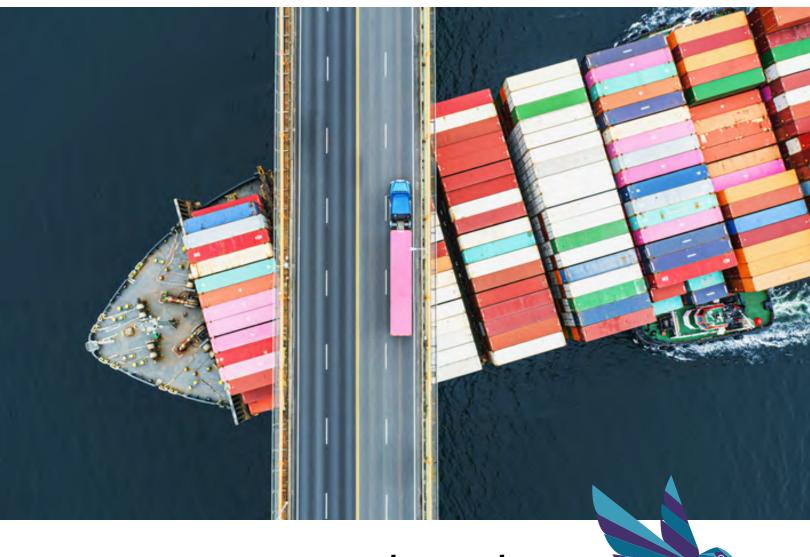
design for FREEDOM by grace farms



ethical supply chain workshop insights

"By inviting large suppliers, manufacturers, and developers to the table with Turner and OBO, we can start to level set a fair and resilient building material supply chain among competitors and create a more humane future ... Everyone has agency to influence the marketplace and eliminate forced labor from our supply chains."

 Sharon Prince, CEO and Founder Grace Farms Foundation

"Turner engages partners deep in the supply chain in line with its sustainability strategy that is based on an ESG framework in a manner that is meaningful and long-term. True sustainability means that we care about how we do business. It is so much more than getting the work done. It means we care about the communities in which we work, the global environment, and all the people along our supply chain."

 Mike Bruskin, Vice President and Chief Procurement Officer Turner Construction Company

"With a portfolio of projects in design and construction across the globe, OBO is working to move the needle of institutional change by partnering with our stakeholders to expand the industry's usage of ethically-sourced building materials.

This workshop accelerated the movement towards this aim and provided OBO with a clearer understanding of the challenges and barriers that our private sector contractors and material suppliers face when attempting to source ethically."

 Curtis Clay, Director of Architecture at the U.S. Department of State Bureau of Overseas Buildings Operations, and Design for Freedom Working Group member





Design for Freedom Ethical Supply Chain Workshop furthers the movement to eliminate forced labor from the building materials supply chain.

Grace Farms Foundation, U.S. Department of State's Bureau of Overseas Buildings Operations (OBO), and Turner Construction Company hosted a Design for Freedom Ethical Supply Chain Workshop to address and promote fair and ethical labor and procurement practices in the construction industry.

More than 80 public and private sector participants including contractors, large manufacturers, developers, technology partners, designers, academics, and government agencies shared strategies to navigate the global building materials supply chain and the forced labor that may be embedded within it. The Workshop was a step forward to increase supply chain transparency and begin the work to transform the marketplace. The event was held on November 14, 2023 at Grace Farms in New Canaan, Connecticut.

The Ethical Supply Chain Workshop leverages significant advancements made by Design for Freedom. In October 2020, Grace Farms created Design for Freedom, a global movement to combat forced labor in the building materials supply chain. The launch included the release of the groundbreaking Design for Freedom Report and a dedicated website with research, tools, and resources. Since then, global leaders have joined the movement to build awareness and initiate industry-wide action, including Design for Freedom Working Group members, Turner Construction Company, and the U.S. Department of State's Department of Overseas Buildings Operations. In 2022, Grace Farms held the inaugural Design for Freedom Summit, which was opened by Prince Zeid Ra'ad Al-Hussein, the former UN High Commissioner for Human Rights, bringing together 300 industry leaders to address forced labor. During this Summit, the Design for Freedom Toolkit, a comprehensive resource for prioritizing ethical procurement, was released. In the following year, over 500 leaders attended the annual Summit, including college and university students.

Since launching Design for Freedom, Grace Farms has initialized eight global Pilot Projects to demonstrate designing and sourcing without forced labor is possible. The movement continues to grow.

Both OBO and Turner have made commitments to Design for Freedom.

OBO directs the worldwide overseas building program for the Department of State and the U.S. Government and in 2022, hosted its annual Industry Advisory Group meeting with more than 500 industry leaders. There, OBO committed to Design for Freedom and advancing transparency in supply chains.

Similarly, Turner hosted an ESG Sustainability Summit in 2022, where leaders exchanged ideas about sustainable and ethical supply chains and featured Design for Freedom. Turner also partnered with Grace Farms on a Design for Freedom Pilot Project, the New Canaan Library.

