hours), with new series *The Windsors*, and in Current Affairs (8% up, or 14 hours), with *Tricks of the Restaurant Trade* and additional specials.

The largest decline in percentage terms was for Film (51% down, or 8 hours), due to not having as many titles. This reflects variations in theatrical release patterns for Film4 titles, which determine the timings of the subsequent TV windows. In 2016, three films were premiered, including *12 Years A Slave* and *Amy*, down from seven in 2015. There was also a significant decline, of 43% (or 7 hours) in Education programmes, with *My Mad Fat Diary* not being recommissioned. In Drama, the volume of first-run originations fell by 7% (13 hours), as *Cucumber* was not recommissioned, while there was a marginal (1%, or 1 hour) fall in the volume in News programming.

Hours of first-run originations shown across the Channel 4 portfolio by genre



● 2016 (Total: 3,410hrs) ● 2015 (Total: 3,019hrs)

Source: Channel 4

# Innovation through content

## MEETING CHANNEL 4'S LICENCE OBLIGATIONS

Average hours per week		Compliance minimum	2016	2015
News	in peak time (6–10.30pm)	4	4	4
Current Affairs	overall	4	6	5
	in peak time (6–10.30pm)	2	3	3
Hours per year	schools	1	29	27
<b>Percentage</b>				
Origination production	overall	56	65	65
	in peak time (6–10.30pm)	70	81	81
Independent production		25	59	64
European independent production		10	30	34
European origin		50	70	69
Subtitling for the deaf and hard of hearing		90	100	100
Audio description		10	31	26
Signing		5	6	5
Regional production		35	40	39
Regional hours		35	55	53
Production in the Nations		3	8	7
Nations hours		3	9	9

Note: Excluded from the scope of the KPMG Assurance Report.

# Innovation through diversity

> **£441m**

INVESTMENT IN FIRST-RUN EXTERNAL COMMISSIONS ON THE MAIN CHANNEL IN 2016

**+9% ON LAST YEAR**  
(2015: £403M)

● NURTURE TALENT

## BROADCASTERS' INVESTMENT IN THE PRODUCTION SECTOR

With no in-house production base, Channel 4 sources 100% of its original programming from external suppliers. This investment is an intrinsic part of the Channel 4 model, and it provides vital support for the independent production sector. In 2016, Channel 4 spent £441 million on first-run originations for the main channel, a 9% increase on the corresponding figure for 2015. 52% of this total was spent on qualifying independent production companies. Across the whole TV portfolio, Channel 4 spent £487 million on first-run originations from external suppliers in 2016, 10% up year-on-year. This included £46 million of spend for the digital channels, up 20% year-on-year.

Data for the PSBs published by Ofcom highlights Channel 4's disproportionately important role in supporting the independent production sector. In 2015, the most recent year for which Ofcom's cross-industry data is available, Channel 4's spend on first-run external commissions on the main channel exceeded that of any of the other PSBs on their network channels – including BBC One (2015: £231 million) and BBC Two (2015: £128 million) combined. Looking across their entire TV portfolios, Channel 4's £441 million portfolio expenditure on first-run external commissions matched the BBC's total investment across all of its TV channels, and was almost £90 million more than the combined spend of ITV and Channel 5 across their portfolios.

Expenditure by public service broadcasters on first-run external commissions (£m)

		Total (£m)		
2015	359	82	441	BBC
2014	334	75	409	
2015	247		247	ITV
2014	224		224	
2015	403	39	441	Channel 4
2014	377	40	417	
2015	108		108	Channel 5
2014	97		97	

● Main channels (BBC main channels are BBC One and BBC Two)

● Digital channels

Source: Channel 4, Ofcom (other channels)  
2016 data not available for other channels

## Innovation through diversity

> **317**

COMPANIES WORKING  
WITH CHANNEL 4  
PORTFOLIO ACROSS TV,  
FILM AND DIGITAL MEDIA  
IN 2016, OF WHICH 160  
WERE INDEPENDENT TV  
PRODUCTION COMPANIES

**+7% ON LAST YEAR**

● NURTURE TALENT

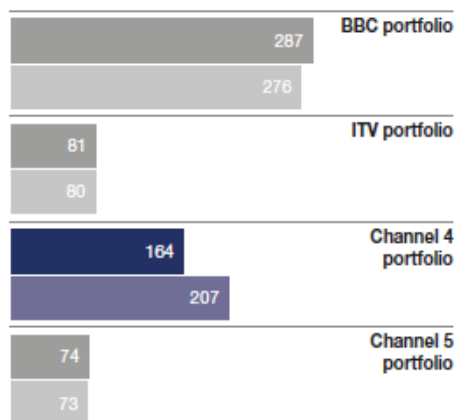
### DIVERSITY OF SUPPLY BASE

Cross-industry data allows comparisons to be drawn between the public service broadcasters specifically for the number of independent TV production companies used across their TV portfolios (see chart on the right). In 2015, the most recent year that comparative TV industry data is available, Channel 4 worked with 164 independent TV production companies, behind only the BBC (287 companies), and more than the combined total of the other commercially-funded public service broadcasters, ITV and Channel 5 (155 companies between them).

In 2016, Channel 4 worked with a total of 317 companies to supply the TV, film and digital media content that it commissioned. Of this total, there were 160 independent TV production companies, and a further 30 non-independent TV production companies, giving a total of 190 suppliers of TV programmes. There were 112 online suppliers and 71 film companies, with some suppliers working across TV, film and online. Across all types of content, 70 companies were new suppliers to Channel 4.

Channel 4's supply base increased across all types of content in 2016. The number of TV suppliers rose by 4% (although the number of independent TV production companies was 2% down, reflecting ongoing consolidation in the sector). There were also increases in the number of online suppliers (3% up year-on-year) and film companies (8% up year-on-year) that Channel 4 worked with. Overall, the 317 companies that Channel 4 worked with was 7% more than the corresponding total last year (2015: 295), and the number of new suppliers was up by 32% (2015: 53).

Number of independent TV production companies supplying the PSBs



● 2015

● 2016

Source: Channel 4, Broadcast (other channels)  
2016 data not available for other PSB channels.

OUTPUT FROM SUPPLIERS  
BASED OUTSIDE LONDON

> **55%**

OF FIRST-RUN ORIGINATED  
PROGRAMME HOURS

**+2PTS ON LAST YEAR**

20PTS ABOVE OFCOM QUOTA

● NURTURE TALENT

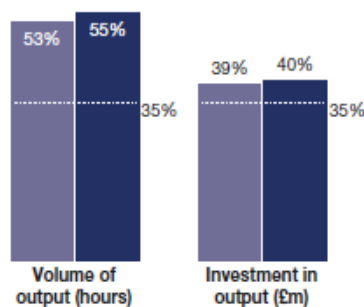
### INVESTMENT IN THE NATIONS AND REGIONS (MAIN CHANNEL)

In 2016, Channel 4 sourced 55% of all hours of first-run originated programmes on its main channel from suppliers based outside London. This represents an increase of two percentage points on the 2015 figure, and means that Channel 4 has sourced more than 50% of its first-run commissions from outside London for four consecutive years (the corresponding figure was less than 50% for each of the five preceding years).

In spend terms, 40% of Channel 4's expenditure on first-run originated programming on the main channel was on programmes from suppliers outside London in 2016, up one percentage point year-on-year.

In both volume and spend terms, these figures exceed by some margin the 35% licence quotas set by Ofcom.

Proportion of first-run originated output and spend on Channel 4 which is made outside London



● 2015

● 2016

..... Quota

Source: Channel 4

> **40%**

OF THE VALUE OF  
FIRST-RUN ORIGINATIONS

**+1PT ON LAST YEAR**

5PTS ABOVE OFCOM QUOTA

● NURTURE TALENT

# Investing through diversity

## OUTPUT FROM SUPPLIERS BASED IN THE NATIONS

**9%**  
OF FIRST-RUN ORIGINATED  
PROGRAMME HOURS

**= WITH LAST YEAR**  
**6PTS ABOVE OFCOM QUOTA**

● NURTURE TALENT

**8%**  
OF THE VALUE OF  
FIRST-RUN ORIGINATIONS

**+1PT ON LAST YEAR**  
**5PTS ABOVE OFCOM QUOTA**

● NURTURE TALENT

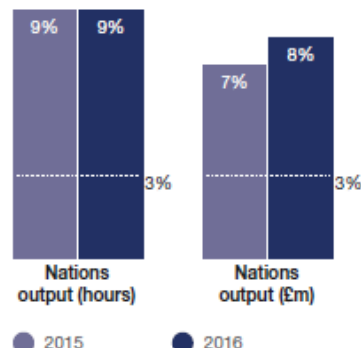
## INVESTMENT IN THE NATIONS (MAIN CHANNEL)

In 2016, just over 9% of total hours of first-run originated programming on Channel 4's main channel came from commissions in the Nations: Scotland (6.3%), Wales (2.4%) and Northern Ireland (0.4%). In spend terms, the Nations accounted for over 8% of the total budget for first-run originated programmes on the main channel (5.2% Scotland, 2.8% Wales, 0.5% Northern Ireland). The Nations' share of the total volume of first-run originated programmes on Channel 4's main channel held steady year-on-year (2015: 9%) while their share of investment rose by one percentage point (2015: 7%).

A total of 259 hours of first-run programming on the main channel came from commissions in the Nations in 2016, 11% up year-on-year. There were increases across all the Nations. In Scotland, the volume of programming also rose by 11% (177 hours in 2016, up from 159 in 2015), while total investment was up by 11% to £21.0 million (2015: £18.9 million). This increase was accounted for by a mixture of returning daytime shows like *Fifteen To One* and new peak-time titles such as *Eden*. While the volume of programming commissioned from Wales rose by just 6% (69 hours in 2016, up from 65 hours in 2015), total investment was up by a substantial 47%, to £11.3 million (from £7.7 million in 2015). This was accounted for by *Inside Birmingham Children's Hospital* and *Coming Up*. The biggest annual increases in percentage terms were for commissions in Northern Ireland: the volume of programming was up by 86%, to 13 hours (2015: 7 hours), while investment rose by 67%, to £2.0 million (2015: £1.2 million). New commissions included *Britain at Low Tide* and *Britain's Ancient Tracks with Tony Robinson*.

In both volume and spend terms, these figures exceed by some margin the 3% licence quotas set by Ofcom (which will rise to 9% by 2020).

