

# GRI 409: FORCED OR COMPULSORY LABOR 2016

# GRI 409

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## About this Standard

<b>Responsibility</b>	This Standard is issued by the <a href="#">Global Sustainability Standards Board (GSSB)</a> . Any feedback on the GRI Standards can be submitted to <a href="mailto:standards@globalreporting.org">standards@globalreporting.org</a> for the consideration of the GSSB.
<b>Scope</b>	<i>GRI 409: Forced or Compulsory Labor</i> sets out reporting requirements on the topic of forced or compulsory labor. This Standard can be used by an organization of any size, type, sector or geographic location that wants to report on its impacts related to this topic.
<b>Normative references</b>	This Standard is to be used together with the most recent versions of the following documents. <a href="#">GRI 101: Foundation</a> <a href="#">GRI 103: Management Approach</a> <a href="#">GRI Standards Glossary</a>  In the text of this Standard, terms defined in the Glossary are <u>underlined</u> .
<b>Effective date</b>	This Standard is effective for reports or other materials published on or after 1 July 2018. Earlier adoption is encouraged.

**Note:** This document includes hyperlinks to other Standards. In most browsers, using **'ctrl' + click** will open external links in a new browser window. After clicking on a link, use **'alt' + left arrow** to return to the previous view.

# Introduction

## A. Overview

This Standard is part of the set of GRI Sustainability Reporting Standards (GRI Standards). These Standards are designed to be used by organizations to report about their impacts on the economy, the environment, and society.

The GRI Standards are structured as a set of interrelated, modular standards. The full set can be downloaded at [www.globalreporting.org/standards/](http://www.globalreporting.org/standards/).

There are three universal Standards that apply to every organization preparing a sustainability report:

*GRI 101: Foundation*

*GRI 102: General Disclosures*

*GRI 103: Management Approach*

***GRI 101: Foundation* is the starting point for using the GRI Standards. It has essential information on how to use and reference the Standards.**

An organization then selects from the set of topic-specific GRI Standards for reporting on its material topics. These Standards are organized into three series: 200 (Economic topics), 300 (Environmental topics) and 400 (Social topics).

Each topic Standard includes disclosures specific to that topic, and is designed to be used together with *GRI 103: Management Approach*, which is used to report the management approach for the topic.

***GRI 409: Forced or Compulsory Labor* is a topic-specific GRI Standard in the 400 series (Social topics).**

## B. Using the GRI Standards and making claims

There are two basic approaches for using the GRI Standards. For each way of using the Standards there is a corresponding claim, or statement of use, which an organization is required to include in any published materials.

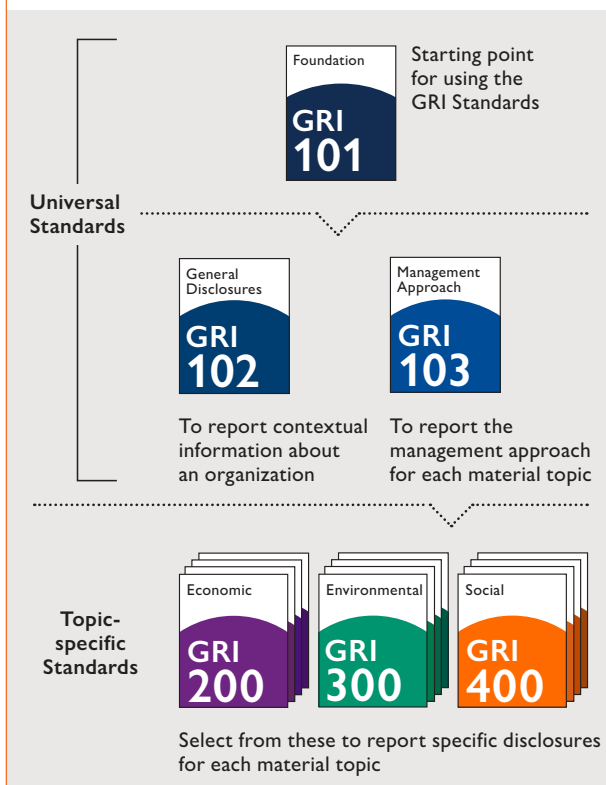
1. The GRI Standards can be used as a set to prepare a sustainability report that is in accordance with the Standards. There are two options for preparing a report in accordance (Core or Comprehensive), depending on the extent of disclosures included in the report.