In 2023, the momentum drawn from growing awareness and partnerships like those with OBO and Turner, led to this Ethical Supply Chain Workshop, which featured dynamic panel discussions centered on critical topics related to supply chain due diligence including:

- The legal framework: taking responsibility for knowing your supply chain;
- Climate and forced labor: understanding the way building materials and the supply chain intersect with the climate to empower organizations to make more ethical choices that can help the planet and its people; and

THE ISSUE + STATE OF THE INDUSTRY



Welcome address with Curtis Clay (OBO), Sharon Prince (Grace Farms) and Mike Bruskin (Turner)

• **Tech and finance**: using innovative technology to trace supply chains and mitigate risks.

All stakeholders, from material suppliers to financiers and insurers, need to be engaged in the solutions to move the needle on this pressing humanitarian crisis.

The Issue

Globally, there are nearly 28 million people suffering under forced labor conditions, working in hazardous and inhumane environments. And this number is unfortunately increasing, up from 25 million in 2017. Many of these laborers extract and manufacture building materials, ranging from bricks and steel to timber and textiles, according to the International Labour Organization. As conflicts erupt across the world, this issue will only become more pronounced as displaced and marginalized people become even more susceptible of falling into forced labor situations with false employment promises.

The construction industry is one of the largest industrialized sectors in the world. It is also at risk of forced and child labor. The industry accounts for more than 13% of global GDPⁱⁱ and more than \$12 trillion spending worldwide annuallyⁱⁱⁱ. Although forced labor risk has been exposed on the construction site, the

other half of forced labor risk embedded in building material production has generally been given a labor transparency pass, meaning there is no accountability for their unfair labor practices. The complexity and the sheer number of unique raw, composite and manufactured materials used in construction, make the risk of forced labor in the global building materials supply chain high.

State of the Industry

The global scale and purchasing power of the construction sector, along with the number of building materials the industry as a whole uses, uniquely positions it to influence the marketplace.

In the effort to pursue more ethical supply chains, there are challenges as well as opportunities that are emerging. Many companies are exploring the complexity of their supply chains, the provenance of the building materials they use, and their duty to comply with supply chain transparency laws. Others, meanwhile, have deep knowledge of their supply chains but have not yet considered or added the fair labor inputs to their work. Despite these shortcomings, there is a strong desire among many companies and suppliers to pursue more ethical and sustainable supply chains, especially as awareness continues to grow and expand.

STATE OF THE INDUSTRY + THE LEGAL FRAMEWORK

A major challenge that exists in mapping supply chains is the quality of data.

While there are a certain amount of data and platforms available that could help with tracking goods along the supply chain, its accuracy, and the methods for sharing information across companies and sectors, are lacking.

There are, however, positive indicators that this is beginning to change. The emergence of artificial intelligence (AI) and other technical tools such as Digital Product Passports (DPP) can be used to share and standardize information. As new technology emerges, including digital mapping of goods across the supply chain that could illuminate forced-labor hotspots, global forced labor laws are increasingly holding companies accountable to ensure their products are forced-labor free, otherwise as in the U.S. for instance, companies will face having goods seized and detained at U.S. ports of entry. Additionally, by harnessing fields related to construction, notably the finance and insurance sectors, the industry may be forced to evolve more quickly as these adjacent sectors shift the risk of compliance onto companies. Legal compliance plays a key role, as a lack of compliance with new legislation and regulations will undoubtedly negatively affect a firm's reputation and bottom line.

This movement is likely to prompt greater investment by construction companies into compliance processes and practices, as they seek to minimize the financial and reputational risk of non-compliance.

One key insight that became clear in the Workshop was that competitors can combine efforts, improve the accuracy of data, and contribute to move the marketplace toward more ethical supply chains more quickly.

The Legal Framework

Making the Case for Supply Chain Transparency

"We are in a period of rapid change. Some people do things because it's the right thing to do, others because they have to. Once they see they have to, they will find a way to do it. And the world will be better."

- Mike Bruskin, Turner Construction Company

The construction industry touches every country across the globe, and forced labor embedded in the materials used in construction projects is a major humanitarian and criminal issue. A lack of transparency exists from the point at which the material is extracted from the Earth, through transport, manufacturing, and ultimate delivery at a building site. The risk of forced labor exists at each point along this process.

Forced labor does not occur in a vacuum. It is connected to many other major global issues - environmental degradation, the proliferation of terrorism and its financing, the rise of authoritarianism and corruption in nation states, and other social and historical barriers to more just systems. Understanding the intersectionality of these issues is even more important when considering legal risk.

The need to navigate the rapidly evolving landscape of global compliance policies is pushing companies to more closely examine supply chains. Many leaders are signaling a strong desire to pursue more transparent supply chains that are sustainable and ethical.

An important step any company can take is due diligence and risk assessments, to understand both their supply chains and their risks.

Building materials account for approximately 45% of an average project cost. Materials held at ports of entry can delay the time-line of the project and drive up project costs. This creates exposure as well as an opportunity. Companies could use this to demonstrate how a shift to using more ethical materials could have a beneficial impact on projects and the industry at large by reducing or eliminating forced-labor risks, reducing costly delays at the ports, and adopting more environmentally-friendly building practices.