Proportion of first-run originated output and spend on Channel 4 which is made outside of England



Source: Channel 4

**£169m**  
SPENT ON PRODUCTION  
COMPANIES BASED  
OUTSIDE LONDON

**+13% ON LAST YEAR**  
● NURTURE TALENT

**£36m**  
SPENT ON PRODUCTION  
COMPANIES IN THE  
NATIONS

**+28% ON LAST YEAR**  
● NURTURE TALENT

## SPEND BY REGION ACROSS THE CHANNEL 4 TV PORTFOLIO

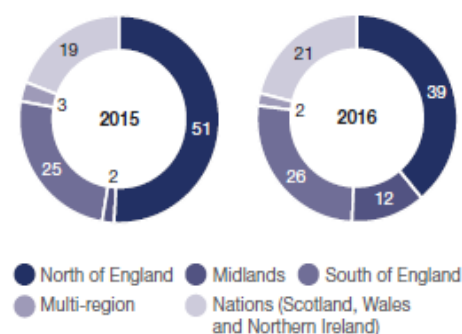
Channel 4 spent £169 million on content that was commissioned from production companies based outside London – i.e. the Nations and the English Regions – across its TV portfolio in 2016. This represents an annual increase of 13%, equivalent to £20 million (2015: £149 million).

Expenditure on content from production companies in the Nations rose by 28% in 2016, to £36 million (2015: £28 million). Channel 4's spend rose in all three of the Nations, with new programmes this year including *Eden* (from Scotland), *Inside Birmingham Children's Hospital* (Wales) and *Britain at Low Tide* (Northern Ireland). The largest component of expenditure in the Nations, £21.9 million, was spent in Scotland, 16% up year-on-year (2015: £19 million). A further £11.3 million was spent in Wales, 48% up on last year (2015: £8 million). The remaining £2.4 million was spent in Northern Ireland, double the 2015 figure (which was £1 million).

Channel 4 spent a total of £130 million in the English Regions in 2016, a 11% increase on last year (2015: £117 million). This increase was primarily due to production costs relating to the *Rio 2016 Paralympics*. Major commissions from the English Regions this year included the likes of *A Place in the Sun* (South of England), the *Rio 2016 Paralympics* (the Midlands), and *Hollyoaks* (North of England). A further £4 million was spent on multi-region content in 2016, flat on 2015.

Note that these investment figures for the Nations, which cover spend across the Channel 4 portfolio, differ slightly from those in the previous metric (see above), which relates specifically to the main channel.

Percentage of Channel 4's expenditure across the TV channel portfolio outside London by region



Source: Channel 4

## Different voices

77hrs

OF FIRST-RUN PROGRAMMES COVERING INTERNATIONAL TOPICS ON CHANNEL 4 (EXCLUDING NEWS) AND TRUE STORIES ACROSS THE PORTFOLIO

+26% ON LAST YEAR

● ALTERNATIVE VIEWS

161hrs

OF FIRST-RUN FOREIGN LANGUAGE CONTENT ACROSS THE PORTFOLIO

+28% ON LAST YEAR

● ALTERNATIVE VIEWS

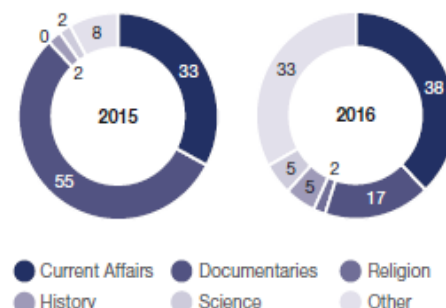
### RANGE OF INTERNATIONAL PROGRAMMING

At a time when stories from around the world are capturing ever more of people's attention, Channel 4's programmes cover international topics across a wide range of genres, going far beyond its news coverage. In 2016, there were 77 hours of first-run programmes with an international theme on the main channel (excluding *Channel 4 News*) and in the dedicated international documentary strand, *True Stories*, which runs across the main channel and Film4. This represented a 26% increase year-on-year, taking Channel 4's international coverage to its highest level since 2011.

The biggest single genre in 2016 was Current Affairs, with 38% of total first-run hours of international programming (up from 33% in 2015). Alongside the long-running *Unreported World* strand, Channel 4 offered a range of programming around the US Presidential election race, including the Presidential debates and one-off films such as *The Mad World of Donald Trump*. Documentaries such as *Walking The Himalayas* and *The Gun Shop Cutting Edge*, as well as the *True Stories* films, together made up 17% of Channel 4's international programming this year. Following a surge in their volume in 2015 (when they accounted for 55% of first-run international hours), Documentaries' share of international programming fell back to a level comparable to that in previous years (between 2011 and 2014, they represented between 14% and 29% of the total). In 2016, there was a large jump in the Other category (from 8% to 33% of international hours), thanks to a varied range of programmes in genres such as Factual Entertainment (*World of Weird*), Nature (*China: Between Clouds and Dreams*) and Music (*The Great Songwriters*).

More than any of the other PSBs, Channel 4 showcases a diverse range of content from around the world through its acquired TV programmes and films. 2016 marked the launch of *Walter Presents*, Channel 4's innovative new on-demand service curating the best foreign language TV shows, with some programmes (individual episodes and whole series) showcased on Channel 4's main channel and More4. The highlight of the year was the epic German Cold War drama *Deutschland 83*, which was broadcast in its entirety on the main channel. The launch episode was watched by 2.5 million viewers, making it the most-viewed foreign language drama ever shown on British television. Taken together, the *Walter Presents*-branded foreign language dramas shown on the main channel and More4 reached 22.5% of the UK population in 2016. Overall, there were 161 hours of first-run foreign language TV shows and films across the TV portfolio, 28% more than in 2015 (126 hours). On the Film4 channel, a total of 661 hours of films (first-runs and repeats) from outside the UK and US were shown in 2016, including both English language and foreign language titles; this was 16% down year-on-year, as one of the key non-US licences came to an end (2015: 784 hours).

Genres covered by international-themed originations on Channel 4 (main channel) as a percentage of total first-run hours



Source: Channel 4

## Different voices

246hrs

OF FIRST-RUN  
ORIGINATIONS COVERING  
DIVERSITY ISSUES ON THE  
MAIN CHANNEL

+126% ON LAST YEAR

● CULTURAL DIVERSITY

### DIVERSITY OUTPUT ON THE MAIN CHANNEL

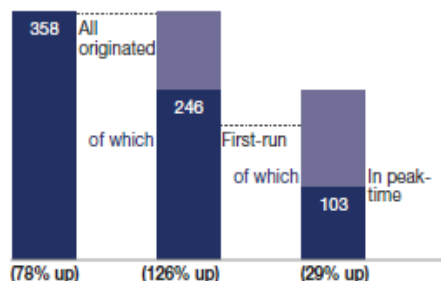
In 2016, Channel 4 showed 358 hours of originated programmes on the main channel whose subject matter covered diversity issues (i.e. religion, multiculturalism, disability or sexuality). 246 of these originated hours were first-run programmes (the others being repeats), and 103 of the first-run hours related to programmes that were shown in peak-time, including *What British Muslims Really Think* (Religion), *Keeping Up With the Khans*, *An Immigrant's Guide to Britain* and *Indian Summers* (multiculturalism), *My Millionaire Dads and Me* and *My Trans American Road Trip* (sexuality), and the return of popular series *The Last Leg* and *The Undateables* (disability).

In the year of the Rio 2016 Paralympics, all three of these metrics on diversity-related programming registered substantial year-on-year increases: there was a 78% rise in total originations, the volume of first-run originations was up by 126%, and first-run originations in peak-time increased by 29%. All three metrics were at their highest levels since the 2012 London Paralympics.

Channel 4's impact on diversity includes far more than the programme commissions covered by these figures. It continues to support a range of initiatives that promote diversity on screen, off screen and as an employer. In 2016, Channel 4's Year of Disability doubled the number of disabled people on screen in 21 of our biggest shows, and supported 26 off screen disabled talent to progress in the industry. Channel 4 continues to improve access to opportunity for those from different backgrounds, via our C4 Pop Ups, production training scheme and work experience and apprenticeship programmes.

In addition, Channel 4 was one of the launch partners on Diamond, the new cross-industry diversity monitoring system being developed through the Creative Diversity Network, which went live in August 2016. Read more about our work on diversity on pages 48–53.

Total hours of programming covering diversity issues shown on the main channel (2016 with trends relative to 2015)



Source: Channel 4

## Film

32%

OF OUTPUT ON THE FILM4  
CHANNEL CAME FROM  
OUTSIDE THE US

-4PTS ON LAST YEAR

● CULTURAL DIVERSITY

18%

WERE BRITISH FILMS

-2PTS ON LAST YEAR

● CULTURAL DIVERSITY

### DIVERSITY OF FILM4 CHANNEL SCHEDULE

The Film4 channel showcases a diverse and alternative range of films from the UK and around the world, setting it apart from mainstream film channels that rely mostly on Hollywood studio titles. In 2016, British films accounted for 18% of the Film4 channel's output (in terms of hours of programming), including those co-funded by Film4 Productions (2015: 20%). These British films, along with those from continental Europe and other parts of the world outside the US, together accounted for 32% of the hours of output on the channel. While this is a decrease of four percentage points on the corresponding figure for 2015, it still means that non-US films made up almost one-third of the schedules across the year. (Note that this figure includes films that were co-productions between the US and other countries; in 2016, 5% of output on the channel comprised US/non-US co-productions, compared to 6% in 2015.)

Seasons continued to be a successful part of Film4's story in 2016, with the Black Star season offering a wide-ranging celebration of contemporary black cinema to tie-in with the BFI's initiative, launching with Film4's own multi-award winning *12 Years A Slave*. The channel continued to showcase the work of the productions arm, led by the very popular premiere at 9pm of Mike Leigh's artful *Mr. Turner*. World cinema continued to be strongly represented, with the channel hosting a collection of martial arts classics from Hong Kong's legendary Shaw Brothers studio (including *One-Armed Swordsman* and *The 36th Chamber Of Shaolin*) and the premieres of Lars Von Trier's controversial two-part tale *Nymphomaniac* and Cannes award-winner *Blue is the Warmest Colour*. Documentaries played a crucial role in Film4's programming once again, with the premieres of *Hitchcock/Truffaut*, about the meeting between the two legendary filmmakers, and *The Salt Of The Earth*, director Wim Wenders' portrait of photographer Sebastião Salgado.

# News and Current Affairs

370

LONG-FORM NEWS  
AND CURRENT AFFAIRS  
PROGRAMMES IN PEAK

+3% ON LAST YEAR

● STIMULATE DEBATE

## COMMITMENT TO LONG-FORM JOURNALISM

The transmission of News and Current Affairs programmes with extended running times allows topics to be covered in greater depth, enabling these programmes to offer greater levels of rigour and analysis. Channel 4 believes that this is especially valuable at a time when the trust and accuracy of news sources – both in traditional and in digital/social media – are coming under great scrutiny than ever before.

