



2017

ANNUAL REPORT







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LETTER FROM

MARTIN WHITTAKER, JUST CAPITAL CEO



2017 was a truly banner year for JUST Capital. We released our second annual list of America's Most JUST Companies with Forbes, launched our groundbreaking new research and ranking platform, and took huge strides toward engaging companies, investors, the public, and other leaders working to create a more just and equitable marketplace.

We compiled and released our inaugural Roadmap for Corporate America, which provides companies with the first ever blueprint for aligning their business practices with the values of the American people. We launched our new interactive ranking platform, where users can explore how companies rank overall, by industry, versus competitors, and on key themes and issues.

Our initial JUST index marked its first year of live trading, and since inception has surpassed the Russell 1000 benchmark by over 3 percent. Goldman Sachs filed to launch an ETF based on this Index in December 2017, the first – we hope – of many such investment products and tools.

OUR 2017 NUMBERS SPEAK FOR THEMSELVES

138 MILLION Twitter impressions for our #JUST100 campaign

70 MILLION PEOPLE reached via social media with the launch campaign

72,000 AMERICANS polled to-date by JUST Capital

13,444 INDIVIDUAL USERS that visited the website the week it launched

1,021 UNIQUE corporate data inputs

168 COMPANIES in direct engagement via the data portal (up 3x from 2016)

72 COMPANIES promoting JUST Capital and the Seal



Rounding out the year was our celebration of America's Most JUST Companies, where CEOs and executives from Intel, Microsoft, Humana, Amazon, Pepsi, and other companies came together to speak about their commitment to just leadership – from treating workers fairly to building diversity in the workplace to shaping the future of work.

JUST Capital was featured on the cover of *Forbes*, and in the *Washington Post*, *USA Today*, *Business Insider*, *VICE Impact*, *Yahoo TV*, *Bloomberg TV*, *FastCompany*, *CNBC*, *ABC News*, the *State of Black America Report*, *Stanford Social Impact Review*, and more.

Operationally, we welcomed three new members to our Board of Directors; made concrete progress on becoming a just company ourselves; deepened our collaboration with NORC, Darden UVA, Glassdoor, Yale, MIT, and Harvard; forged new relationships with Y&R, Fidelity, DoSomething.org, OUT Leadership, RFK Human Rights, Center for Popular Democracy, Mercer, the Chamber of Commerce, and others; and expanded our base of funding support to make everything possible.

In 2018, we will strengthen and expand the JUST Capital platform, and begin to work more directly with companies and their stakeholders to drive toward real change on the most pressing social, economic, and environmental concerns we face as a country.

Thank you for your partnership. We look forward to working with urgency to build a more just marketplace with you. Never has our mission been so important!

Martin Whittaker

JUST Capital's 2017 Year in Review

This has been an incredible year of growth, learning, and achievement. From the release of our 2017 list of America's Most JUST Companies to the launch of our new, interactive website, this brief highlight reel will give you a clear picture of the considerable strides we have taken toward our mission of building a more just marketplace. If you are already a supporter, we thank you and hope that we are making you proud. If you are not yet a supporter, please consider becoming one! And in both cases, we look forward to making 2018 a year of even greater accomplishment.

Giving Americans a Voice in Shaping Business Behavior

JUST Capital is dedicated to giving Americans the information and the tools they need to drive change in Corporate America on the issues they care most about. Since 2014, we have surveyed over 72,000 people, and held nearly three dozen focus groups across 12 cities.

In 2017, we joined forces yet again with our partners at the National Opinion Research Center (NORC) at the University of Chicago, to conduct our nationwide surveys. We then produced our inaugural Roadmap for Corporate America, which was showcased in *The Washington Post*, *Vice Impact*, and *Fast Company*. The report, which will be updated every year, provides companies with the first ever data-driven roadmap for understanding how to balance just business performance for all stakeholders – employees, customers, communities, the environment, and shareholders.