Owners, architects, construction managers, and specifiers all play a role in aligning material choices to ethical production and making supply chains more transparent. A team of subject matter experts is needed to ensure that all stakeholders up to the very top of the organization understand compliance and how it is connected to every multinational jurisdiction in which a firm operates.

There are resources and tools that can help advance these efforts. The U.S. Department of Labor's (DOL) Bureau of International Labor Affairs (ILAB) promotes

THE LEGAL FRAMEWORK



The Legal Framework with Alina Reynolds (Grace Farms), Nadia Al-Dayel and Carter Quinley (U.S. Dept. of Labor), Brian Hoxie (U.S. Customs and Border Protection), David Ring (Wiggin and Dana), and Renata Parras (Paul Hastings)

compliance with U.S. labor requirements helping to ensure a fair global playing field for workers in the United States and around the world. Their Technical Assistance and Cooperation Unit (TAC)^{iv} manages approximately 50 technical cooperation projects to combat child labor and forced labor globally. An online database provides reports, toolkits, and other resources about how to reduce the risk of forced labor in supply chains and beyond.

Tools that use open source data are also useful for conducting human rights due diligence. The Responsible Sourcing Tool (RST) website can be used to understand, identify, prevent, and address forced labor and human trafficking in global supply chains. RST also houses downloadable due diligence tools, including a new set of tailored tools for the construction sector. Through interactive maps and opportunities to search by industry or commodity, companies, contractors, procurement professionals, and others can learn more about preventing the risk of forced labor in global supply chains. Verité also provides its Forced Labor Indicators Project which more specifically looks at products and materials originating in Ghana and Côte D'Ivoire. Along with the Design for Freedom Toolkit, these resources can provide a roadmap to integrate best practices to help ensure abusive labor practices are not present in supply chains.

The risk of noncompliance is also high as industries pursue "green energy" solutions, as many environmentally sustainable options such as solar panels and wind turbines are made with materials that are exposed to forced-labor risks.

Cobalt, which is largely extracted in the Democratic Republic of the Congo (DRC), is used to help batteries store energy. These batteries are often used in renewable energy storage, and to power electric vehicles and computers. The DRC is home to more than 50% of the world's cobalt reserves, and children often labor to extract this material in mines that have little or no oversight. Much of the world's polysilicon is currently sourced from China and the Uyghur Autonomous Region (UAR). The Uyghur Forced Labor Prevention Act (UFLPA) prohibits all goods extracted and made in the Uyghur Region from entry into the United States. Viii

Similarly, new deforestation regulations within the European Union (EU) have human rights criteria built into them. In addition, a new, robust regulation proposed in the EU would ban products made with forced and child labor from the EU market. It also notably provides significant legal penalties for companies found in violation of it. EU lawmakers adopted the proposal in October 2023, however, member states are still negotiating, and it has not yet become final.

THE LEGAL FRAMEWORK + ETHICAL DECARBONIZATION



Ethical Decarbonization with Lindsay Baker (ILFI), Anna Dyson (Yale CEA), and Amy Musanti (ASSA ABLOY)

Many civil society and trade union groups have pushed for the proposal's full adoption. Global Witness, which campaigns against human rights abuses, recognized its potential impact, noting:

"For the first time, there will be a comprehensive legal framework for communities anywhere in the world to sue companies responsible for human rights abuses and environmental harms in European courts."

The proliferation of similar laws and regulations is accelerating and is very likely to continue.

Ethical Decarbonization

While the focus on the use of building materials has centered on environmental sustainability and climate change, Design for Freedom has called for the industry to address not only the environmental impacts but also the ethical ones, most notably fair labor. Environmental and human welfare are intrinsically linked. At 37% of all carbon emissions globally, the construction industry is the largest contributor of carbon dioxide and embodied carbon that originates from the design, production, and use of building materials such as cement, steel, and aluminum. The materials are at high degree of risk of embedded forced labor. Approaching sustainable solutions to the climate crisis from just one perspective fails to address the potential human suffering involved in the making of building materials.

A new report, *Building Materials and the Climate: Constructing a New Future*, by the United Nations
Environment Programme (UNEP), Yale University's
Center for Ecosystems + Architecture (Yale CEA),
and Global Alliance for Buildings and Construction
(GlobalABC), highlights the connection between those
that exploit the environment and those that exploit
people. Taking into consideration global efforts to
decarbonize, the report notes the real potential of
emerging economies to leapfrog over the practices of
more developed economies and sectors by moving
toward a wholesale regenerative economy.

Building Materials and the Climate proposes a threepart framework to ethically decarbonize over the next three decades and address the climate crisis: avoid shift - improve.

- **Avoid**: Move away from materials with a high carbon footprint, galvanize a circular material economy, and reuse or recycle materials wherever possible.
- **Shift**: Use ethically produced products wherever possible.
- Improve: Establish new cooperative models between sectors. New ownership models, along with transparent data, will create the business case across the market.