For the purpose of this metric, 'long-form' News and Current Affairs programmes are defined as those running for at least 45 minutes for News, and 15 minutes for Current Affairs. In 2016, Channel 4's main channel showed 370 'long-form' News and Current Affairs programmes in peak-time (which runs from 6–10.30pm, as per Ofcom's definition). This represents a 3% increase year-on-year, and is the largest figure in any year since 2012 (the oldest year using the current methodology). Channel 4 showed substantially more long-form News and Current Affairs programmes in peak-time than the other main PSB channels combined (which showed 281 programmes between them in 2016).

When the period running up to midnight is included, Channel 4's main channel showed 438 'long-form' News and Current Affairs programmes. This was 6% up year-on-year, with the number of post-peak-time titles up by 19%. This total (from 6pm to midnight) was greater than the corresponding figure for any of the other main PSB channels. The channel with the next highest number of titles was BBC Two, with 358 'long-form' News and Current Affairs programmes (80 fewer than Channel 4). The bulk of BBC Two's total was accounted for *Newsnight*, which runs in the post-peak-time period; only 92 of its programmes were in peak-time.


Number of long-form News programmes and single-story Current Affairs programmes with a duration of at least 45 minutes and 15 minutes respectively shown on the main channel between 6pm and midnight

			Total	
2016	107	93	200	BBC One (BARB)
2015	113	100	213	
2016	92	266	358	BBC Two (BARB)
2015	49	270	319	
2016	81	24	105	ITV (BARB)
2015	55	20	75	
2016	370	68	438	Channel 4 (Internal)
2015	358	57	415	
2016	1	0	1	Channel 5 (BARB)
2015	4	1	5	

● Peak-time (6–10.30pm)  
● Post-peak-time (10.30pm–midnight)

Source: Channel 4, BARB (other channels)

Channel 4 continues to occupy a unique position in the broadcasting ecosystem. It is a mass-market channel that reaches large audiences every day, while also engaging with groups that other public service broadcasters ('PSBs') find it harder to connect with. Its impact is measured not only by the number of people who view its programmes across different audience groups, but also by the public value it delivers to these audiences by being alternative and diverse, taking risks, challenging preconceptions and inspiring change.

 [annualreport.channel4.com](https://www.channel4.com/annualreport)

# MAKING AN IMPACT

## REPUTATIONAL IMPACT

Channel 4 measures its public value impact by looking at audience perceptions of 12 reputational statements linked to its public service remit and comparing its main channel's performance to that of the other main PSB channels (BBC One, BBC Two, ITV and Channel 5). Channel 4 typically leads the other channels on these metrics by a significant margin, so we look at annual variations in performance by highlighting the main channel's leads over the average for the other main PSB channels.

In 2016, audience perceptions of Channel 4's remit delivery reached new all-time highs, reflecting the success of the creative renewal strategy. In terms of their absolute scores, most of the reputational trackers were at their highest-ever levels. And averaged across the 12 statements, Channel 4's lead over the other main PSB channels rose from 26.5 percentage points in 2015 to a record 27.3 points, the highest level since Channel 4 began reporting the reputational trackers in 2008.

Channel 4's most emphatic leads over the average for the other main PSB channels were for 'taking risks that others wouldn't' (a lead of 38 percentage points), 'tackling issues other channels wouldn't' (36 points) and being the 'home for alternative voices' (31 points). Compared to 2015, the main channel either maintained or increased its lead for all 12 of the reputational tracker statements in 2016: its lead remained level for six statements and increased – by between one and three percentage points – for the other six statements.

## TELEVISION

While UK television viewing continues to fragment, audiences to Channel 4's TV portfolio largely held steady in 2016, with only marginal changes. The main channel's viewing share was 5.9%, while the digital channels' combined viewing share was 4.6%, giving an overall portfolio viewing share of 10.5%. This was down year-on-year by 0.1 percentage point, with each individual channel's share either holding level or changing by less than 0.1 point.

Across the portfolio, Channel 4 was watched by 83.5% of all television viewers every month on average in 2016; only the BBC and ITV had higher levels of reach. Compared to 2015, this represented a small fall of 0.3 percentage points – Channel 4's smallest annual decline in reach since 2011, and a smaller decline than that experienced by the BBC and ITV channel portfolios (whose reach fell by 0.8 and 0.4 percentage points respectively).

Channel 4 seeks to engage with hard-to-reach audiences, including young adults and black and minority ethnic ('BAME') groups. In 2016, we remained the only PSB to attract a significantly larger share of viewing amongst 16–34-year-olds than across the overall UK population, with a 16.2% share amongst this age group across the TV portfolio (2% down on last year's 16.5% share). Amongst BAME groups, Channel 4's TV portfolio viewing share was 10.2% in 2016. This was an increase of 1% on the 2015 share, as a consequence of which BAME audiences' share of Channel 4's overall viewing was at a higher level than at any time since 2009. BAME audiences also continued to account for a larger proportion of Channel 4's audience than for the audiences of the other PSBs.

News and Current Affairs lie at the heart of Channel 4's remit. In the year of the Brexit vote and US Election, an average of 8.3 million people watched *Channel 4 News* each month in 2016, 1% up year-on-year. This was the second consecutive year in which the programme has increased its reach. As with Channel 4's overall output, its News programming has a particular appeal to young adults and BAME viewers: 16–34-year-olds accounted for 15% of *Channel 4 News* viewing in 2016, higher than their 7%–10% shares of viewing to the national news programmes on the other main PSB channels. And viewers from BAME groups represented 16% of all *Channel 4 News* viewing, the highest figure since 2009, and well ahead of the corresponding 6%–9% shares for the other PSB channels' news programmes. These figures remained stable in 2016: the proportion of *Channel 4 News* viewing accounted for by 16–34-year-olds fell by one percentage point, while the proportion of BAME viewers rose by two points.

Channel 4 seeks to differentiate its News and Current Affairs output from that of other broadcasters through its independent and distinctive approach. *Channel 4 News* scores more highly amongst its viewers when asked about its perceived independence from the government and from the influence of big business than do the other main broadcasters' news programmes amongst surveys of their viewers.

Turning to Current Affairs, Channel 4 tracks five reputational statements covering the approach and subject matter of the main PSB channels' programmes and strands in this genre. Across these statements, *Unreported World* had the highest average score across all the PSB channels – ranking first for 'showing stories about parts of the world you would rarely see on British TV', 'giving a voice to groups that aren't always heard in mainstream media' and 'making me see something in a different light' – with *Dispatches* in second place. Both strands increased their average scores year-on-year by two to three percentage points.

## ONLINE

Following the launch of All 4 in 2015 – offering long-form programmes, live streaming and digital-first Originals and Exclusives – Channel 4's websites and apps attracted a total of 522 million visits in 2016, 3% more than in 2015. In keeping with a general trend for viewers to seek out the best screen available on which to watch programmes on demand, the number of visits to Channel 4's suite of mobile and TV apps rose by 18% year-on-year while visits to the web site decreased. Channel 4 also increasingly seeks to use social networks to deliver news content to audiences, especially younger ones. There were almost 2 billion video views of *Channel 4 News* content on Facebook/all platforms in 2016, 500% up on last year.

All 4, which launched in 2015, is available on a growing range of smartphones, tablets and connected TVs. Channel 4's strategy is to make All 4 available across a range of devices and platforms to ensure viewers can choose the best possible experience available to them, including watching content on mobile devices and, increasingly, on TVs and devices connected to TV screens.

The number of visits to Channel 4's apps rose by 18% year-on-year, from 274 million in 2015 to 323 million in 2016. App visits have accounted for a growing proportion of total visits to Channel 4's digital estate over the last few years, and this trend continued in 2016 with apps accounting for 62% of all visits, up from 54% in 2015 (and more than double the 30% share of visits in 2012). Visits to Channel 4's websites declined by 15% (from 24 million in 2015 to 200 million in 2016), reflecting a trend for viewers to choose the best available screen on which to enjoy their chosen programmes.

## AUDIENCE FEEDBACK

Channel 4 draws on feedback from a variety of sources: its Viewer Enquiries Centre, monitoring of social media traffic, bespoke audience research, and information provided by registered online users, including the Core4 community. Alongside these, the 'Buzz' metric indicates which programmes people have talked about the most, face-to-face or on social media. The average 'Buzz' score for the 10 most talked-about programmes in 2015 was 76%, two percentage points higher than in 2015. The top 10 was dominated by a diverse range of Factual shows, from the life-affirming *The Undateables: Holiday Romance* through to the award-winning *Interview with a Murderer*.

## Different voices

24pt

LEAD OVER AVERAGE FOR  
OTHER CHANNELS FOR  
SHOWING DIFFERENT  
CULTURES AND OPINIONS

= WITH LAST YEAR

● CULTURAL DIVERSITY

Key programme examples:

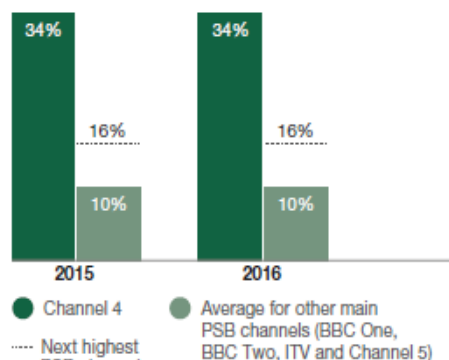
- First Contact: Lost Tribe Special
- Walking the Himalayas

### CHANNEL REPUTATIONS: SHOWS DIFFERENT KINDS OF CULTURES AND OPINIONS

In 2016, Channel 4's main channel maintained its reputation as being best for showing different kinds of cultures and opinions. It was selected by 34% of all respondents, the joint highest score it has achieved since Channel 4 began reporting this metric in 2008. This represented a substantial 24 percentage point lead over the average for the other main PSB channels, and an 18 percentage point lead over the next highest-scoring channel, BBC One.

Since Channel 4's creative renewal began to impact on the schedules in 2012, the proportion of people choosing the main channel for this metric has been stable, in the range of 32% – 34% (with only small annual variations), compared to the corresponding figures of 27% – 30% for the prior four years (2008–2011). This stability continued in 2016: the proportion of respondents selecting Channel 4, its lead over the average for the other main PSB channels, and its lead over the next highest-scoring channel were all the same as in 2015.

Shows different kinds of cultures and opinions



Source: Ipsos MORI commissioned by Channel 4

27pt

LEAD OVER AVERAGE FOR  
OTHER CHANNELS FOR  
CHALLENGING PREJUDICE

+2PTS ON LAST YEAR

● CULTURAL DIVERSITY

Key programme examples:

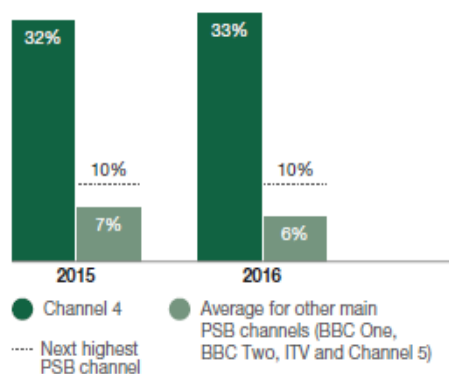
- The Paralympics
- Born To Be Different
- Grayson Perry: All Man

### CHANNEL REPUTATIONS: CHALLENGES PREJUDICE

For the second consecutive year, Channel 4 achieved record scores when viewers were asked which of the main TV channels they associate most with challenging prejudice. Channel 4's main channel was selected by 33% of respondents in 2016, one percentage point higher than the 2015 figure, which was Channel 4's previous record since it began reporting this metric in 2008. Over the last five years, the proportion of people selecting Channel 4 has been in the range of 29% – 33%, compared to 25% – 28% between 2008 and 2011.