We augmented our core survey work with additional, issue-specific polling with YouGov, and enlisted the support of a nationally-recognized expert advisory council to ensure that the polling work was conducted with a high degree of scrutiny and sophistication. We believe our survey data now represents one of the most comprehensive and authoritative “living” databases of how people see big companies and what issues they truly prioritize. Our framework presents an attractive and distinctive new operating system to companies for tracking business performance on the issues that really matter.

When asked to prioritize just business behavior, Americans identified, by order of importance, seven key drivers:

THE ISSUES

23% Workers

19% Customers

17% Products

13% Environment

11% Communities

10% Jobs

6% Management & Shareholders





Delivering the Rankings Platform

The release of this year's list of America's Most JUST Companies and the launch of our new company rankings platform represented a huge leap forward for the organization, as it was the first time America's largest corporations were measured on a head-to-head, absolute basis across all the critical issues. We increased accessibility to the data and built out the tools needed to understand it – including the new JUST Capital website. The new digital experience brings our rankings to life, enabling visitors to freely explore how companies rank overall, by industry, and on any of the specific issues that matter to them: from worker pay and living wage, to environmental impact and job creation, to product quality and discrimination. In the first month, the site saw considerable upticks in traffic, including an 88% increase in pageviews, 81% in session length, and 20% in individual users.

OVERALL RANK	COMPANY	INDUSTRY RANK
1	Intel Semiconductors & Equipment	1 of 23
2	Texas Instruments Semiconductors & Equipment	2 of 23
3	NVIDIA Semiconductors & Equipment	3 of 23
4	Microsoft Software	1 of 31
5	IBM International Business Machines Computer Services	1 of 15
6	Accenture Commercial Support Services	1 of 27
7	Cisco Systems Technology Hardware	1 of 16
8	Alphabet Internet	1 of 8
9	Salesforce.com Software	2 of 31
10	Symantec Software	3 of 31





The top performers – the JUST 100 – were awarded our newly-designed Seal, and provide a powerful benchmark to incentivize just business behavior. We are heartened to report that of the 107 Seal winners, 72 have advertised it or are otherwise in discussions to do so.

Compared to others among the corporations we rank, the 2017 JUST 100 companies:

- Pay their median U.S. worker 33% more
- Are over 10x more likely to have conducted gender pay equity analyses
- Face 74% fewer employment discrimination cases
- Pay 99% fewer discrimination-related fines
- Use 74% less electricity, 80% less fuel, 87% less water, and emit 72% fewer GHGs
- Employ 38% more workers in the U.S.
- And generate an average 8% higher return on equity

Millions Engaged with JUST Capital in the Media:

 **USA TODAY**

TheStreet.

The Washington Post

FAST COMPANY

BUSINESS INSIDER

Forbes

MAD MONEY

abc NEWS

BARRON'S

Bloomberg

VICE IMPACT

America's Most JUST Companies and influencers, like Richard Branson, Deepak Chopra, and Arianna Huffington, helped to drive massive marketing reach and engagement, leveraging our creative campaign assets.

We received 138 million impressions on Twitter alone, with companies including Accenture, AT&T, Humana, IBM, Intel, P&G, and Rockwell Collins advertising their inclusion in the JUST 100 across their social media platforms, websites, blogs, and PR channels.

Our New York City Launch Event welcomed 400+ leaders from corporate, investor, and nonprofit communities, and featured an impressive slate of leaders from America's Most JUST Companies, including Intel CEO Brian Krzanich, Humana CEO Bruce Broussard, Corporate VP and Head of Microsoft Philanthropies Mary Snapp, CHRO of North America Beverages and Nutrition at PepsiCo Andrea Ferrara, and SVP of Corporate Affairs at Amazon Jay Carney. We hosted a robust discussion with these leaders, who shared how they define a just company and prioritize competing interests to drive change.

138 MILLION IMPRESSIONS ON TWITTER ALONE



Engaging With Key Stakeholders

To truly fulfil our mission of building a more just marketplace, we know that we must work with partners to drive adoption of the JUST Capital framework – the data, the rankings, and the tools they power – by each of the market’s primary stakeholders. This means reaching consumers, investors, policymakers, advocacy groups (the public and nonprofit sector), and of course the companies themselves to create the system effect we know is needed.