Labor conditions are part and parcel of ethical decarbonization, a new industry term initiated by Yale CEA and Grace Farms when launching the Report in NYC on September 19, 2023. When looking at regenerative

ETHICAL DECARBONIZATION + TECH TOOLS



Nora Rizzo, Ethical Materials Director, Grace Farms. Chris Sharples, Founder, SHoP Architects. Peter Swartz, Co-Founder and Chief Science Officer, Altana Al

processes that are sustainable, it is imperative to look at sectors that are at a high risk of forced labor like agriculture, mining, and manufacturing, and take a synergistic approach. By creating innovative models to decarbonize building materials, it is possible to achieve the ambitious target of net zero emissions from the built environment sector by 2050.

Tech Tools

Creating Transparent Supply Chains

"Digital passports are a new way of ensuring transparency."

Innovative technology and data may be the keys to more transparent, ethical, and sustainable supply chains. Digital Product Passports (DPP) can be more widely adopted by the construction industry to assist in this work.

DPP, as the term suggests, is a digital document that contains a product's information such as who made it, the materials comprised in the product, and its end use. It is essentially a record of the product's journey from beginning to end. The European Commission proposed

DPP as a tool to create transparency and unlock circularity, according to the World Business Council for Sustainable Development (WBCSD). To start with, textiles and electronics sold in the European Union will come with a QR code that can be used to understand this information. "The EC is currently drafting a regulation on DPPs with final approval expected in 2024 and implementation for the first product groups in 2026/7," according to WBCSD and the Boston Consulting Group."

The standardization of data and the sharing of it, however, remains an obstacle. Al can be used to mine large libraries of data and identify useful sourcing information; however, this information must be relevant, monitored, and verified for accuracy. Cross verification can help but the process also needs to be standardized, digitized, and collaborative. Many companies may be hesitant to share data, particularly if they are investing in building and developing that data. There must be an incentive to shift away from this kind of siloed approach, in order to standardize and digitize information to ensure its accuracy, using technology to improve efficiency and transparency along the building materials supply chain.

Financing the Just Transition

Understanding Commitments to ESG Principles

Now more than ever, investors are taking risk into account when making investment decisions - financial risk and reputational risk. Investors are asking portfolio managers about a company's commitments to environmental, social, and governance (ESG) principles and if they have a history of compliance with laws regulating sustainable and ethical practices. Another motivating factor is whether companies have been issued Withhold Release Orders (WROs) by U.S. Customs and Border Protection (CBP). These orders are issued when CBP has reason to believe shipments arriving at U.S. ports may include goods made with forced labor. The number of detained shipments has skyrocketed in the past year, from 1,529 shipments in FY 2022 to more than 4,000 shipments in FY 2023, valued at over \$1.4 billion.xiii This is a direct result of legislation like the UFLPA. Of the goods detained, electronics, industrial and manufacturing materials, and apparel and textiles are among the top three imports held.

"Am I subsidizing my ROI with forced labor?

We can no longer accept the slavery discount."

 Sharon Prince, CEO and Founder, Grace Farms Foundation

As the level of risks of seizures at ports have increased, investors are increasingly taking this information into account when investing - taking a cumulative view of risk and including forced-labor specific clauses when investing with private equity firms, pension funds, and elsewhere. Financial firms, as well as corporations, whether selling consumer products or lesser-known commercial brands, face the need to take forced labor seriously if they want to avoid potential risks related to reputational and financial costs.

Whether managed in a pro-active way or not, companies engaging in forced labor cannot escape the reputational or financial risks. Also, changes to the global regulatory framework will demand increased accountability from investors and the financial sector. The Finance Against Slavery and Trafficking (FAST) report, *A Blueprint for Mobilizing Finance against Slavery and Trafficking*, argues that the world's bankers, investors, insurers, and financial partners "have unparalleled influence over global business... and that finance is a lever by which the entire global economy can be moved." "XiV

Companies need to understand that addressing forced labor goes beyond adhering to ESG compliance. Stakeholder engagement can now bring claims against companies and use the press to their advantage. The most powerful lever that investors have is corporate stewardship and engagement. This trend will continue as investors continue to become better educated and demand that their investments at the least do no harm and at best advance strong ESG principles that create positive change.

Most investors tend to fall into one of three categories:

- Those that want to strip any legal controversies out of the portfolio. This group will not invest in companies accused of human rights violations and prioritize restricting investments to ensure their money is only going to good actors. They are driven by their education of key issues and deeply care about them.
- Those concerned with contingent liabilities and the potential for a firm to become involved in controversies around human rights or environmental concerns. They are adverse to the risk of negative press and tend to identify as capitalist institutionalist.
- Those that deeply care about using investments to generate change. These investors wish to proactively invest in solutions that change the world for the better and protect human rights and the environment.

For all of these investors, data is again the solution and the challenge. Industry technology, research and database firms can be helpful, but they are not adequate. Data must be triangulated, and AI, which holds the potential to better detect forced labor risks, is still in its infancy. Data and information must also be collected and analyzed from civil society organizations doing work on the ground. In addition, of the thousands of data points, the industry needs to agree upon a common language and facilitate collaborations between technology organizations, manufacturers, and others. Construction is one of the most complex industries, so it is no small feat to access accurate, shared data; however, organizations are using AI technology to build dynamic maps to show companies' supply chain connections and exposure to forced-labor hotspots. This is resulting in higher quality data, often drawn from upstream supply chain, which can assist in identifying red flags and new opportunities.

