



GENDER JUSTICE END OF FORCED ARBITRATION FOR SEXUAL HARASSMENT

WHY IT MATTERS

In 2019, one prominent expression of the rise of the #MeToo movement was a global outcry to expose and condemn all forms of sexual harassment. In response, various organizations announced support for women on boards or in executive roles; some even created new investment products around these themes. These were and still are

legitimate considerations; after all, how can organizations claim to have good governance, let alone the very best leadership available, if they only choose from one gender?

However, in our conversations with sexual harassment survivors and women's rights activists, Adasina heard a resounding demand to end the practice of forced arbitration, a corporate policy that served to enable serial sexual harassment in the workplace.



According to the Department of Labor, forced arbitration policies compelled over 60 million workers to comply with rules and laws that limited recourse. In effect, these policies served to protect predators, endanger worker safety, and vacate corporate accountability for harms caused at work.

INTERSECTIONALITY

The issue of forced arbitration for sexual harassment intersects deeply with issues of economic and racial justice because forced arbitration has a disproportionate impact on low-wage workers, particularly those who identify as women, gender expansive, and/or Black, Indigenous, or People of Color (BIPOC). Centering the experience of BIPOC, LGBTQ+, and women workers makes the workplace safer for all.

ABOUT THE CAMPAIGN

Ending Forced Arbitration was Adasina's first investor mobilization campaign putting our entire **Theory of Change** into practice. By listening to and valuing the silenced workers, **publishing our findings**, implementing criteria and screens in our own products, and mobilizing values-aligned investors, we saw the full cycle of our efforts come to fruition in 2022 when the **United States Senate passed bipartisan legislation to end the use of forced arbitration for sexual harassment and assault claims in the workplace.**



Sexual harassment is particularly widespread in the fast food industry, where 80% of women and 70% of men report being sexually harassed by co-workers.

SOCIAL JUSTICE PARTNERS HIGHLIGHTS

Survivor's Agenda Coalition Partners: Adasina joined the Survivor's Agenda coalition led by **UltraViolet** and including **#MeToo**, **Girls for Gender Equality**, **National Domestic Workers Alliance**, **National Women's Law Center**, and **Justice for Migrant Women**. Survivor's Agenda seeks to advance survivor justice by creating spaces and venues where survivors can share what they care about, what they need to heal, and how they want to use their voices.

Criterion Institute: Adasina actively participated in annual convenings led by Criterion, a renowned leader in the financial industry known for its expertise in addressing gender-based violence in the workplace. Together, we collaborated to develop a compelling narrative on Forced Arbitration, elevating thought leadership for our Campaign.

LedBetter: Adasina worked with LedBetter, a women of color-led organization that supported us by tracking company data and showcasing the number of women in leadership at the world's top consumer brands and companies.

Clean Yield: Adasina worked in concert with Clean Yield, a champion of ending forced arbitration through their shareholder engagement with McDonald's, IBM, and Wells Fargo.

GrabYourWallet: Adasina partnered with GrabYourWallet — an organization that launched a data-driven boycott campaign to protest Donald Trump administration's consistent policy decisions to undermine the rights of women, immigrants, and communities of color — to collect and track data for our Sexual Harassment Investor Dataset.



Aligning our work on gender justice with community social justice movements, like the #MeToo campaign, and centering the voices at the heart of those movements, helped Adasina achieve meaningful, material changes to workplace sexual harassment policies.

— KRISTINA RICHARDSON (She/Her)
Compliance Specialist | Adasina Social Capital

ADASINA LEADERSHIP



Acting on the guidance of our Social Justice Partners and our own findings, in 2019, we set out to end corporate forced arbitration practices. We began by reaching out to companies in our own portfolio to determine their stance on the practice.



We used this information to build a database and evaluation tool for investing in public companies, and subsequently launched the finance industry's first [Sexual Harassment Investment Screen](#).



Employees subject to forced arbitration file 98% fewer claims under the Fair Labor Standards Act than those who are not subject to it, due to the high costs and low expected recovery.