To that end, we have expanded our strategic corporate engagement team to work with C-Suite executives on behavior change and are facilitating ongoing conversations with the largest publicly-traded U.S. companies, including leading employers like Walmart, PepsiCo, Amazon, Microsoft, JP Morgan, and others. We’ve tripled the number of companies participating in our data review process through our corporate portal

and received over one thousand data submissions, enabling us to create a more accurate measure of company performance while driving greater disclosure and activating conversations for change.

We also expanded our capacity as a key convener of business, investment, and nonprofit leaders on core issues of shared concern, crafting event experiences with thought leaders like Richard Branson and The B Team, Deepak Chopra, the Chamber of Commerce Foundation, and more.

We have deepened our ties with academic institutions and business schools, including Yale University’s Center for Business and the Environment, MIT – where we have an ongoing collaboration with Amy Glasmeier’s Living Wage Calculator as well as the Laboratory for Aviation and the Environment, the Darden School of Business at the University of Virginia,

JUST Capital’s Partnership Ecosystem Includes



BoardEx



HARVARD
UNIVERSITY



Development International



[OUT] LEADERSHIP



Massachusetts
Institute of
Technology



NEW YORK UNIVERSITY



INSPIRING
CAPITAL



DARDEN SCHOOL
of BUSINESS



The Data Incubator



Center for Business
and the Environment



MATHEMATICA
Policy Research

COLUMBIA UNIVERSITY
IN THE CITY OF NEW YORK





students and faculty at Harvard University, Columbia University, and New York University, which houses Ethical Systems, a collaboration of top researchers. Additionally, we brought together some of the leading public opinion research experts in the country to review our polling work, including Andy Weiss at Mathematica, Nancy Belden at BRS Associates, Don Dilman at Washington State University, and Jeff Brazell at The Modellers. We also explored new data partnerships with The Data Incubator and Development International, in addition to expanding existing relationships with Glassdoor on wages and worker treatment metrics, Good Jobs First on fines and settlement data, and BoardEx on corporate governance metrics.

Finally, we're strengthening relationships with advocacy groups, policymakers, and other agents of change who specialize in the issues identified in our polling, and in whose hands our data can leverage dramatic change. These include DoSomething.org,

Out Leadership, and Inspiring Capital on community action; the Center for Popular Democracy and NELP on retail wages; Harvard's Labor and Worklife Program and Root, Inc. on employee engagement; and Panorama on paid family leave. We're also building out our work with state-based groups and policymakers in Washington to provide state and county-level data and insights around our core issue work.

Driving Capital to Just Companies

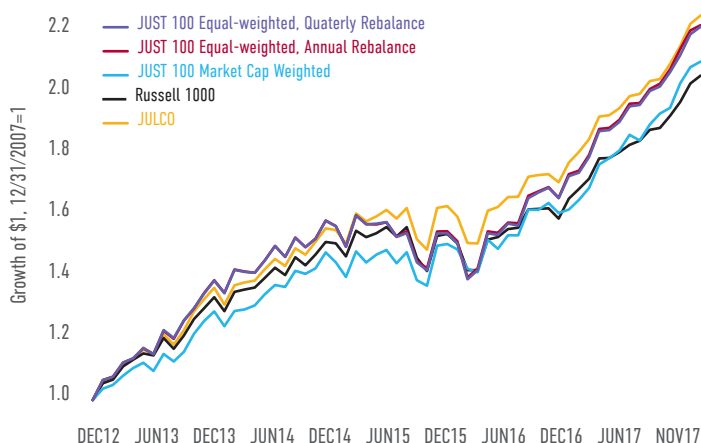
Building the investment case for just business behavior is critical to our systems approach. We continue to produce groundbreaking new research and analysis that demonstrate the business case for and encourage investment in just companies (we call it “JUST Alpha”).