The Ethical Supply Chain Workshop's panel discussions highlighted several key insights and conclusions.

The Legal Framework

- Reduce Reputational and Legal Risk: Legal compliance plays a key role in reducing the risk of forced labor in supply chains. A lack of compliance with new legislation and regulations can undoubtedly negatively affect a firm's reputation and bottom line.
- Invest in Compliance: As companies seek to minimize the financial and reputational risk of non-compliance, there will be greater investment by construction companies into compliance processes and practices. Building materials account for approximately 45% of an average project cost. Materials held at ports of entry can delay the time-line of the project and drive up project costs. This creates exposure as well as an opportunity. Companies could use this to demonstrate how a shift to using more ethical materials could have a beneficial impact on projects and the industry at large by reducing or eliminating forced-labor risks, reducing costly delays at the ports, and adopting more environmentally-friendly building practices.
- Know Your Risk: Law firms are advising their clients that more laws and regulations holding corporations accountable for forced labor. If companies have not considered the ramifications, they need to start now. Companies should be aware of the intersectionality of issues. Forced labor and human rights violations are not siloed from corruption or terrorism.

Building Materials and the Climate

- Make More Ethical Building Materials Choices: At 37% of all carbon emissions globally, the construction industry is the largest contributor of carbon dioxide and embodied carbon that originates from the design, production, and use of building materials such as cement, steel, and aluminum, which also are high risk of forced labor.
- Use an Ethical and Sustainable Lens to Understand the Climate Crisis: Approaching sustainable solutions to the climate crisis from just one perspective fails to

- address the human suffering involved in the making of building materials, as well as the damage being done to the environment in the process.
- Pursue Ethical Decarbonization: Ethical decarbonization provides a new opportunity to take human rights and forced labor into account when addressing net zero emissions goals.

Tech Tools

- Be Aware of Data: Al can be used to mine large libraries of data and identify useful sourcing information; however, this information must be relevant, monitored, and verified for accuracy. Cross verification can help but the process also needs to be standardized, digitized, and collaborative.
- Use Digital Tools: Tools like Digital Product Passports, which are gaining traction in the textile industry and track materials as they move through the supply chain, provide useful examples that can be adopted by the construction industry to trace materials.
- **Verify the Data You Use**: Develop an interconnected ecosystem and a dynamic and accessible third-party verification system.

Financing the Just Transition

- Steward Investors: The most powerful lever that investors have is corporate engagement. This trend will continue as investors continue to become better educated and demand that investments at the least do no harm and at best advance strong ESG principles.
- Verify Data You Use to Make Investment Decisions: For all of these investors, data is again the solution and the challenge. Databases can be helpful, but they are not adequate. Data must be triangulated, and AI, which holds the potential to better detect forced labor risks, is still in its infancy.

• Map Supply Chains to Avoid Risk: Construction is one of the most complex industries, so it is no small feat to access accurate, shared data; however, organizations are using Al technology to build dynamic maps to show companies' supply chain connections and exposure to forced-labor hotspots. This is resulting in higher quality data, often drawn from upstream supply chain, which can assist in identifying red flags and new opportunities.

When speaking about the responsibility to combat forced labor, Dame Sara Thornton, the former U.K. independent anti-slavery commissioner, notes, "While governments have a role, and consumers have a role, businesses also have a huge role. And, of course, financial institutions that lend to those businesses, who invest in those businesses, are in such a unique position to help businesses and demand they take the issue of modern slavery much more seriously." Thornton is also an advisor to CCLA, a U.K. investment firm that focuses on ethical and sustainable investing. Grace Farms Foundation's CEO and Founder Sharon Prince is speaking to this group of U.K. cabinet officials in spring 2024 to raise awareness at the most senior level and to catalyze investment leaders to use their influence to combat forced and child labor.

Action Steps

The Workshop identified several key actionable steps that companies can take to move toward more ethical, forced labor-free supply chains.

• Engage Online Tools: Tools that use open source data can be used to increase supply chain transparency and integrate ethical design choices into a project. These include Grace Farms' *Design for Freedom Toolkit*, the U.S. Department of Labor's Technical Assistance and Cooperation Unit (TAC)'s online database, and Verité's Responsible Sourcing Tool, all of which are available at no cost to all.

- Follow the Avoid-Shift-Improve Model Outlined in the Building Materials and the Climate Report: The three part framework of avoid - shift - improve to ethically decarbonize building materials and reach the goal of net zero emissions from the built environment sector by the mid-century.
- **Avoid**: Use materials with a lower carbon footprint and recycle building materials as often as possible.
- **Shift**: Move toward ethically sourced agricultural products as building materials to reduce the risk of forced labor and promote regenerative land use processes.
- Improve: New models of cooperation between sectors, combined with better and more transparent data, will create a market shift and move sectors toward net zero goals.
- Use Digital Passports: Companies can increase transparency and more effectively trace materials used in projects through Digital Passports. Companies can set annual goals to progressively move a company toward more ethical supply chains.
- Invest in Compliance: Compliance is the responsibility of everyone within a firm. Companies should invest proactively in training to raise awareness of the latest laws concerning supply chains and the legal risks of non-compliance.
- Use Available Databases: Join the growing number of databases that share information about supply chains and supply chain mapping. These will evolve as more data about materials and supply chains becomes available but they provide a starting place for this expanding movement.

