



Zevin Asset Management

Investing to Advance Racial Equity

Zevin Asset Management was founded on the belief that active investors have an important role to play in advocating for social and environmental progress. We believe that companies that are sustainably and responsibly managed for the long term will prosper. Through active ownership, we encourage companies to adopt more sustainable business practices that we believe make good long-term sense. A focus on racial equity in our research and engagement is an important part of our process.

Why we invest with a racial equity lens

Despite the progress our society has made towards civil rights in the United States, inequality, harassment, and discrimination are still present in every sector of our economy. Investing with a racial equity lens requires us to understand how our current institutions and systems were originally shaped, to identify where inequity persists, and to take steps to address the risks that social inequality presents to society, the economy, and to individual companies.

How we invest with a racial equity lens

We describe racial equity investing as a lens applied to companies to identify and change inequitable policies, practices, and behaviors to advance meaningful racial and ethnic diversity, equity, and inclusion. We accomplish our work through research and stakeholder collaboration, shareholder engagements, submission of shareholder proposals, proxy voting, and public policy outreach and support.

How we link ESG research to active ownership

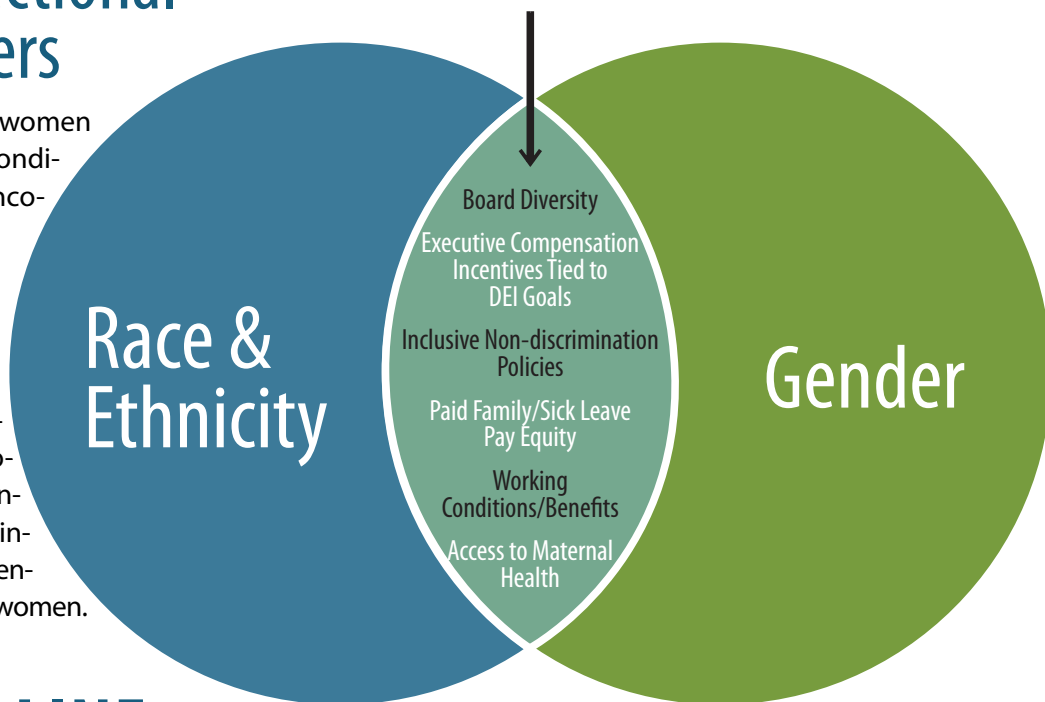
Our research process focuses on evaluating five key facets of a company to identify gaps in quantitative and qualitative disclosures or performance that we believe are material to the company and where we see impacts as social and environmental liabilities: products and services, governance structure and oversight, workforce composition, policies and practices, and data disclosures. Combined, this information contributes to crafting more meaningful and intentional advocacy efforts that help to address emerging risks and mitigate impacts detrimental to a workforce and its communities.



Why an intersectional approach matters

Across the labor market, BIPOC women experience some of the worst conditions and outcomes in health, income, and job mobility, to name a few. Therefore, in addition to a racial equity lens, our investment process overlays gender and governance lenses on a business and its behaviors. These lenses are applied together to account for the compounded challenges of gender and racial discrimination experienced by Black, Indigenous, and People of Color (BIPOC) women.

Areas of Risk and Impact at the Intersection of Race/Ethnicity and Gender



OUR BOTTOM LINE

As we continue forward to do our part to contribute to greater equity in our society, we reject the forces that misguide and exploit a divided country. We disagree with and oppose the groups that have sought to perpetuate business as usual and that resist, obstruct, and mischaracterize the rising tide of diversity, equity, and inclusion achieved through hard-won social and civil rights. We join others in taking stock of history and move forward with those whose vision we share of a prosperous, equitable future for everyone.

The full report, along with engagement examples and resources consulted, can be found at: <https://www.zevin.com/news-views/investing-with-a-racial-equity-lens>.

The exclusion of Black/African-Americans [from fully participating in the U.S economy] cost the U.S. economy an estimated \$16 trillion in GDP between 2000 and 2020.

—Citi GPS: Closing the Racial Inequality Gaps, September 2020

Did you know that tipping proliferated after slavery when the hospitality industries hired newly emancipated people but offered them no wages — leaving them to rely solely on tips for their pay instead? We join One Fair Wage in supporting ending the subminimum wage in all states.

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