An organization preparing a report in accordance with the GRI Standards uses this Standard, *GRI 409: Forced or Compulsory Labor*, if this is one of its material topics.

2. Selected GRI Standards, or parts of their content, can also be used to report specific information, without preparing a report in accordance with the Standards. Any published materials that use the GRI Standards in this way are to include a 'GRI-referenced' claim.

See **Section 3 of *GRI 101: Foundation*** for more information on how to use the GRI Standards, and the specific claims that organizations are required to include in any published materials.

**Figure 1**  
Overview of the set of GRI Standards



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## C. Requirements, recommendations and guidance

The GRI Standards include:

**Requirements.** These are mandatory instructions. In the text, requirements are presented in **bold font** and indicated with the word 'shall'. Requirements are to be read in the context of recommendations and guidance; however, an organization is not required to comply with recommendations or guidance in order to claim that a report has been prepared in accordance with the Standards.

**Recommendations.** These are cases where a particular course of action is encouraged, but not required. In the text, the word 'should' indicates a recommendation.

**Guidance.** These sections include background information, explanations and examples to help organizations better understand the requirements.

An organization is required to comply with all applicable requirements in order to claim that its report has been prepared in accordance with the GRI Standards. See [GRI 101: Foundation](#) for more information.

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## D. Background context

In the context of the GRI Standards, the social dimension of sustainability concerns an organization's impacts on the social systems within which it operates.

*GRI 409* addresses the topic of forced or compulsory labor.

Not to be subjected to forced or compulsory labor is a fundamental human right. According to International Labour Organization (ILO) Convention 29 'Forced Labour Convention', forced or compulsory labor is defined as 'all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.'<sup>1</sup>

Forced and compulsory labor affects all world regions, countries, and economic sectors, and includes workers in both formal and informal employment.<sup>2</sup>

Some of the most common forms of forced labor include forced labor in prisons (except for prisoners that have been convicted in a court of law, and whose

labor is under the supervision and control of a public authority), human trafficking for the purpose of forced labor, coercion in employment, forced labor linked to exploitative labor contract systems, and debt-induced forced labor, also known as 'debt-bondage' or 'bonded labor'.<sup>3</sup>

The victims are most likely from groups subject to discrimination or performing work on an informal or precarious basis. This can include women and girls forced into prostitution, migrants trapped in debt bondage, and sweatshop or farm workers, among other groups.<sup>4</sup>

Due diligence is expected of an organization in order to prevent and combat all forms of forced or compulsory labor within its activities. It is also expected to avoid contributing to or becoming linked to the use of forced or compulsory labor through its relationships with others (e.g., suppliers, clients).

These concepts are covered in key instruments of the ILO, the Organisation for Economic Co-operation and Development, and the United Nations: see [References](#).

The disclosures in this Standard can provide information about an organization's impacts related to forced or compulsory labor, and how it manages these impacts.

Disclosures on the related topic of child labor can be found in:

- [GRI 408: Child Labor](#)

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<sup>1</sup> International Labour Organization (ILO) Convention 29, 'Forced Labour Convention', 1930.

<sup>2</sup> International Labour Organization (ILO), *Combating Forced Labour. A Handbook for Employers & Business*, 2015.

<sup>3</sup> International Labour Organization (ILO), *Combating Forced Labour. A Handbook for Employers & Business*, 2015.

<sup>4</sup> International Labour Organization (ILO), *Forced labour, human trafficking and slavery*, <http://www.ilo.org/global/topics/forced-labour/lang--en/index.htm>, accessed on 1 September 2016.

# GRI 409: Forced or Compulsory Labor

This Standard includes disclosures on the management approach and topic-specific disclosures. These are set out in the Standard as follows:

- Management approach disclosures (this section references *GRI 103*)
- Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor

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## 1. Management approach disclosures

Management approach disclosures are a narrative explanation of how an organization manages a material topic, the associated impacts, and stakeholders' reasonable expectations and interests. Any organization that claims its report has been prepared in accordance with the GRI Standards is required to report on its management approach for every material topic, as well as reporting topic-specific disclosures for those topics.