CONCLUSION



The Ethical Supply Chain Workshop convened people across sectors to address forced labor in our supply chains

Conclusion

As Grace Farms has demonstrated through the Ethical Supply Chain Workshop, there is a collective will among leaders across the built environment, and now among developers, contractors, owners, and suppliers to address and act upon advancing sustainable solutions to eliminate forced labor in the building materials supply chain.

As Sharon Prince notes, the construction sector has the large scale of government to developer projects to influence the marketplace and eliminate forced labor in the supply chains, and "we must no longer accept the slavery discount." As the climate crisis and global conflicts grow progressively worse, uprooting communities and forcing people to look for work in less hostile environments, more men, women, and children are likely to become entrapped in forced labor, from generation to generation.

The takeaways and action items presented here, however, from the perspectives of government,

developers, law, and finance groups to contractors and manufacturers, offer hope. While obtaining early buy-in across the span of a project, from conception to end of use is paramount, all industry players will need to work together to collect quality data, share in a dynamic, open-source environment, not controlled by any one entity. This will create a role for not-for-profit watchdogs to ensure data integrity. Moreover, while Design for Freedom has made significant inroads into higher education, there must be an even greater investment in training to equip future generations of designers, architects, builders, suppliers, and financiers to integrate Design for Freedom Principles into the built environment.

"Every line we draw affects a string of material practices with an ecological impact, it also affects a series of labor practices that impact human rights."

Florian Idenberg, Jing Liu, Founding Partners,
 SO - IL, Design for Freedom Report xvi

Key Reports

The Design for Freedom Report by Grace Farms

Grace Farms' report on forced labor in the building materials supply chain asks industry leaders to take a closer look at the materials they build with and who makes them - and design a more humane future. The report is a call to action and includes action steps for stakeholders, encouraging the industry to apply an ethical lens to their daily roles.

<u>Building Materials and The Climate:</u> <u>Constructing a New Future</u>

Developed by UNEP and Yale Center for Ecosystems + Architecture, in the framework of the Global Alliance for Buildings and Construction (GlobalABC), highlights the pressing need to establish innovative cooperation models to decarbonize building materials.

<u>Profits and Poverty: The Economics of Forced Labor</u> <u>by the International Labour Organization</u>

This new study reveals \$236 billion in illegal profits is made annually from forced labor in the private sector.

Commercial Contracts and Sourcing, Re:Structure Lab

This brief outlines how contracts and sourcing practices, as well as the legal regimes surrounding them, could change to promote equitable labor practices and protect supply chain workers from exploitation.

Global Slavery Index by Walk Free

This report provides national estimates of modern slavery for 160 countries, drawing on thousands of interviews with survivors across 75 countries.

Global Estimates of Modern Slavery: Forced Labour and Forced Marriage by the International Labour Organization, Walk Free, and UN Migration

This report provides global and regional estimates of forced labor, child labor, and forced marriage and analyzes how global events including pandemics and climate change, are worsening the humanitarian crisis.

Key Tools

The Design for Freedom Toolkit

Grace Farms' *Design for Freedom Toolkit* is a comprehensive resource that design and construction professionals can use to help implement ethical, forced labor-free material sourcing strategies into their own practices. The Toolkit contains information on more than a dozen materials, such as timber, steel, textiles, and solar panels that are most at-risk of forced labor, as well as relevant certifications and standards that support ethical materials choices, a supplier questionnaire, and sample specifications.

U.S. Department of Labor's Bureau of International Labor Affairs' Tac Assistance Unit (ILAB)

ILAB-funded technical assistance projects produce a large body of knowledge and resources, including toolkits, project reports, training manuals, and implementation guides. These resources produced by ILAB's grantees are presented in a searchable online library so that they may help support and inform current and future projects to end abusive labor practices worldwide.

Verité's Forced Labor Indicators Project

With support from the U.S. Department of Labor, the Forced Labor Indicators Project works with governments, the private sector, trade unions, and civil society stakeholders to combat the risk of forced labor of adults and children in hotspots including Ghana and Côte d'Ivoire. Their website provides open source learning courses, project news, and other resources.

Design for Equity Primer by Metropolis

This primer includes toolkits, manuals, certifications, and indexes that can be used to help firms design with justice, equity, diversity, and inclusion in mind.