Channel 4 had a significant lead, of 27 percentage points, relative to the average score for the other main PSB channels in 2016, two percentage points up on the corresponding lead in 2015. Its lead over the next highest channel, BBC One, was 23 percentage points, one percentage point more than in 2015.

Challenges prejudice



Source: Ipsos MORI commissioned by Channel 4

27pt

LEAD OVER AVERAGE FOR  
OTHER CHANNELS FOR  
SHOWING THE VIEWPOINTS  
OF DIFFERENT MINORITY  
GROUPS

+1PT ON LAST YEAR

● CULTURAL DIVERSITY

Key programme examples:

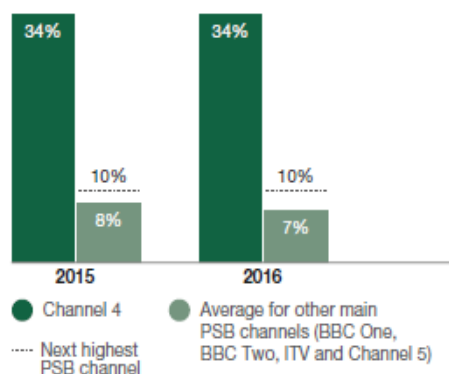
- The Last Leg
- 2016 Rio Paralympic Games
- Breaking The Silence Live

### CHANNEL REPUTATIONS: SHOWS THE VIEWPOINTS OF MINORITY GROUPS IN SOCIETY

Channel 4 seeks to give a voice to diverse groups in the UK, including those that are often under-represented on TV. In 2016, it maintained its strong lead over other channels when viewers were asked which channel is best for showing the viewpoints of minority groups in society. 34% of viewers selected Channel 4's main channel over the other main PSB channels, level with the corresponding 2015 figure, giving Channel 4 its joint-highest score since this metric was first reported in 2012. Channel 4 also achieved a record 27 percentage point lead over the average for the other channels (one percentage point up on 2015), and a 24 percentage point lead over the next highest channel, BBC One (the same lead as in 2015).

Channel 4 also tracks which channel is best for showing the viewpoints of particular minority groups, and in 2016 the main channel continued to significantly outperform the other PSBs, with some marked increases in its performance, especially with respect to disability. It was selected by 31% of viewers as being best for showing the viewpoints of different ethnic groups in the UK (level with 2015), giving it a lead of 23 percentage points over the average for the other main PSB channels. 34% of viewers thought Channel 4 was best for showing the viewpoints of gays and lesbians (up three percentage points), 29 percentage points above the average of the other PSB channels. And 32% of viewers thought Channel 4 was best for showing the viewpoints of disabled people (up five percentage points), giving it a 26 percentage point lead over the average of the other PSB channels.

Shows the viewpoints of minority groups in society



Source: Ipsos MORI commissioned by Channel 4

## Different voices

31pt

LEAD OVER AVERAGE FOR OTHER CHANNELS AS THE HOME FOR ALTERNATIVE VOICES

+2PTS ON LAST YEAR

● ALTERNATIVE VIEWS

Key programme examples:

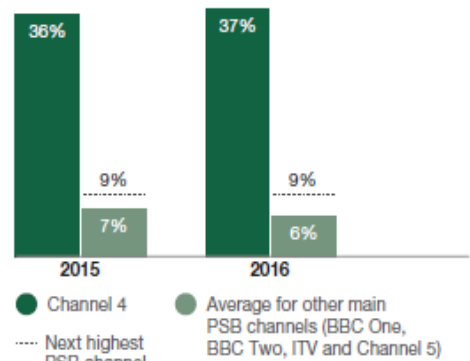
- What British Muslims Really Think
- Grayson Perry: All Man
- Kids On The Edge

### CHANNEL REPUTATIONS: HOME FOR ALTERNATIVE VOICES

Channel 4 makes a vital contribution to the plurality of viewpoints and perspectives on UK television by providing a platform for alternative voices. In 2016, audience recognition of this element of its remit strengthened further. 37% of respondents selected Channel 4's main channel as being the home for alternative voices, the second consecutive year that this figure has increased. This figure is more than four times larger than the proportion selecting the next highest channel, Channel 5 (9% of people), and a massive 31 percentage points higher than the average for the other main PSB channels.

The proportion of all respondents selecting Channel 4's main channel increased by one percentage point year-on-year, as did its lead over the next highest PSB channel, while its lead over the average for the other main PSB channels was up by two percentage points.

### Home for alternative voices



Source: Ipsos MORI commissioned by Channel 4

## Distinctive approaches

15pt

LEAD OVER AVERAGE FOR OTHER CHANNELS FOR MAKING VIEWERS THINK IN NEW AND DIFFERENT WAYS

= WITH LAST YEAR

● INSPIRE CHANGE

Key programme examples:

- Hunted
- Life Stripped Bare
- How to lose weight well
- Power Monkeys

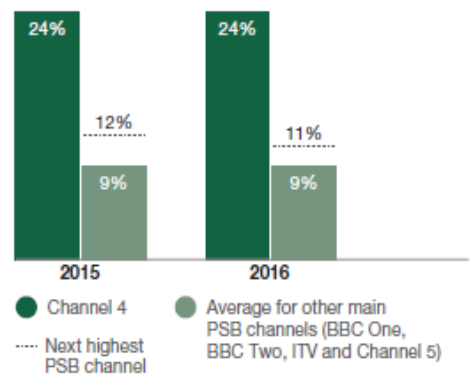
### CHANNEL REPUTATIONS: MAKES ME THINK ABOUT THINGS IN NEW AND DIFFERENT WAYS

In 2016, Channel 4's main channel consolidated its lead over other channels as being best for making people think about things in new and different ways, achieving amongst the highest scores since Channel 4 began reporting this metric in 2008.

24% of respondents selected Channel 4's main channel as being best for making them think about things in new and different ways, level with the corresponding figure for 2015, and the joint-highest score achieved since 2008.

This gave Channel 4's main channel a lead over the average for the other main PSB channels of 15 percentage points – again, level with the corresponding figure for 2015 and the joint-highest score Channel 4 has achieved since 2008. Channel 4 also set a new record for its lead over the next highest channel, for the second consecutive year: its lead over BBC One was 13 percentage points, one percentage point more than its corresponding lead in 2015 (when BBC Two was the next highest channel).

### Makes me think about things in new and different ways



Source: Ipsos MORI commissioned by Channel 4

36pt

LEAD OVER AVERAGE FOR OTHER CHANNELS FOR TACKLING ISSUES OTHER CHANNELS WOULDN'T

= WITH LAST YEAR

● DISTINCTIVE

Key programme examples:

- Dispatches
- Humans
- Breaking The Silence Live

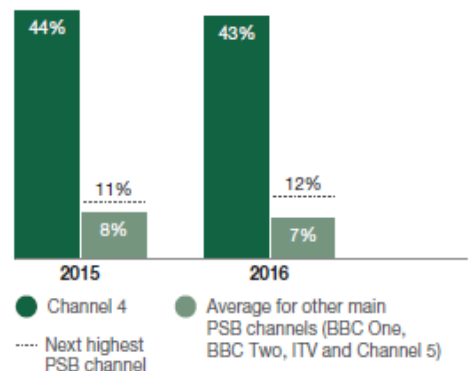
### CHANNEL REPUTATIONS: TACKLES ISSUES OTHER CHANNELS WOULDN'T

Channel 4's main channel was selected by 43% of respondents as being best for tackling issues that other channels wouldn't in 2016 – one of the highest scores achieved in any of the reputational statements. The other main PSB channels were chosen by only 7% of people each on average, giving Channel 4 a huge lead of 36 percentage points, while its lead over the next highest channel, Channel 5, was 31 percentage points.

The proportion of people selecting Channel 4's main channel fell marginally year-on-year, by one percentage point. Its lead over the average for the other main PSB channels held steady, while its lead over the next highest channel fell by two percentage points.

Overall, Channel 4's performance against this metric has been stable since it was first introduced in 2013: annual variations in the proportion of people selecting Channel 4, and its lead over the average for the other main PSB channels, have fallen within a  $\pm 1$  percentage point range. Although there has been a small decline over this period in its lead over the next highest channel, this remains larger than for most of the other reputational statements.

### Tackles issues other channels wouldn't



Source: Ipsos MORI commissioned by Channel 4

## Distinctive approaches

29pt

LEAD OVER AVERAGE FOR OTHER CHANNELS FOR TAKING A DIFFERENT APPROACH TO SUBJECTS COMPARED TO OTHER CHANNELS

= WITH LAST YEAR

● DISTINCTIVE

Key programme examples:

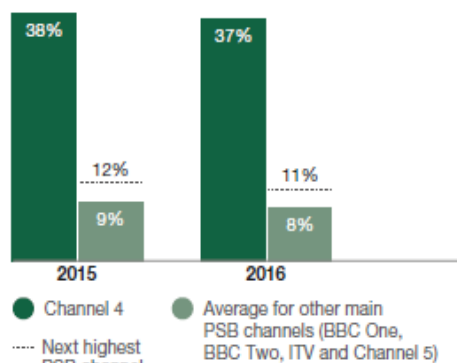
- First Dates
- The Undateables
- The Last Leg
- Gogglesprogs

### CHANNEL REPUTATIONS: TAKES A DIFFERENT APPROACH TO SUBJECTS COMPARED TO OTHER CHANNELS

In 2016, 37% of people associated Channel 4's main channel with taking a different approach to subjects compared with other channels. This represented a substantial lead over the average for the other main PSB channels, of 29 percentage points – the joint-highest lead since Channel 4 began reporting this metric in 2008 – while its lead over the next highest channel, Channel 5, was 26 percentage points.

The early period of Channel 4's ongoing creative renewal overturned modest declines in performance against this metric between 2010 and 2012, and has driven significant increases since then. After a period of more significant fluctuations, performance has stabilised over the last three years, with annual variations within the range of  $\pm 1$  percentage point. In 2016, the proportion of people choosing Channel 4's main channel fell by one percentage point, though it remained six percentage points above its level in 2008–2009. Its leads over both the average for the other main PSB channels and the next highest channel were level year-on-year.