Therefore, this topic-specific Standard is designed to be used together with *GRI 103: Management Approach* in order to provide full disclosure of the organization's impacts. *GRI 103* specifies how to report on the management approach and what information to provide.

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### Reporting requirements

- 1.1 The reporting organization shall report its management approach for forced or compulsory labor using [GRI 103: Management Approach](#).

## 2. Topic-specific disclosures

### Disclosure 409-1

#### Operations and suppliers at significant risk for incidents of forced or compulsory labor

##### Reporting requirements

The reporting organization shall report the following information:

- a. Operations and suppliers considered to have significant risk for incidents of forced or compulsory labor either in terms of:
  - i. type of operation (such as manufacturing plant) and supplier;
  - ii. countries or geographic areas with operations and suppliers considered at risk.
- b. Measures taken by the organization in the reporting period intended to contribute to the elimination of all forms of forced or compulsory labor.

Disclosure  
409-1

##### Guidance

###### Guidance for Disclosure 409-1

The process for identifying operations and suppliers, as specified in Disclosure 409-1, can reflect the reporting organization's approach to risk assessment on this issue. It can also draw from recognized international data sources, such as the ILO *Information and reports on the application of Conventions and Recommendations* (see reference 1 in the [References section](#)).

When reporting the measures taken, the organization can refer to the ILO 'Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy' and Organisation for Economic Co-operation and Development (OECD) *OECD Guidelines for Multinational Enterprises* for further guidance.

###### Background

Forced or compulsory labor exists globally in a variety of forms. The most extreme examples are slave labor and bonded labor, but debts can also be used as a means of maintaining workers in a state of forced labor. Indicators of forced labor can also include withholding identity papers, requiring compulsory deposits, and compelling workers, under threat of firing, to work extra hours to which they have not previously agreed.

Eliminating forced labor remains an important challenge. Forced labor is not only a serious violation of a fundamental human right, it also perpetuates poverty and is a hindrance to economic and human development.<sup>5</sup>

The presence and effective implementation of policies for eliminating all forms of forced or compulsory labor are a basic expectation of socially responsible conduct. Organizations with multinational operations are required by law in some countries to provide information on their efforts to eradicate forced labor in their supply chains.

<sup>5</sup> International Labour Organization (ILO), *International Labour Standards on Forced labour*. [http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/forced-labour/lang--en/index.htm#P23\\_4987](http://www.ilo.org/global/standards/subjects-covered-by-international-labour-standards/forced-labour/lang--en/index.htm#P23_4987), accessed on 1 September 2016.

# Glossary

This Glossary includes definitions for terms used in this Standard, which apply when using this Standard. These definitions may contain terms that are further defined in the complete [GRI Standards Glossary](#).

All defined terms are underlined. If a term is not defined in this Glossary or in the complete *GRI Standards Glossary*, definitions that are commonly used and understood apply.

## due diligence

In the context of the GRI Standards, 'due diligence' refers to a process to identify, prevent, mitigate and account for how an organization addresses its actual and potential negative impacts.

**Note:** This definition is based on the Organisation for Economic Co-operation and Development (OECD), *OECD Guidelines for Multinational Enterprises*, 2011, and the United Nations (UN), 'Guiding Principles on Business and Human Rights, Implementing the United Nations "Protect, Respect and Remedy" Framework', 2011.

## forced or compulsory labor

all work and service that is exacted from any person under the menace of any penalty and for which the said person has not offered herself or himself voluntarily

**Note 1:** The most extreme examples of forced or compulsory labor are slave labor and bonded labor, but debts can also be used as a means of maintaining workers in a state of forced labor.

**Note 2:** Indicators of forced labor include withholding identity papers, requiring compulsory deposits, and compelling workers, under threat of firing, to work extra hours to which they have not previously agreed.

**Note 3:** This definition is based on International Labour Organization (ILO) Convention 29, 'Forced Labour Convention', 1930.

