



RACIAL JUSTICE

DECARCERATION & DIVERSITY, EQUITY & INCLUSION

WHY IT MATTERS

The economic systems of the United States are built on a very specific flavor of capitalism, with deep historical roots in resource and labor extraction, driven by the genocide of Indigenous Peoples and the Transatlantic Slave Trade, and supplemented by the abusive treatment of immigrants from Central and South America, Asia, and elsewhere. This history includes Wall Street's early trading in enslaved Africans and the bond market's use of enslaved persons as collateral.

Adasina launched its **Racial Justice Campaign to prioritize and center the experiences and issues of Indigenous and Black communities.** In taking our inspiration and guidance from social justice movements, we strive to live out our commitment to amplifying and addressing the unique challenges faced by these communities. This focus does not neglect other communities or other important facets of racial justice, but rather ensures that Black and Indigenous voices and experiences drive our work towards a more equitable society.



INTERSECTIONALITY

At Adasina, we believe in taking a holistic approach to our racial justice work by acknowledging the intricate relationships between race, gender, economic, and climate justice. For instance, the detrimental impacts of mass incarceration disproportionately affect Black and Indigenous communities, resulting in negative consequences on family structures and economic instability, particularly among women and children.

As a Social Justice Investing firm, we acknowledge that United States' wealth was built on Indigenous genocide and land theft. We prioritize equitable relationships with Indigenous peoples, all affected communities, and the environment. Our investments are guided by a commitment to avoiding further harm and promoting justice.



By centering racial justice, we can amplify progress in gender equality, economic equity, and climate sustainability. These aspects of social and environmental change are interlinked and cannot be addressed in isolation. It is time for us to unify our efforts and work towards rectifying and repairing the longstanding injustices of the past.

— **DESARAE LESLEY (She/Her)**
Marketing Coordinator | Adasina Social Capital

SOCIAL JUSTICE PARTNERS HIGHLIGHTS

In 2021, Adasina joined forces with [Investor Circle Toward Decarceration](#), a coalition of investors dedicated to addressing mass incarceration by working with advocacy groups, promoting alternative prisons, and ensuring public companies uphold their racial justice commitments. This partnership successfully stopped the issuance of prison bonds in Alabama for the first time in history.

In 2022, Adasina partnered with [First Peoples Worldwide](#) to release and implement an [Indigenous Peoples Rights Screen](#) that addresses Indigenous land sovereignty. The screen specifically excludes companies that engage in criminal and exploitative behavior towards Indigenous Peoples, cultural appropriation, land rights infringement, and desecration of sacred places.

ADASINA LEADERSHIP



In 2015, Adasina Social Justice Director Renee Morgan co-founded and led a racial justice investing working group that started with eight people and five firms. The [Racial Justice Investing Coalition](#) (RJIC) has since grown to nearly 500 members and over 120 investment institutions. Adasina provided continuous support and governance to the RJIC from its inception until 2023, facilitating its transformation into a formally structured organization. In 2021, the coalition hired a part-time program director and developed a comprehensive strategy and mission statement. In 2023, the leadership team transitioned to bring in new leaders and continue growing the organization.



Adasina initiated its Social Justice Investing focus on racial justice well before the protests following the murder of George Floyd in 2020. By late 2020, the firm found it essential to share its efforts with other investors publicly. We published our Racial Justice Investor Dataset as a no-cost resource for any investors to address racial justice in their portfolios and drive systemic change. We subsequently expanded and operationalized this practice more comprehensively, publishing our own and partners' datasets on our [BRIDGE](#) platform as a no-cost resource for anyone to use.



In 2023, Adasina actively participated in the Reparations Working Group, led by [Reparations Finance Lab](#), which focused on dismantling harmful practices in institutions and racial wealth disparities, as well as seeking systemic reparations. This collaboration allowed us to cultivate a shared understanding of reparations through education and meaningful discussions.



Since 2023, we have been participating in the [Racial Justice Investing \(RJI\) Proxy Voting/DEI Working Group](#), pioneering industry standards for boards, racial equity audits, and proxy resolutions within companies to promote Diversity, Equity, and Inclusion (DEI).



The RJI Voting Working Group seeks to broaden the conversation in the investor community by developing and sharing educational resources on how proxy voting can be leveraged to advance racial equity in the U.S. To date, the Group has worked on collectively defining an approach for racial equity proxy voting, with an initial focus on racial equity outcomes of interest.