Our first Index, the JUST Capital U.S. Large Cap Diversified (JULCD) Index, is a collection of the top 50 percent of just companies in each sector, and was launched in November 2016. It is one of only a handful of such indexes featured on Bloomberg’s Intelligence ESG dashboard and since inception has beaten its benchmark, the Russell 1000 Index, by over 3 percent with minimal tracking error. The Index meets the pressing need for a broad-based equity market benchmark, reflecting the values of the American public without sacrificing investment return. Over the last year, companies in the Index exhibited significantly higher returns, lower volatility, shallower stock price declines, and higher return on investment capital than bottom-ranked companies. In December 2017, Goldman Sachs filed a registration statement for a new passive ETF based on the JULCD.

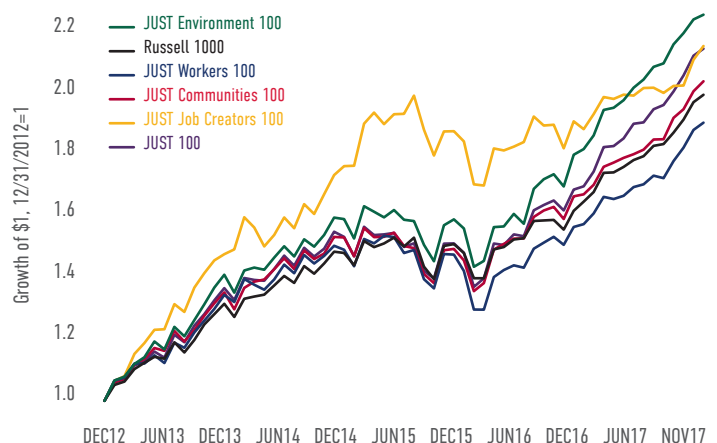
In addition, we issued a steady stream of research work demonstrating that investing in just companies is not only good for America, it makes financial sense. And we’ve begun the research that will underpin the next wave of JUST indices, led by the JUST 100, as well as thematic indices highlighting the top performers in our Workers, Communities, Environment, and Job Creation drivers.

Finally, we conducted an extensive program of outreach to the investment community to explore how our data may be used in their day-to-day strategies. This encompassed discussions with over 75 public pension funds, impact investors, foundation endowment managers, family offices, wealth managers, fund managers, investment advisors, and banks. The intelligence gathered from this process will drive our product strategies for the financial community in the coming year.

JUST Indices vs. Russell 1000



JUST 100 + Thematic Indices vs. Russell 1000



The Road Ahead

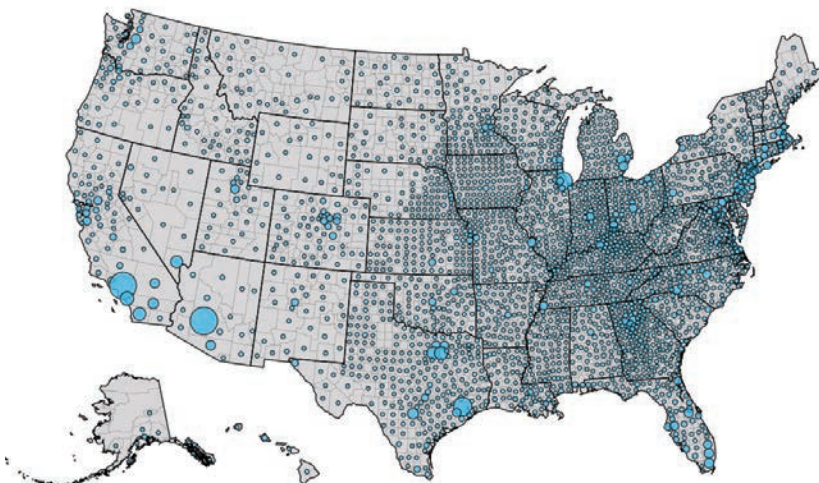
In 2018, we will accelerate our ongoing release of data and insights to continually raise awareness of both JUST Capital and the underlying issues related to creating a more just and equitable marketplace. We will deepen our research capabilities, expand our proprietary data sets, build strategic external engagement partnerships, and create actionable tools. Our relationships with the corporations we rank will deepen, and as trust grows, we expect to drive greater data disclosure and more meaningful action on America's priorities.