Takes a different approach to subjects compared with other channels



Source: Ipsos MORI commissioned by Channel 4

175

NEW OR ONE-OFF PROGRAMMES SHOWN ON CHANNEL 4 BETWEEN 6PM AND MIDNIGHT

-17% ON LAST YEAR

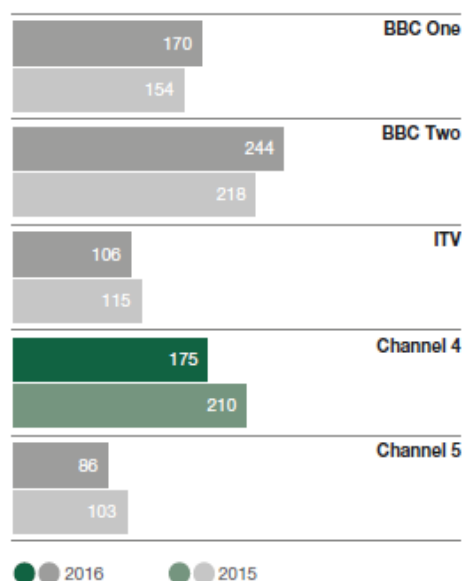
● INNOVATE

### NEW AND ONE-OFF PROGRAMMES

As part of its commitment to experimentation, Channel 4 shows a large number of new and one-off programmes – including in its evening schedules, when audiences are at their highest levels. In 2016, there were 175 new and one-off programmes on the main channel between 6pm and midnight. This is 17% less than the corresponding figure in 2015 (which was 210), taking the total close to the figure in the previous year (2014: 181). The decline in 2016 – which in particular saw a marked reduction in the number of new and one-off Documentaries – was a consequence of the success of Channel 4's creative renewal, which has produced more returning series in the schedule.

While BBC Two showed more new and one-off programmes in the evening schedule than Channel 4 (244 titles), Channel 4 remained ahead of all the other main PSB channels, in most cases by substantial margins: it showed 5 more new and one-off titles than BBC One in its evening schedules, 69 more than ITV, and 89 more than Channel 5.

Number of new and one-off programmes shown on the main PSB channels between 6pm and midnight



Source: Attentional commissioned by Channel 4

## Distinctive approaches

38pt

LEAD OVER AVERAGE FOR OTHER CHANNELS FOR TAKING RISKS THAT OTHERS WOULDN'T

= WITH LAST YEAR

● DISTINCTIVE

Key programme examples:

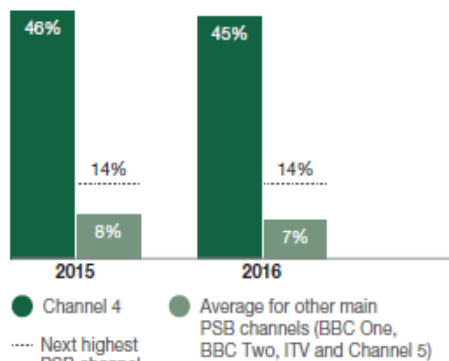
- National Treasure
- Married At First Sight
- Naked Attraction
- Sex Box

### CHANNEL REPUTATIONS: TAKES RISKS WITH PROGRAMMES THAT OTHERS WOULDN'T

Channel 4's reputation for risk-taking remains one of the strongest elements of its public remit. In 2016, the main channel was selected by 45% of respondents as being the one that, more than other channels, takes risks with programmes that others wouldn't. Channel 4's lead over the average of the other main PSB channels was 38 percentage points, and it was 31 points ahead of the next highest channel, Channel 5. These are amongst the largest figures for any of the reputational statements.

While there were some marginal declines year-on-year, Channel 4's performance against this metric remains stable, and annual variations continue to be within the range of  $\pm 1$  percentage point. The proportion of people choosing Channel 4, and its lead over the next highest channel, both fell by one percentage point, while its lead over the average for the other main PSB channels held level compared to the corresponding 2015 figure.

Takes risks with programmes that others wouldn't



Source: Ipsos MORI commissioned by Channel 4

29pt

LEAD OVER AVERAGE FOR OTHER CHANNELS FOR BEING EXPERIMENTAL

+1PT ON LAST YEAR

● INNOVATE

Key programme examples:

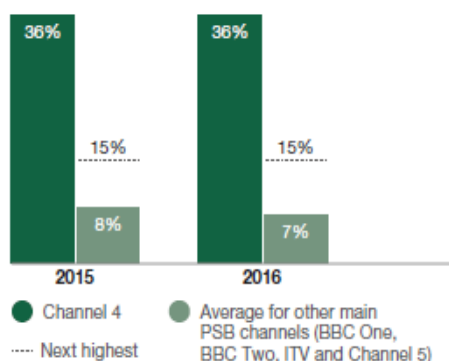
- The Secret life of 4,5,6 year olds
- Hunted
- Eden

### CHANNEL REPUTATIONS: IS EXPERIMENTAL

Channel 4's commitment to trying new things underpins its role as a creative greenhouse, and it consolidated its reputation for experimenting in 2016. 36% of people associated its main channel, more than any of the other channels, with being experimental. The proportion of people choosing Channel 4 was 29 percentage points higher than the average for the other main PSB channels, and 21 percentage points higher than the next highest channel, Channel 5.

There continued to be very little year-on-year variation in this metric. The proportion of people selecting Channel 4's main channel was level with the 2015 figure. Its lead over the next highest channel also held steady year-on-year, maintaining its joint-record lead since this metric was first reported in 2008. There was a one percentage point increase in Channel 4's lead over the average for the other main PSB channels. Overall, Channel 4's performance against this metric remains stable, and annual variations continue to be within the range of  $\pm 1$  percentage point.

Is experimental



Source: Ipsos MORI commissioned by Channel 4

## Film

26pt

LEAD OVER AVERAGE FOR OTHER CHANNELS FOR BEING THE BEST FOR MODERN INDEPENDENT FILM

+1PT ON LAST YEAR

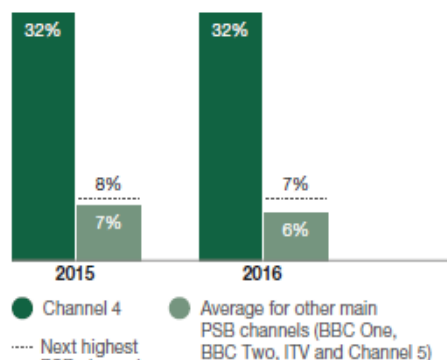
● DISTINCTIVE

### CHANNEL REPUTATIONS: MODERN INDEPENDENT FILM

In 2016, 32% of respondents picked Channel 4's main channel as being best for modern independent film. Channel 4 had a lead of 26 percentage points over the average for the other main PSB channels, and a 25 percentage point lead over Channel 5, the next highest channel (no other PSB channel was selected by more than 7% of respondents). The top 10 films on Channel 4 this year included premieres of Film4 titles *12 Years A Slave* and *Amy*, which drew impressive audiences of 2.4 million viewers and 2.3 million viewers respectively (both of which represented audience shares of more than 10%).

The proportion of people selecting Channel 4's main channel was the same as in 2015, while there was a one percentage point increase in its lead over the average for the other main PSB channels. Its lead over the next highest channel also rose by one percentage point, to a record high since Channel 4 began reporting this metric in 2008. Overall, Channel 4's performance against this metric continued to be stable, with annual variations within the range of  $\pm 1$  percentage point.

Is best for modern independent film



Source: Ipsos MORI commissioned by Channel 4

## Factual

24pt

LEAD OVER AVERAGE FOR OTHER CHANNELS FOR BEING THE BEST FOR DOCUMENTARIES THAT PRESENT ALTERNATIVE VIEWS

= WITH LAST YEAR

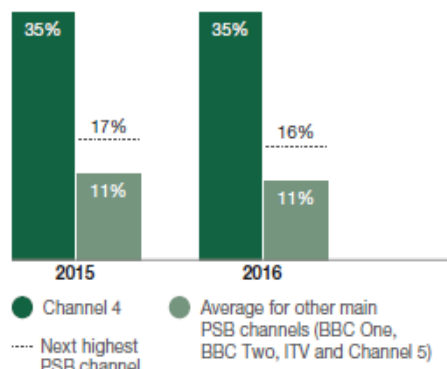
● ALTERNATIVE VIEWS

### CHANNEL REPUTATIONS: DOCUMENTARIES THAT PRESENT ALTERNATIVE VIEWS

Channel 4 seeks to differentiate its documentary programming from that of other broadcasters through its subject matter and approach, with a particular focus on offering alternative viewpoints not often shown on television. In 2016, 35% of respondents selected Channel 4's main channel, giving it a substantial 24 percentage point lead over the average for the other main PSB channels. Both these figures were the same as the corresponding ones in 2015, and represented the joint-highest levels since this metric was first reported in 2010. Channel 4's lead over the next highest channel (BBC One) was 19 percentage points, a new record for this metric.

While there has been some volatility in Channel 4's performance against this metric in earlier years, it began to stabilise in 2016, with annual variations within the range of  $\pm 1$  percentage point.

Is best for documentaries that present alternative views



Source: Ipsos MORI commissioned by Channel 4

Key programme examples:

- President Trump: Can He Really Win?
- The Jihadis Next Door

## Factual

65%

OF VIEWERS SAID THAT CHANNEL 4'S FACTUAL PROGRAMMES INSPIRED CHANGE IN THEIR LIVES

+2PTS ON LAST YEAR

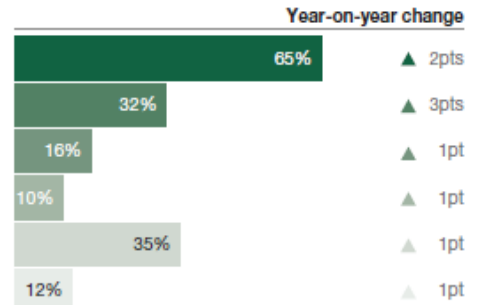
● INSPIRE CHANGE

### INSPIRING CHANGE THROUGH FACTUAL PROGRAMMING

In line with its public remit, Channel 4 seeks to inspire people to make changes in their lives through its Factual programming. Programmes may encourage people to think about things in new and different ways, or think about making changes in their own lives. They may also inspire more active engagement: encouraging people to talk about the subjects of the programmes to other people, or to seek out further information. At their most engaging, programmes can lead to people actually trying something new or different. 65% of viewers said that Channel 4's Factual programmes inspired them in one or more of these ways in 2016. The programme that received the highest score this year, of 84%, was *What British Muslims Really Think*, a survey of the views of British Muslims on a range of issues. Top-scoring programmes on individual statements included *The Undateables* (the most talked-about programme) and *Jamie's Super Food* (which inspired the most people to try something new or different).