Invest and Share: As a public markets impact asset manager, Adasina was the **first to implement our community-informed [Sexual Harassment Investor Dataset \(2019-2022\)](#)** in our own product portfolios. Additionally, we spoke and wrote to financial audiences about the investor case for ending forced arbitration, establishing a model for other investors to both implement and share community-informed investment practices.



Not Just Lead but Commune: We invited other investors to take action through their own portfolios, shareholder activism, and other practices; and invited participating investors to share their initiatives (e.g., shareholder resolutions, regulatory advocacy, divestment, etc.) with others. Rather than dictate that campaign partners follow Adasina's social justice investment strategy, we provided our investor statement — [Ending Forced Arbitration for Sexual Harassment Claims](#) — for anyone to sign and use to advocate for the elimination of forced arbitration through the means of their own choosing.



Expand Our Impact as an Investment Leader: Our team spoke out publicly with [media outlets](#), financial advocacy organizations, and philanthropists to elevate and amplify the movement.



Expand Our Impact as a Social Justice Investing Leader: Adasina sought avenues for our partners to have a direct and impactful voice in the discourse. For example, when meeting with politicians to ask them to commit to the [Fair Process Pledge](#) as their immediate standard response to reports of sexual harassment and assault, we featured people who were survivors of sexual harassment at work so those in power could hear directly why a safe investigation is necessary.

WINS



The Ending Forced Arbitration Campaign was a resounding success! The abolition of forced arbitration made the workplace safer for 60 million people and offered recourse to those harmed on the job.

As a result of the collective efforts of our Social Justice Partners, Adasina and the members of our investor coalition, the Campaign culminated in a landmark **federal-level policy win** in the form of the [Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act of 2021](#), which abolished forced arbitration for **all U.S. companies** by 2022.

Elevating the voices of survivors, **political leaders such as Elizabeth Warren and Bernie Sanders agreed to use the Fair Process Pledge** for their respective presidential campaigns.

Approximately, **396 companies voluntarily chose to end the practice** of forced arbitration, **impacting over 10 million workers**.

In close collaboration with our community partners, Adasina **created and published an open-source database** of publicly available information on **3,600 companies and their stance on forced arbitration**. This no cost public resource provided transparency that empowered individuals and organizations to make informed investment decisions about how they wanted to engage or exclude companies in their own portfolios.

Adasina added the **Sexual Harassment Investment Screen** to our Social Justice Criteria and implemented it across our portfolio, excluding companies practicing forced arbitration from our investment products.

Through this campaign, we **mobilized an investor coalition representing a collective AUM of \$54 billion** who advocated for an end to forced arbitration for sexual harassment cases.



Ending forced arbitration for sexual harassment marks a significant victory for survivors and a crucial step toward accountability in addressing workplace harassment. Our collective efforts have helped pave the way for a more just and equitable future. This win is a testament to the power of solidarity and determination, creating a world where all voices are heard and respected.

— **DEREK BELEW (They/Them)**
Associate Specialist | Adasina Social Capital

KEY TAKEAWAYS



Focus Your Impact by Aligning Investments with Social Justice Movements Like #MeToo

By following guidance from social justice organizations, we saw that investors can leverage capital markets to drive systemic change and influence corporate policies, leading to measurable results and new federal policy.

Look Beyond the Obvious Scope of Your Investment Strategy to Identify Adjacent Opportunities to Use Your Voice



In meetings with domestic worker organizations, we recognized that we shared a common cause, but had little means to translate their concerns to publicly traded companies. Now that federal legislation has abolished Forced Arbitration for Sexual Harassment, we can look for ways to leverage that win in support of the **Domestic Workers Bill Of Rights**. A piece of legislation that will guarantee basic labor rights and protections for domestic workers — such as nannies, housecleaners, and home care workers — this Bill of Rights would benefit 2.2 million workers and broaden the reach of our Campaign, surpassing our initial objectives.

CALLS TO ACTION – WHAT CAN YOU DO



Adasina ETF Investors

The Adasina ETF was the first to use our Sexual Harassment Investor Dataset, so congratulations on the win! Keep up the great work, and share the victory with your community.



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.

