

[EMBARGOED]

## **Investor Statement of Solidarity to Address Systemic Racism and Call to Action**

We are long-term investors and financial service providers who commit to action and accountability to achieve racial equity.

The recent murders by police of Breonna Taylor and George Floyd, the murder of Ahmaud Arbery, the ongoing police brutality in communities of color, and the inequalities illustrated by the impacts of the Covid-19 pandemic have left the United States reeling as a nation and mobilizing protests across the globe. The need to address the realities of police brutality and the pervasive scourge of racism in America has never been more clear.

**As investors, we stand in solidarity with protesters and call for the dismantling of systemic racism and recognize our responsibility to act.**

**We recognize that the investor community has contributed to and benefited from racist systems and the entrenchment of white supremacy.** We therefore take responsibility and commit to hold ourselves accountable for dismantling systemic racism and promoting racial equity and justice through our investments and work.

**We acknowledge the deep roots of structural racial inequity.** Since its founding, the United States' society and economy have been rooted in racist beliefs and systems designed to extract wealth and maintain the power of a white elite.

**We denounce the racist tactics and brutality deployed by law enforcement** and the criminalization, policing and incarceration of Black men, women, and children, and other people of color in the United States. We recognize that these systems are rooted in racial oppression and serve to perpetuate the racialized criminalization of poverty.

**We denounce the militarization of police and the anti-democratic response to protests,** which interfere with the right to peaceful assembly and only escalates conflict, sowing division and chaos.

**As a community of investors, we embrace and commit to the following 5 Calls to Action:**

- 1. Commit to actively engage with, amplify, and include Black voices in investor spaces and company engagements, taking direction and guidance from their expertise and lived experience, including on issues related to criminalization.**
- 2. Commit to embed a racial equity and justice lens into our own organizations.** This may include: ensuring diversity, equity, and inclusion in hiring, promotion, and compensation at all levels; engaging with stakeholders of color to inform our work; hiring financial managers and consultants of color; and ending business relationships with entities that further white supremacy.

3. **Commit to integrating racial justice into investment decision-making and engagement strategies.** At the institutional level, commit to reviewing investment policies, due diligence, and risk management or controversy flags to investigate whether they adequately and explicitly integrate systemic racism concerns and update as necessary. Review portfolio holdings across asset classes to identify investments that reinforce systemic racism. Establish time bound goals to either engage with or divest from companies/issuers with practices or business relationships that further systemic racism or white supremacy, or that enable state violence and criminalization. Direct specific attention to those connected to the prison, military, and immigration industrial complex, including technology, communications, services, and financial sectors, and those that are complicit in state violence.
4. **Reinvest in Communities.** Commit to reinvestment in community-driven alternatives to policing and safety. Make investments in Community Development Financial Institutions, affordable housing, Black-led community development projects, and financing Black entrepreneurs, cooperatives, community land trusts. Make investments in other old and new vehicles to support Black employment, ownership and wealth creation, and community-driven alternatives to policing and incarceration. We commit to promote the goals of communities of color, as determined by those communities, ensuring the benefit of investments are retained by those communities through scaling-up capacities, skills, networks, and resources to facilitate growth in circuits of capital. Seek investments that address structural race gaps in wealth and minimize capital “leakages” by procuring supplies from Black-owned businesses, creating employment for Black people, and reinvesting proceeds in Black communities.
5. **Use Investor Voice to Advance Anti-Racist Public Policy.** Through investor statements, public comments, and collective action, advocate for policies that seek to reform and eliminate systemic racism in law and public policy as well as private ordering. These efforts may span Covid-19 relief package priorities, budget allocation processes, financial and tax policy, as well as policies related to housing, education, voting, criminal justice, corporate regulation, lobbying and campaign finance, public services, environmental health and safety, labor, immigration, political representation, infrastructure investments, research and development, and much more. We will proactively seek to understand and address public and private policies that discriminate against and disadvantage communities of color and advocate to scale-up programs and investments that close historical racial gaps in income, wealth, employment, political representation, access to housing, education and finance, longevity and health and safety.

We call on all investors to join this statement of solidarity and call to action. To support this statement please send your organizational logo, contact name and email address to Jillianne Lyon, Investor Advocates for Social Justice at [jlyon@iasj.org](mailto:jlyon@iasj.org).