Jane Abernathy | Humanscale

Brigid Abraham | Grace Farms

Nadia Al-Dayel | U.S. Department of Labor Bureau of International Affairs

Lindsay Baker | International Living Future Institute

Barbra BatShalom | BuildingEase

Elizabeth Beardsley | USGBC

Suzanne Bennett | SourceBlue

Annie Bevan | Mindful MATERIALS

Preeti Bhattacharji |

J.P. Morgan Chase

Mike Bruskin | Turner Construction

Robert Cantando | Skanska

Kathleen Ciampoli | Otis Elevator

Curtis Clay | U.S. Department of State Bureau of Overseas Buildings Operations (OBO)

Rick Cook | COOKFOX

Robin Coulter |

University of Connecticut

Roe Demonte | Turner Construction

Justin Den Herder |

Silmann Structural Solutions

Neha Desai | Curtis Partitions

Silvia DiPaolo | U.S. Department of State Bureau of Overseas Buildings Operations (OBO)

Jennifer Downey | Turner Construction

Anna Dyson | Yale Center for Ecosystems + Architecture

Louise Flynn | Development Alternatives Incorporated

 $\textbf{Jared Gilbert} \mid \mathsf{COOKFOX}$

Jay Gorman | Sciame Construction

Aaron Gould | VaproShield

Patrick Grasso |

Urban Mining Industries

Peter Hamill | Turner Construction

Sarah Harris | J.P. Morgan Chase

Emma Hirsch | Flatiron Construction

Daniel Hogan |

B.L. Harbert International

Brian Hoxie | Trade Remedy Law Enforcement Directorate Office of Trade, U.S. Customs & Border Protection

Luke Johnson | Nucor

Amanda Kaminsky | Lendlease

Karen Kariuki | Grace Farms

Renae Kezar | Johnson Controls

Choity Khan | STO Building Group

Maha Khan | Finance Against Slavery & Trafficking, United Nations University

Kathleen Kiley | Grace Farms

Stephanie Leedom | U.S. Department of State, Bureau of Overseas Buildings Operations, (OBO)

Kathryn Libal | University of Connecticut

Shawn MacDonald | Verité

Joe Mizzi | Sciame Construction

Amy Musanti | Assa Abloy

Angela Mwanza | Rockefeller Capital Management

Ajay Narula | Curtis Partitions

Rush Nathan | Hilti

Amy O'Neill Richard | U.S. Department of State Office to Monitor and Combat Trafficking in Persons

Desan Ozkan | University of Connecticut

Stephan Park | University of Connecticut

Renata Parras | Paul Hastings

Fernanda Pedroso | Polycor

Sharon Prince | Grace Farms

Carter Quinley | U.S. Department of Labor Bureau of International Affairs

Shivanie Rambaran | Buro Happold

Kimberly Randle | FairSupply

Elizabeth Rapuano | Grace Farms

Mariana Rey Naar | BuildingEase

Alina Reynolds | Grace Farms

Antonio Rillosi | Extravega

David Ring | Wiggin and Dana

Nora Rizzo | Grace Farms

Erica Rosenberger | Turner Construction

Léonard Roussel | Arup

Jesus Sanchez | Johnson Controls

Karema Seliem | USGBC

Chris Sharples | SHoP Architects

Kathryn Sheehan | Tishman Speyer

Shannon Stewart | Altana Al

Peter Swartz | Altana Al

Adam Thatcher | Grace Farms Foods

Chelsea Thatcher | Grace Farms

Andreas Theodoridis | New York Institute of Technology

Margaret Walker | HMTX Industries

Hind Wildman | Yale Center for Ecosystems + Architecture

Dave Wildman | Bloomberg LP

Chun Yee Yip | Lendlease

Ignor Zgodic | Polycor

9:00am East Barn Member Desk, Court Mezzanine Registration and Breakfast

9:30am Court

Welcome Address

Mike Bruskin, VP, Chief Procurement Officer, Turner Curtis Clay, Director of Architecture, OBO Sharon Prince, CEO & Founder, Grace Farms

9:45am Court

The Legal Framework

Making the Case for Supply Chain Transparency

Nadia Al-Dayel, Division Chief, DOL Research and Policy Unit, Office of Child Labor, Forced Labor, and Human Trafficking, Bureau of International Affairs Brian Hoxie, Director of Forced Labor Division, U.S. Customs and Border Protection Office of Trade Renata Parras, ESG Counsel, Paul Hastings

David Ring, Partner, Wiggin and Dana D.C. Office, International Trade Compliance Lawyer

Carter Quipley International Affairs Specialist

Carter Quinley, International Affairs Specialist, Office of Child Labor, Forced Labor, and Human Trafficking, U.S. DOL

Moderator **Alina Reynolds**, General Counsel and Justice Initiative Deputy Director, Grace Farms

10:45am

Morning Break

11:00am Court

Building Materials & the ClimateConstructing a New Future

Anna Dyson, Founding Director, Yale CEA, author of *Building Materials and the Climate Report* by Yale CEA and UNEP

11:20 am Court

Ethical DecarbonizationMarket Shift & Industry Alignment

Anna Dyson, Founding Director, Yale CEA

Amy Musanti, Director of Sustainable Building Solutions, ASSA ABLOY Moderator Lindsay Baker, CEO, ILFI