WINS



The companies identified in the Racial Justice Investor Dataset are believed to contribute to systemic racism through practices identified by social justice movements, including: surveillance; prison involvement (funding, money bail, prison labor, supply chain to private prisons, immigrant detention, etc.); abuses of Indigenous Peoples' rights; for-profit colleges; predatory lending; curtailing civil and voting rights; and occupied territories.

ESTABLISHING THE RACIAL JUSTICE INVESTING COALITION:

The coalition successfully implemented some of the first trainings on [racialized capitalism](#) in 2017 and has established extensive partnerships with advocacy groups combating racism in finance. The Coalition now actively leads the discussion on racial issues in the finance industry today.

PROTECTING VOTING AND CIVIL RIGHTS:

In 2022, Adasina developed and implemented [a screen](#) utilizing NAACP data on corporate donations to politicians undermining voting and civil rights.

ADASINA PORTFOLIO CHANGES: In 2021, we implemented exclusion criteria in our JUSTICE Index and products that removed corporate bond issuance to prisons. This move solidified our position as one of the **strictest prison-free portfolios available**. We also proactively engaged with 600 companies in our portfolio to evaluate their Black, Indigenous, or People of Color (BIPOC) board representation, sparking active discussions with 17 about increasing diversity.

DRIVING DECARCERATION EFFORTS:

In 2022, Adasina served as a member of the Steering Committee for the [Investor Circle Toward Decarceration](#)'s successful campaign that [stopped prison bonds](#) (in Alabama) from being issued for the first time in history. We also raised awareness about the financing of [Cop City](#) – the proposed militarized police training facility – and **encouraged Wells Fargo and other big banks not to fund private prisons through bond issues**. Through our work with the Racial Justice Investor Coalition, we also pressured — and continue to urge — publicly traded companies to end their support of police foundations funding Cop City in Atlanta.

ADVANCING RESEARCH AND DATA: Adasina collected data from four social justice organizations, [American Friends Service Committee](#), [First Peoples Worldwide](#), [NAACP](#), and [Inclusive Development International](#), to publish the [Racial Justice Investor Dataset](#), which includes over 370 public companies. The Dataset aims to set standards for proxy voting and resolutions on Diversity, Equity, and Inclusion (DEI).

ADVOCACY DURING THE COVID-19 PANDEMIC:

The Investor Circle Toward Decarceration played a vital role in preventing the allocation of U.S. Treasury COVID funds towards prison upgrades and new prison construction through active engagement and multiple meetings.



The U.S. has the highest incarceration rate per capita in the world. There are currently 1.9 million people in prison, almost 5 million formerly incarcerated people, 19 million people convicted of a felony, 79 million with a criminal record, and 113 million who have had a family member in jail.



KEY TAKEAWAYS

Partnering with Aligned Peers Offers Wider Solutions for Decarceration in Public Markets



Public markets present challenges for addressing mass incarceration as a system. However, we have seen that collaborating with firms like [Zevin Asset Management](#) and [Northstar Asset Management](#), known for fair chance hiring and [Ban the Box](#) initiatives, can drive change through company dialogues, shareholder resolutions, public discourse, policy, and other collective efforts.

Work Remains to Overcome Challenges with Tracking Corporate Involvement in Racial Injustice, Particularly via Mass Incarceration



Identifying corporate involvement in prisons and prison labor continues to be challenging due to the complex nature of funding and regulation. Despite efforts by data providers, there are still ways for corporations to avoid tracking, particularly in areas such as labeling and transporting goods. Adasina remains committed to ending mass incarceration and continues to learn from and support our social justice partners to that end. Drawing on the guidance of our social justice partners, we anticipate launching further campaigns dedicated to decarceration in coming years.

CALLS TO ACTION – WHAT CAN YOU DO



Adasina ETF Investors

Your investment in the Adasina ETF uses our Racial Justice Investor Dataset, which seeks to exclude companies violating our Racial Justice Criteria. Let's together continue raising awareness around racial injustice across our communities.



Institutional Investors

If you hold any of these companies, we encourage you to engage with them and demand they create safe and equitable workplaces, and/or exclude companies that continue to practice racial injustices from your portfolio.



Individual Investors

Let your financial advisor or plan administrator know you want to take action in your investment portfolio, and ask them to consider Adasina products. They can reach out to invest@adasina.com to learn more.



Community-at-Large

Support our Social Justice Partners identified above, and contribute to their efforts to advance social justice.