**NB: The resources below will be included on the [racialjusticeinvesting.org](https://racialjusticeinvesting.org) website and are included below as resources, but will not be in the final statement.**

### **Support racial justice and equity organizations**

- Contribute to memorial funds for Breonna Taylor, Ahmaud Arbery, George Floyd
- Anti Police Terror Project
- Bail Funds: <https://bailfunds.github.io/>
- Black Futures Lab
- Black Immigrant Collective
- Black Lives Matter
- Black Visions Collective
- Burns Institute
- Collective Fund for Trans Communities
- ColorofChange
- Communities United Against Police Brutality
- Equal Justice Initiative
- FairFight
- Just Georgia
- Movement 4 Black Lives
- Poor Peoples' Campaign
- Reclaim the Block
- Showing Up for Racial Justice (SURJ)
- Southern Power Fund

### **Resources for the Investor Community**

- The Financial Activist Playbook for Supporting Black Lives: <https://medium.com/candide-group/the-financial-activist-playbook-for-supporting-black-lives-fb9616470c4>
- Action Center on Race and the Economy: <https://acrecampaigns.org>

### **Resources on Fixed Income**

- Activest.org does incredible work on municipal bond ratings/valuation based on race relations, among other things
- Police Brutality Bonds ACRE Report Key Recommendations
  - a. Banks and investors should not profit from settlement and judgement costs around police brutality
    - i. Banks should be required to provide no-fee, interest-free loans for these kinds of costs
  - b. Police officers must be forced to take out individual liability insurance policies to cover the costs of settlements and judgements caused by their misconduct
  - c. Local, state, and federal government must be fully transparent about which officers are behaving in ways that lead to settlements and judgements, how

they are/are not being held accountable, who is paying for their misconduct and how, and who is profiting from these payments

#### Resources on Investment decision-making and Divestment

- Movement for Black Lives Divest-Invest Platform : [https://www-latimes-com.cdn.ampproject.org/c/s/www.latimes.com/business/technology/story/2020-06-02/tech-companies-with-police-contracts-and-poor-diversity-records-issue-statements-of-solidarity-with-george-floyd-protesters?\\_amp=true](https://www-latimes-com.cdn.ampproject.org/c/s/www.latimes.com/business/technology/story/2020-06-02/tech-companies-with-police-contracts-and-poor-diversity-records-issue-statements-of-solidarity-with-george-floyd-protesters?_amp=true)
- What It Really Means to Divest from Policing
- Investor recommendations from Zevin Asset Management report on racial justice and investing (October 2019): <https://www.zevin.com/news-views/how-can-investors-help-confront-racial-justice>
- Divesting from Police Brutality Bonds
- AFSC Investigate database to see if you are invested in companies complicit with racial discrimination
- Engaging insurance companies on their requirements for police depts for coverage
  - <https://www.washingtonpost.com/news/the-watch/wp/2016/03/01/how-the-insurance-industry-could-reform-american-policing/>
  - <https://harvardlawreview.org/2017/04/how-private-insurers-regulate-public-police/>

#### Education & Public Policy Resources

- Fair chance hiring (NAACP Fair Chance Hiring Fact Sheet)
- Race & Inequality - Kerner Commission Report 50th Anniversary Conference
- Reparations & the wealth gap
- Decolonizing Wealth - An excellent, widely respected, and informative read for ALL investors and philanthropists. Written by Edgar Villanueva, a Native American philanthropist who has been calling for better social principles to be applied to giving and investing.
- Vera Institute of Justice, Building Bridges Between Police and Communities
- A tool for local elected officials to reinvest in community driven public safety: [http://reformtransform.org/wp-content/uploads/2018/08/policetoolkit\\_investments-public-safety\\_rev2c-12.pdf?cs-from=2af3668a-e412-4a3e-b38f-f25078629ec6](http://reformtransform.org/wp-content/uploads/2018/08/policetoolkit_investments-public-safety_rev2c-12.pdf?cs-from=2af3668a-e412-4a3e-b38f-f25078629ec6)
- A Toolkit for Centering Racial Equity Throughout Data Integration - describes positive and problematic practices for centering racial equity across the six stages of the data life cycle

#### Philanthropy Resources

- Reclaim the Block list of organizations

#### Community Investing:

- Opportunity Finance Network [www.ofn.org](http://www.ofn.org)
- US SIF - Community Investing resources [www.ussif.org/communityinvesting](http://www.ussif.org/communityinvesting)