The proportion of respondents who said that Channel 4's factual programmes inspired them in some way rose by two percentage points in 2016, with year-on-year increases in all five of the 'inspiring change' statements.

Percentage of viewers who said that Channel 4's factual programmes inspired change in their lives



- Any inspiring change statement(s)
- It made me think about its subject in new and different ways
- It made me think about changing something in my own life
- I tried something new or different after watching this programme
- I talked about the programme to other people
- I looked for further information elsewhere after watching this programme

Source: Ipsos MORI commissioned by Channel 4

## News and Current Affairs

77%

OF CHANNEL 4 NEWS VIEWERS REGARD IT TO BE INDEPENDENT FROM GOVERNMENT

-4PTS ON LAST YEAR

● DISTINCTIVE

### INDEPENDENCE OF TV NEWS

At a time when trust and independence in news are more important than ever, *Channel 4 News* continued to be the television news programme that viewers most associated with being independent from the government and from the influence of big businesses in 2016.

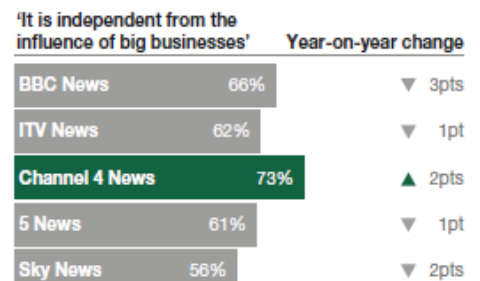
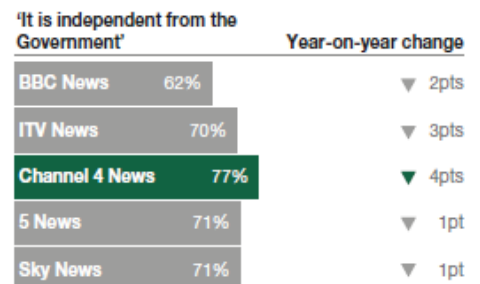
77% of regular viewers to *Channel 4 News* regarded it as being independent from the government. This was nine percentage points more than the average for the other main public service broadcasters' news programmes and Sky News, and six percentage points more than the corresponding figure for the next highest-scoring news programme (a tie between 5 News and Sky News).

73% of regular news viewers to *Channel 4 News* agreed that it is independent from the influence of big businesses, 12 percentage points more than the average for the news programmes on the other main broadcasters' channels, and seven percentage points more than the corresponding figure for BBC News, which was the next highest-scoring news programme.

Year-on-year variations in *Channel 4 News*' scores across the two metrics were mixed. The proportion of regular viewers who believe *Channel 4 News* to be independent from the government fell by four percentage points in 2016, while its leads over the average for the other broadcasters' news programmes and over the next highest-scoring news programme (*Sky News* in 2016, *ITV News* in 2015) were both two percentage points down. Conversely, the proportion of regular viewers who believe *Channel 4 News* to be independent from the influence of big businesses rose by two percentage points in 2016, and its leads over the average for the other broadcasters' news programmes and over the next highest-scoring news programme (*BBC News* in both years) were both up by four percentage points.

In 2016, *Channel 4 News*' viewing share increased by 3%, the third consecutive year of growth for the programme.

Percentage of regular viewers to TV news programmes in 2016 who agree with the following statements:



Source: Ipsos MORI commissioned by Channel 4

## News and Current Affairs

47%

THE AVERAGE SCORE  
ACROSS FIVE PROGRAMME  
REPUTATION STATEMENTS  
FOR UNREPORTED WORLD

+2PTS ON LAST YEAR

43%

THE AVERAGE SCORE  
ACROSS FIVE PROGRAMME  
REPUTATION STATEMENTS  
FOR DISPATCHES

+3PTS ON LAST YEAR

- STIMULATE DEBATE
- EDUCATION
- ALTERNATIVE VIEWS
- INSPIRE CHANGE
- ALTERNATIVE VIEWS

### PROGRAMME REPUTATIONS: CURRENT AFFAIRS

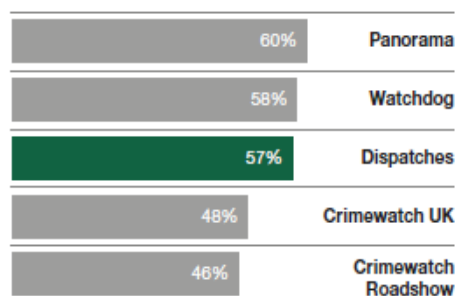
There are variations in both approach and subject matter in the PSBs' Current Affairs output. Channel 4's longstanding Current Affairs strands, *Dispatches* and *Unreported World*, place a particular emphasis on investigative journalism, on challenging viewers to see things differently, on giving a voice to those who might not otherwise be heard and, especially in *Unreported World*, on providing a window on the wider world. In addition, one-hour Current Affairs specials allow Channel 4 to deliver in-depth coverage for important stories.

Channel 4's strengths in these areas are highlighted by five audience reputational statements that assess perceptions of the Current Affairs programmes – both regular strands and one-offs – on the main PSB channels. In 2016, *Unreported World* and *Dispatches* continued to score higher on average than any of the other PSBs' Current Affairs programmes and strands (with *Panorama*, on BBC One, coming in third place). Both strands also registered increases in their performance this year.

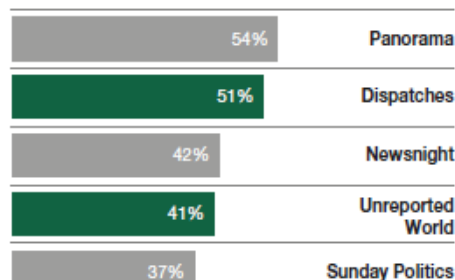
*Unreported World* consolidated its position as the highest-scoring Current Affairs programme or strand on any of the main PSB channels across the five reputational statements in 2016, with an average score of 47%. It scored higher than any other Current Affairs programme or strand on three of the five statements, for: 'showing stories about parts of the world you would rarely see on British TV' (selected by 58% of respondents), 'giving a voice to groups that aren't always heard in mainstream media' (48% of respondents), and 'making me see something in a different light' (45% of respondents). Its average score across the five reputational statements was two percentage points higher than in 2015.

*Dispatches* was rated in the top three places in all five reputational statements. Its average score across the five statements was 43%, the second highest average score of all the Current Affairs programmes and strands, behind *Unreported World*. Its average score across the five reputational statements rose by three percentage points relative to the corresponding figure in 2015.

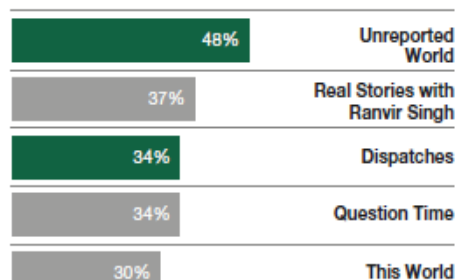
Uncovers the truth



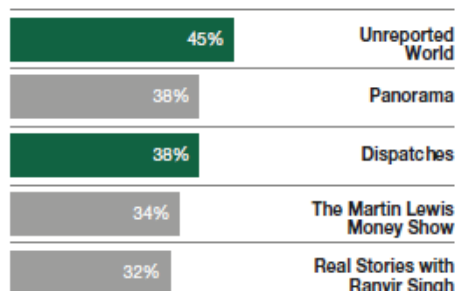
Covers things in great depth



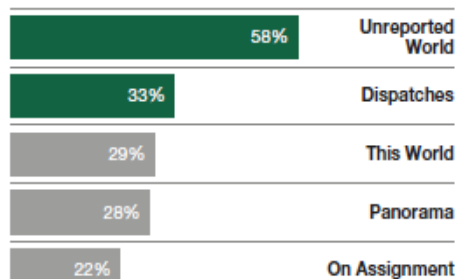
Gives a voice to groups that aren't always heard in mainstream media



Made me see something in a different light



Shows stories about parts of the world you would rarely see on British TV



● Channel 4 shows ● Other broadcasters' shows

Source: Ipsos MORI commissioned by Channel 4

# Engaging the audience

83.5%

OF ALL TV VIEWERS  
REACHED EVERY MONTH  
ACROSS CHANNEL 4'S  
TV CHANNELS

-0.3PTS ON  
LAST YEAR

● AUDIENCE IMPACT

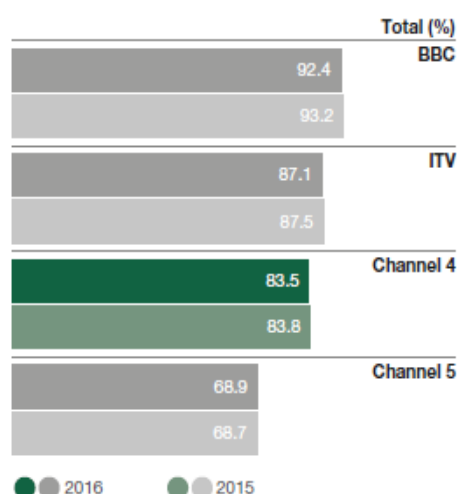
## AUDIENCE REACH

Channel 4 has the third highest reach of all the UK broadcasters across its portfolio of TV channels, behind only the BBC and ITV, and well ahead of fourth-placed Channel 5. The BBC, ITV and Channel 4 are the only UK broadcasters that reach more than three-quarters of all UK viewers every month. 83.5% of all TV viewers watched Channel 4's TV channels for at least 15 consecutive minutes each month on average in 2016. Reach for the main channel alone was 75.8%, while Channel 4's digital TV channels together reached 61.5% of viewers.

In a highly competitive digital TV landscape, the public service broadcasters have all suffered declines in reach in the previous four years. In 2016, Channel 4's total TV portfolio reach continued to fall, but only by 0.3 percentage points. This was Channel 4's smallest annual decline in reach since 2011, as well as a smaller decline in 2016 than that experienced by the BBC and ITV channel portfolios (whose reach fell by 0.8 and 0.4 percentage points respectively).

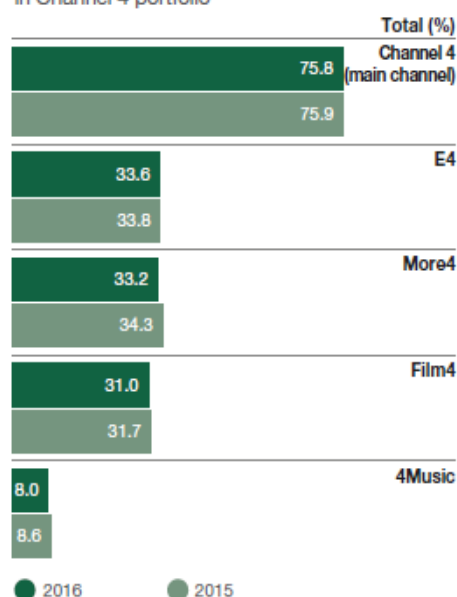
Looking at the individual channels in the Channel 4 TV portfolio, the main channel experienced a marginal year-on-year fall in reach, of just 0.1 percentage points, a much smaller decline than in any of the previous four years. E4 also saw a very small decline in reach, of 0.2 percentage points. The other digital channels saw declines of between 0.7 and 1.1 percentage points. There was a marginal (0.2 percentage point) decrease in the digital channels' collective contribution to Channel 4's overall portfolio reach in 2016.