12:05pm Commons

Lunch

1:00pm Court

Tech Tools

Creating Transparent Supply Chains

Kimberly Randle, Founder & CEO, FairSupply Chris Sharples, Founder, SHoP Architects Peter Swartz, Co-Founder and Chief Science Officer, Altana Al

Moderator **Nora Rizzo**, Ethical Materials Director, Grace Farms

1:45pm Court

Financing the Just Transition

Preeti Bhattacharji, Head of Sustainable Investing, JP Morgan Chase

Maha Khan, Financial Sector Lead, Finance Against Slavery & Trafficking, United Nations University

Dave Wildman, Global Head Facilities, Sustainability Ops, and MEP Infrastructure, Bloomberg

Moderator **Angela Mwanza**, Managing Director and Private Advisor, Rockefeller Capital Management

2:30 pm

Afternoon Break

2:45 pm Court

Facilitated Open Discussion

Jennifer Downey, Director of ESG, Turner **Shawn MacDonald**, CEO, Verité

3:45 pm Court Closing Remarks

4:00 pm Library Reception

grace farms

Grace Farms is a center for culture and collaboration in New Canaan, Connecticut. Grace Farms brings together people across sectors at the SANAA-designed River building, situated on 80 acres of publicly accessible, preserved natural landscapes. Grace Farms' humanitarian work to end modern slavery and foster more grace and peace in local and global communities includes leading the Design for Freedom movement to eliminate forced labor in the building materials supply chain.

Grace Farms

Turner

Our vision is to be the highest value provider of construction services. We deliver our services on complex and challenging building projects of all types and sizes throughout North America and in 30 countries around the world. We seek to create a healthy, prosperous, and sustainable future for our people, clients, partners, and the planet. We have earned a reputation for integrity, working safely, and driving innovation. With a focus on creating an environment where people can be at their best, be authentic, and be treated with respect and dignity, the company is widely recognized as a great place to work. The firm is a subsidiary of HOCHTIEF, an engineering-led global infrastructure group with leading positions across its core activities of construction, services, and concessions/public-private partnerships (PPP) focused on Australia, North America, and Europe.

Turner Construction Company



OBO's mission is to provide the most effective facilities for United States diplomacy abroad. These facilities represent American values and the best in American architecture, design, engineering, technology, sustainability, art, culture, and construction execution.

U.S State Department Bureau OBO

Turner Construction and OBO partner with Grace Farms and have worked to advance Design for Freedom.

The Ethical Supply Chain Workshop follows a Turner-hosted **ESG Sustainability Summit in 2022** that brought together a diverse range of industry participants to exchange ideas to advance the sustainability of its operations and its supply chain.

Turner has also partnered with Grace Farms to implement a pilot project for Design for Freedom on the **New Canaan Library project** which opened in 2023. The effort sought to find and eliminate any unfair labor practices in construction material supply chains to create a more equitable future. A case study for the project is available at designforfreedom.org.

OBO hosted its **2022 Industry Advisory Group (IAG)** annual meeting with more than 500 industry leaders gathering at the Harry S. Truman Building in Washington, D.C., where they were introduced to Design for Freedom and discussed modern slavery in the building materials supply chain.

- Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, International Labour Organization, Walk Free, and the International Organization for Migration. New York, 2022.
- ii. <u>The Next Normal in Construction, How Disruption Is Reshaping the World's Largest Ecosystem</u>, McKinsey & Company. June 2020.
- iii. Statista, 2022.
- iv. <u>U.S. Department of Labor's Bureau of International Labor Affairs'</u> <u>Technical Assistance and Cooperation Unit</u>
- v. Responsible Sourcing Tool
- vi. Verité's Forced Labor Indicators Project
- vii. <u>Combatting Child Labor in the Democratic Republic of the Congo's Cobalt Industry</u> (<u>COTECCO</u>), Department of Labor, 2023.
- viii. Public Law 117-78 The Uyghur Forced Labor Prevention Act, June 2023.
- ix. Jones, Huw. "EU agrees on forced labour, environmental harm disclosures for companies," Reuters. December 14, 2023.
- x. Building Materials and the Climate: Constructing a New Future, United Nations Environmental Programme, Yale Center for Ecosystems + Architecture, and Global ABC. New York, 2023.
- xi. *The EU Digital Product Passport shapes the future of value chains: What it is and how to prepare now*, World Business Council for Sustainable Development. Geneva, 2023.
- xii. Forced Labor: Section 307 of the Tariff Act of 1930 (19 U.S.C. § 1307), U.S. Customs and Border Protection.
- xiii. *Uhygur Forced Labor Prevention Act Statistics*, 2023, U.S. Customs and Border Protection.
- xiv. A Blueprint for Mobilizing Finance Against Slavery and Trafficking, Finance Against Slavery and Trafficking (FAST), 2019.
- xv. <u>Preventing Modern Slabery and Human Trafficking: An Agenda for Action Across the Financial Services Sector</u>, Themis International Services, the UK Independent Anti-Slavery Commissioner, and the TRIBE Freedom Foundation UK, 2021.
- xvi. Prince, S., C.deBaca, L., Thather, C., eds., *Design for Freedom*, Grace Farms Foundation. October 2020.