## impact

In the GRI Standards, unless otherwise stated, 'impact' refers to the effect an organization has on the economy, the environment, and/or society, which in turn can indicate its contribution (positive or negative) to sustainable development.

**Note 1:** In the GRI Standards, the term 'impact' can refer to positive, negative, actual, potential, direct, indirect, short-term, long-term, intended, or unintended impacts.

**Note 2:** Impacts on the economy, environment, and/or society can also be related to consequences for the organization itself. For example, an impact on the economy, environment, and/or society can lead to consequences for the organization's business model, reputation, or ability to achieve its objectives.

## material topic

topic that reflects a reporting organization's significant economic, environmental and social impacts; or that substantively influences the assessments and decisions of stakeholders

**Note 1:** For more information on identifying a material topic, see the [Reporting Principles for defining report content](#) in *GRI 101: Foundation*.

**Note 2:** To prepare a report in accordance with the GRI Standards, an organization is required to report on its material topics.

**Note 3:** Material topics can include, but are not limited to, the topics covered by the GRI Standards in the 200, 300, and 400 series.

## supplier

organization or person that provides a product or service used in the supply chain of the reporting organization

**Note 1:** A supplier is further characterized by a genuine direct or indirect commercial relationship with the organization.

**Note 2:** Examples of suppliers can include, but are not limited to:

- Brokers: Persons or organizations that buy and sell products, services, or assets for others, including contracting agencies that supply labor.
- Consultants: Persons or organizations that provide expert advice and services on a legally recognized professional and commercial basis. Consultants are legally recognized as self-employed or are legally recognized as employees of another organization.
- Contractors: Persons or organizations working onsite or offsite on behalf of an organization. A contractor can contract their own workers directly, or contract sub-contractors or independent contractors.
- Distributors: Persons or organizations that supply products to others.
- Franchisees or licensees: Persons or organizations that are granted a franchise or license by the reporting organization. Franchises and licenses permit specified commercial activities, such as the production and sale of a product.
- Home workers: Persons at home or in other premises of their choice, other than the workplace of the employer, who perform work for remuneration and which results in a product or service as specified by the employer, irrespective of who provides the equipment, materials or other inputs used.
- Independent contractors: Persons or organizations working for an organization, a contractor, or a sub-contractor.
- Manufacturers: Persons or organizations that make products for sale.
- Primary producers: Persons or organizations that grow, harvest, or extract raw materials.
- Sub-contractors: Persons or organizations working onsite or offsite on behalf of an organization that have a direct contractual relationship with a contractor or sub-contractor, but not necessarily with the organization. A sub-contractor can contract their own workers directly or contract independent contractors.
- Wholesalers: Persons or organizations that sell products in large quantities to be retailed by others.



# References

The following documents informed the development of this Standard and can be helpful for understanding and applying it.

## **Authoritative intergovernmental instruments:**

1. International Labour Organization (ILO), Committee of Experts on the Application of Conventions and Recommendations, *Report III - Information and reports on the application of Conventions and Recommendations*, updated annually.
2. International Labour Organization (ILO) Convention 29, 'Forced Labour Convention', 1930.
3. International Labour Organization (ILO) Convention 105, 'Abolition of Forced Labour Convention', 1957.
4. International Labour Organization (ILO), 'Protocol to Convention 29', 2014.
5. International Labour Organization (ILO) Recommendation 203, 'Forced Labour (Supplementary Measures) Recommendation', 2014.
6. International Labour Organization (ILO), 'Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy', 2006.
7. League of Nations Convention, 'Convention to Suppress the Slave Trade and Slavery', 1926.
8. Organisation for Economic Co-operation and Development (OECD), *OECD Guidelines for Multinational Enterprises*, 2011.
9. United Nations (UN) Declaration, 'Universal Declaration of Human Rights', 1948.
10. United Nations (UN), 'Guiding Principles on Business and Human Rights, Implementing the United Nations "Protect, Respect and Remedy" Framework', 2011.
11. United Nations (UN), *Protect, Respect and Remedy: a Framework for Business and Human Rights*, 2008.
12. United Nations (UN), *Report of the Special Representative of the Secretary-General on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises, John Ruggie*, 2011.
13. United Nations (UN) Supplementary Convention, 'Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery', 1956.

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