Average monthly reach of PSBs' TV portfolios



Source: BARB, 15-minute consecutive, average monthly reach, all people

Percentage reach of individual TV channels in Channel 4 portfolio



Source: BARB, 15-minute consecutive, average monthly reach, all people. See online methodology for further details

## Engaging the audience

**10.5%**

VIEWING SHARE ACROSS  
THE TV CHANNEL  
PORTFOLIO

**-1% ON LAST YEAR**

● AUDIENCE IMPACT

### TV VIEWING SHARE

Channel 4's TV channel portfolio achieved a total viewing share of 10.5% in 2016. The main channel's share was 5.9%, while the digital channels had a combined share of 4.6%. E4 was the biggest digital channel, with a 1.9% viewing share, followed by Film4 (1.4%), More4 (1.1%) and 4Music (0.2%).

While viewing in the digital TV space in which Channel 4 competes for audiences continues to fragment, the performance of its TV channels was stable this year. Across the portfolio, each individual TV channel either held its audience share or saw marginal year-on-year changes of less than 0.1 percentage point.

When reported to one decimal place, the main channel's viewing share held steady in 2016, although the unrounded figures indicate a marginal decline of 1% year-on-year (from 5.92% to 5.87% viewers).

Across the portfolio, Channel 4's total viewing share also fell marginally year-on-year, by 1%, equivalent to 0.1 percentage points. Viewing to the digital channels fell by 0.1 percentage points collectively, with E4's viewing share holding steady, marginal increases in viewing to More4 and Film4 (not shown at one decimal place) and a marginal decline in viewing to 4Music.

The main channel continued to account for 56% of total viewing to the Channel 4 TV portfolio in 2016 (level with the 2015 figure).

Channel 4 portfolio share as a percentage of total TV viewing

			Total
2016	5.9	4.6	10.5
2015	5.9	4.7	10.6
2014	5.9	5.0	10.9
2013	6.1	4.9	11.0
2012	6.6	4.9	11.5

● Channel 4 (main channel) ● Digital TV channels

Source: BARB  
Channel 4 2012 data includes the Paralympics channels.  
See online methodology for further details

Viewing share of digital channels as a percentage of total TV viewing

					Total
2016	1.9	1.1	1.4	0.2	4.6
2015	1.9	1.1	1.4	0.3	4.7
2014	2.0	1.2	1.5	0.3	5.0
2013	1.9	1.2	1.5	0.3	4.9
2012	1.8	1.2	1.5	0.3	4.9

● E4 ● More4  
● Film4 ● 4Music/The Hits

Source: BARB  
Channel 4 2012 data includes the Paralympics channels.  
See online methodology for further details

**620m**

PROGRAMME VIEWS  
INITIATED ON ALL 4

**+21% ON LAST YEAR**

● DIGITAL

### ON-DEMAND VIEWING

2016 was the first full year in which viewers were able to access Channel 4 content through All 4, its new on-demand service (which replaced 4oD in 2015). Across the year, 620 million programme views were initiated across all All 4-branded platforms – including PCs, smartphones, tablets, games consoles and connected TVs. This represents a significant year-on-year increase, of 21%.

On existing platforms, growth in on-demand viewing via All 4 was especially strong for the iOS simulcast (63% up year-on-year), Android (50% up) and Roku (45% up). Viewing was also boosted by All 4's launch on new platforms in 2016 (most notably PlayStation 4) and in the last two months of 2015 (YouView and Amazon Fire TV).

Programme views initiated on All 4 (m)

2016	620
2015	512

Source: Channel 4

# Engaging the audience

10.2%

PORTFOLIO VIEWING  
SHARE AMONGST BAME  
AUDIENCES

+1% ON LAST YEAR

● CULTURAL DIVERSITY

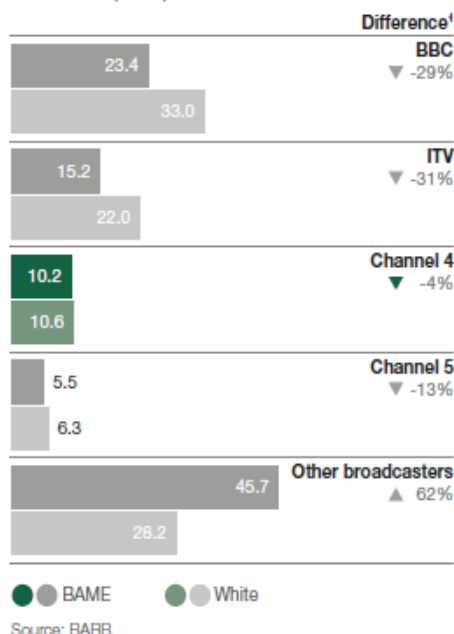
## SHARE AMONGST HARD-TO-REACH AUDIENCES – BAME

Channel 4's remit requires it to make programmes that appeal to people from different cultural backgrounds, and it is especially important for the broadcaster to attract ethnic minority audiences. Achieving this is a challenge for all the PSBs, given that viewers from BAME groups watch disproportionately high levels of digital channels, as a result of which their viewing to the PSBs' channels tends to be lower on average than that of white viewers.

In 2016, Channel 4's performance in terms of attracting ethnic minority audiences was particularly strong, in comparison with the other PSBs. Its TV portfolio viewing share amongst BAME audiences rose year-on-year, from 10.1% (in 2015) to 10.2%. Relative to the viewing share amongst white audiences, which was 10.6% this year, the differential in viewing share between BAME and white audiences was just 4%. This differential is smaller than in 2015 (when it was 6%), and indeed in any previous year going back to 2009.

Channel 4 also had a smaller differential between its TV portfolio viewing shares amongst BAME and white viewers than that of any of the other PSBs. Its 4% differential is markedly less than the 13% differential in viewing share for Channel 5, and substantially less than the 29% and 31% differentials for the BBC and ITV. This means that BAME audiences represent a higher proportion of Channel 4's total audience than they do of the total audience of the other PSBs.

Public service broadcasters' portfolio viewing shares amongst white and BAME audiences as a percentage of total TV viewing by those audiences (2016)



<sup>1</sup> Viewing by BAME audiences compared to viewing by white audiences

16.2%

PORTFOLIO VIEWING  
SHARE AMONGST  
16-34-YEAR-OLDS

-2% ON LAST YEAR

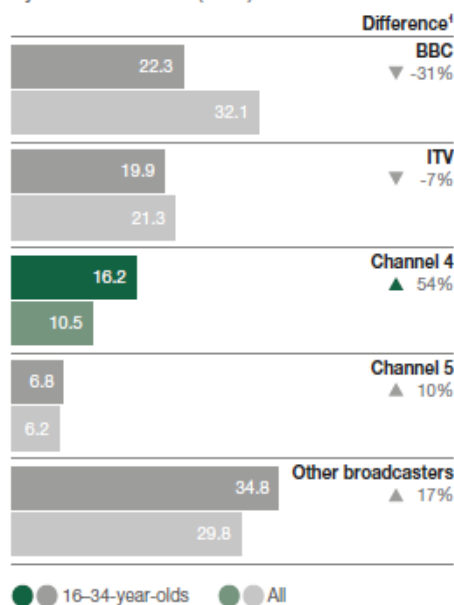
● CULTURAL DIVERSITY

## SHARE AMONGST HARD-TO-REACH AUDIENCES – 16-34-YEAR-OLDS

Channel 4's TV channels consistently attract a disproportionately large share of viewing amongst hard-to-reach 16-to-34-year-olds. In 2016, Channel 4's viewing share amongst this age group was 16.2% across its TV channel portfolio. This represented a small year-on-year decline, of 2%, relative to the 2015 share (which was 16.5%).

Channel 4's viewing share amongst 16-34-year-olds was 54% higher than its corresponding all-audience share in 2016, ensuring that it remained the only PSB to attract significantly greater viewing amongst this age group than across the general population. By contrast, ITV's 16-34-year-olds share was 7% less than its all-audience portfolio share, and the BBC's was 31% less. The only other PSB that appealed more to 16-34-year-olds than to the overall population was Channel 5, but its differential was just 10%. Channel 4's relative appeal to young audiences was marginally down this year: the 54% differential between 16-34-year-olds and all audiences is two percentage points down on the 56% differential in 2015.

Public service broadcasters' portfolio viewing shares among 16-34-year-olds and all audiences as a percentage of total TV viewing by those audiences (2016)



<sup>1</sup> Viewing by 16-34-year-olds compared with all audiences

## Engaging the audience

5.0%

VIEWING SHARE FOR E4  
AMONGST 16-34-YEAR-  
OLDS

-2% ON LAST YEAR

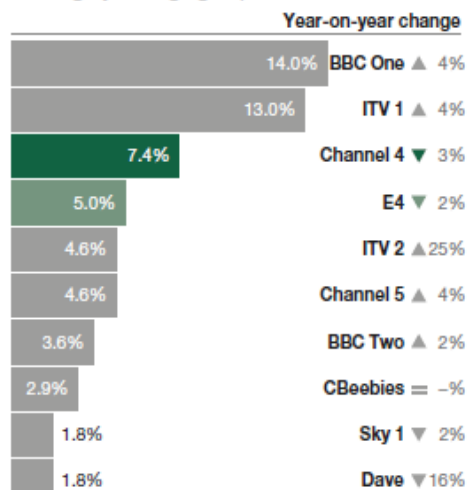
AUDIENCE IMPACT

### MOST POPULAR CHANNELS FOR YOUNG VIEWERS

In 2016, E4 maintained its position amongst 16-to-34-year-olds as the most-watched digital TV channel in the UK, and the fourth most popular TV channel overall. It had a 5.0% viewing share, putting it behind only BBC One, ITV and Channel 4, and ahead of the other two main PSB channels, BBC Two and Channel 5. After a marked decline in viewing in 2015, after some popular US acquired series had come to an end, E4's viewing share stabilised in 2016, with a marginal decline in audience share of 2% (2015 share: 5.1%).

Channel 4's main channel also performs disproportionately well amongst 16-to-34-year-olds, for whom it is the third most popular TV channel. It achieved a 7.4% share in 2015, 3% down on its 2015 level.

Viewing share for the top ten channels amongst 16-34-year-olds as a percentage of total viewing by this age group



Source: BARB

15%

OF VIEWING TO CHANNEL 4  
NEWS PROGRAMMES ON  
THE MAIN CHANNEL  
ACCOUNTED FOR BY  
VIEWERS AGED 16-34

-1PT ON LAST YEAR

DISTINCTIVE

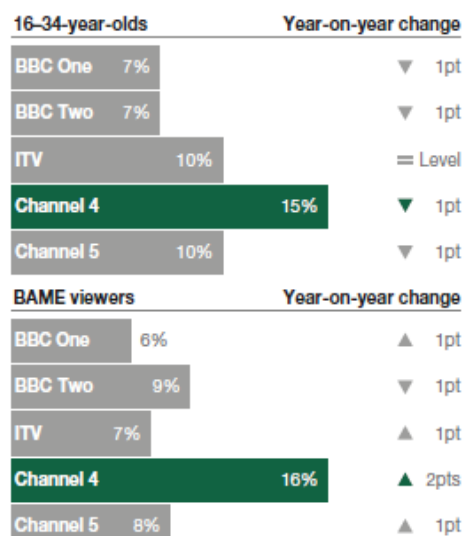
### VIEWING TO NATIONAL NEWS

Channel 4's main evening news programme has a particular appeal to young and BAME audiences, in comparison to the news programmes on the other main PSB channels. Young audiences aged 16-34 accounted for 15% of viewing to *Channel 4 News* in 2016, notably higher than their corresponding 7% - 10% shares of viewing to the national news programmes on the other main PSB channels.

Channel 4's performance relative to the other main PSB channels was even more marked with respect to BAME audiences. Viewers from BAME groups represented 16% of all viewing to *Channel 4 News*. This was the highest figure since 2009, and is broadly in line with - if not ahead of - this group's representation in the UK population (estimated to be around 13% - 14%). By contrast, the other main PSB channels had disproportionately low shares of BAME viewing to their news programmes, ranging from 6% to 9%.

There continues to be little year-on-year variation in these figures. The proportion of viewing to *Channel 4 News* accounted for by 16-34-year-olds fell by one percentage point in 2016, driven by a decline in the final quarter, while the proportion of BAME viewers rose by two percentage points.

Percentage of viewing to national news programmes on the main PSB channels in 2016 accounted for by 16-34-year-olds and BAME viewers



Source: BARB

16%

OF VIEWING TO CHANNEL 4  
NEWS PROGRAMMES ON  
THE MAIN CHANNEL  
ACCOUNTED FOR BY BAME  
VIEWERS

+2PTS ON LAST YEAR

### REACH OF CHANNEL 4 NEWS

In 2016, *Channel 4 News* was watched (for at least 15 consecutive minutes) by an average of 8.3 million people each month. This was the second consecutive year in which the programme has increased its reach, by 1% in each of the two years, after six previous years of decline.

*Channel 4 News* also increased its viewing share in 2016, by 3%. This was the third successive year in which its share has increased.

8.3m

PEOPLE WATCHED  
CHANNEL 4 NEWS  
EACH MONTH

+1% ON LAST YEAR

DISTINCTIVE

## Engaging the audience

22pt

LEAD OVER AVERAGE FOR OTHER CHANNELS FOR CATERING FOR AUDIENCES THAT OTHER CHANNELS DON'T CATER FOR

+3PTS ON LAST YEAR

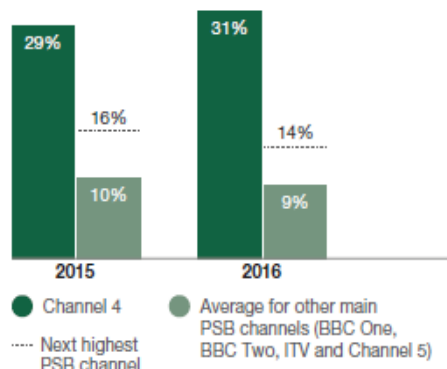
● CULTURAL DIVERSITY

### CHANNEL REPUTATIONS – CATERING FOR AUDIENCES OTHER CHANNELS DON'T CATER FOR

In 2016, Channel 4 achieved its best ever scores when audiences were asked which channel is best for catering for audiences other channels don't cater for. 31% of respondents selected Channel 4's main channel over the other main PSB channels, giving Channel 4 its highest score since it began reporting this metric in 2008. This was 22 percentage points more than chose the average of the other main PSB channels, and 17 percentage points more than the next highest channel (Channel 5).

The proportion of people selecting Channel 4, and its leads over the other channels, all increased in 2016, in each case setting new records for this metric. The proportion of people selecting Channel 4 was up by two percentage points, its lead over the average for the other main PSB channels rose by three percentage points, and its lead over the next highest PSB channel rose by four percentage points.

Caters for audiences other channels don't cater for



Source: Ipsos MORI commissioned by Channel 4

522m

TOTAL VISITS TO CHANNEL 4'S WEBSITES, MOBILE SITES AND APPS

+3% ON LAST YEAR

● DIGITAL

### TOTAL VISITS TO CHANNEL 4'S WEBSITES AND APPS

Channel 4's websites and apps attracted a total of 522 million visits in 2016, 3% more than in 2015.

Channel 4's dedicated All 4 app, which launched in 2015, is available on a growing range of smart phones, tablets and connected TVs. Channel 4 sought to encourage app usage where possible, so viewers have the best possible experience viewing content. To promote this strategy, as well as making its All 4 app ever more attractive (e.g. with regular feature updates), Channel 4's websites point viewers towards the All 4 app when they try to watch video content on mobile platforms.

The number of visits to Channel 4's apps rose by 18% year-on-year, from 274 million in 2015 to 322 million in 2016. App visits have accounted for a growing proportion of total visits to all Channel 4's websites and apps over the last few years, and this trend continued in 2016, with apps accounting for 62% of all visits, up from 54% in 2015 (and more than double their 30% share of total visits in 2012). Visits to Channel 4's websites declined by 15% (from 234 million in 2015 to 200 million in 2016), reflecting the strategy to push viewers – directly or indirectly – to All 4 apps for video viewing.

Total visits to Channel 4's websites and apps (m)

			Total
2016	200	322	522
2015	234	274	508

● Total annual visits to websites  
● Total annual visits to apps only

Source: Channel 4

## Engaging the audience

76%

AVERAGE 'BUZZ' SCORE  
FOR CHANNEL 4'S 10  
MOST TALKED-ABOUT  
PROGRAMMES

+2PTS ON LAST YEAR

● STIMULATE DEBATE

### PRODUCING TALKED-ABOUT TV

Channel 4 aims to make an impact with its programming in part by engaging viewers, inspiring conversations and stimulating debate – both in social media and the 'real' world. 'Buzz' scores help Channel 4 to assess audience reactions to its programmes: based on a daily survey of around 1,000 respondents, they track the proportion of Channel 4 viewers who said they talked about programmes that they watched, or commented on them on social media, including Facebook and Twitter.

In 2016, the average 'Buzz' score for the 10 most talked-about programmes across Channel 4's TV portfolio was 76%. This was two percentage points higher than the corresponding figure in 2015, continuing this metric's steady rise since 2011 (when the metric was first introduced). Between 2011 and 2016, the average 'Buzz' score for Channel 4's 10 most talked-about programmes in the year has increased by 17 percentage points (from 59% in 2011).

This year, *Channel 4 Racing* was the most talked-about programme of the year, with 86% of its viewers talking about it or commenting online. As was the case in 2015, the top 10 was dominated by Factual shows covering a range of themes. In joint-second place, with 80% 'Buzz' scores, were *Great Canal Journeys*, in which Timothy West and Prunella Scales went in search of London's lost canal routes, and *The Undateables: Holiday Romance*, which saw couples who had met previously on the show being sent off on romantic holidays. Factual Entertainment, Leisure and Lifestyle programmes represented another three of the top 10 programmes, with *A Place in the Sun* (77% 'Buzz' score), *Ramsay's Kitchen Nightmares USA* (76%) and *Rescue Dog to Super Dog* (71%).

At the more hard-hitting end of the Factual spectrum, the top 10 included the award-winning *Interview with a Murderer*, a one-off documentary in which criminologist Professor David Wilson conducted a series of interviews with convicted murderer Bert Spencer, who was widely suspected of killing a paperboy in 1978 – a crime he had never been charged with and which he has always denied (72% 'Buzz' score).

In scripted genres, two US comedies broadcast on E4, *New Girl* and *Jane the Virgin*, were also in the top 10, with 'Buzz' scores of 79% and 73% respectively. The most talked-about drama of the year was the second series of *Indian Summers*, Channel 4's period drama set at the time of the British Raj (70% 'Buzz' score).

Site	2016 Buzz (%)
Channel 4 Racing	86
Great Canal Journeys	80
The Undateables: Holiday Romance	80
New Girl	79
A Place in the Sun	77
Ramsay's Kitchen Nightmares USA	76
Jane the Virgin	73
Interview with a Murderer	72
Rescue Dogs to Super Dogs	71
Indian Summers	70
Average Buzz score for 2016 top 10 programmes	76
Average Buzz score for 2015 top 10 programmes	74

Buzz measures the proportion of viewers who had talked or communicated about the programme in some way.

This metric measures Buzz for programmes transmitted from 1 January 2016 to 31 August 2016 only. Data from 1 September to 31 December is not available.

Source: Ipsos MORI commissioned by Channel 4

## Engaging the audience

> **70%**

OF TOTAL VIEWING ACROSS  
THE MAIN CHANNEL, E4  
AND MORE4 ACCOUNTED  
FOR BY NETWORK  
ORIGINATIONS

**+2PTS UP ON  
LAST YEAR**

### VIEWING TO NETWORK ORIGINATIONS

'Network originations' – programmes commissioned by Channel 4 and transmitted on any of the channels in its TV portfolio – accounted for a growing proportion of the broadcaster's output and viewing in 2016 (the remainder being programmes that were acquired by Channel 4, primarily US content).

Network originations accounted for 70% of total viewing to the main channel, E4 and More4. This represented an increase of two percentage points year-on-year, the third consecutive year of growth. Network originations now represent a higher proportion of Channel 4's viewing than at any time since 2008, when this metric was first reported.

In volume terms, network originations represented 65% of all hours across the schedules of the main channel, E4 and More4 in 2016 (also up two percentage points year-on-year). Comparing these two figures indicates that network originations were responsible for a disproportionately high share of Channel 4's overall viewing – outperforming acquired programmes – as they generated a higher share of viewing (70%) than their corresponding share of the volume of programming (65%).

Overall, Channel 4's network originations accounted for 6.3% of total TV viewing in the UK in 2016. This is a small increase, of 1%, on the corresponding 2015 viewing share, and is the joint-highest viewing share since 2012.

Note that the Film4 channel is excluded from this metric as, by its nature, its output is primarily made up of acquired feature films.