Since worker-related issues consistently poll as the most important to Americans when it comes to just business behavior, we will focus in particular on this theme, especially the areas of work and pay, exploring ways to raise wages, reduce workplace discrimination, and promote quality jobs. We will also focus on how business can promote healthy, vibrant communities, working with Annie E. Casey Foundation, the Robert Wood Johnson Foundation, and others. And we're moving forward with a strong environmental agenda, releasing data and insights on air pollution and other environmental indicators with EDF, NRDC, the VoLo Foundation, and the Zegar Family Foundation.

SOME SPECIFIC MILESTONES WE EXPECT TO MEET IN 2018

- Refinement of our polling and ranking methodology, corporate research model, and thematic analysis in support of the 2018 list of America's Most JUST Companies.
- The creation of a ratings framework to quantify and analyze company announcements tied to tax cuts, in an effort to create transparency and accountability around tax reform.
- The development of new online interactives for companies, nonprofits, advocacy organizations, and policymakers showcasing data on environment, health, and wages.
- The release of critical new wage analysis on how many Americans in low-wage sectors rely on public assistance programs to make ends meet.
- The development of new data on healthy workplaces and communities, including a health index and tracker for healthy workplaces.
- The launch of the first ETF based on a JUST Index, in partnership with Goldman Sachs.
- Construction of a beta version JUST Alpha toolkit, to help investors explore the financial performance of just companies, along with an ongoing, comprehensive tracking of the market impacts of just business behavior.

Retail Jobs Potentially Impacted by AI



Source: JUST Capital

JUST Capital as an Organization

Operations

The organization continued to mature its core operating, governance, financial, compliance, and audit systems during the year. Our Form 990 was released in November alongside our annual independent audit.

Importantly, JUST Capital will continue to walk the talk and ensure it is a just employer itself. This will not only make us stronger as an organization, but more adept and thoughtful in our rankings of other companies seeking to become more just. We provide highly competitive and equitable compensation and benefits packages in order to attract and retain a talented, diverse, and motivated staff. Our parental leave policy provides a minimum of three months fully-paid parental leave. We have a strong employee code of ethics, have taken the Equal Pay Pledge on Glassdoor, and have implemented a strict policy against all forms of workplace harassment. Our work on enhancing our culture will continue in 2018, with the hiring of our first Director of JUSTness.



Board Development

The JUST Capital Board expanded in 2017 with the addition of Steve Schmidt (political strategist, MSNBC Contributor, and Edelman Vice Chairman), Sharon Block (Executive Director of Harvard's Labor and Worklife Program), and Bob Deutsch (Chairman, JP Morgan Exchange Traded Funds Board). This brought our board to 25 in number, and deepened our expertise and access to resources in critical areas of activity.

Our Board is an active, working Board, and meets four times over the course of the year. The Executive Committee, which is the primary Board governing committee, meets monthly to review strategy, operations, finances, and key developments. The other Board Committees (Research, Audit, Finance, Development, Communications & Public Affairs, Nominating, and Commercial & Partnerships) meet as required, and provide an important conduit between the management team and the individual Board members.

The full list of board members and affiliations is provided below. In 2018, we will continue to develop the board in crucial areas, emphasizing the need for greater diversity in terms of skills, backgrounds, gender, ethnicity, and age.

SHARON BLOCK

Executive Director,
Labor and Worklife Program,
Harvard Law School

RINALDO BRUTOCO

Founding President & CEO,
World Business Academy

RAY CHAMBERS

UN Secretary-General's Special Envoy,
Health in Agenda 2030 and Malaria

DEEPAK CHOPRA

Founder, Chopra Foundation

ROBERT DEUTSCH

Chairman, JP Morgan
Exchange Traded Funds Board

CARLOS DOMINGUEZ

President, Sprinklr

ALAN FLEISCHMANN

President & CEO,
Laurel Strategies

PETER GEORGESCU

Chairman Emeritus,
Young & Rubicam

DAN HESSE

Board Member,
PNC, Akama

JOHN HOFMEISTER

Founder & CEO,
Citizens for Affordable Energy

ARIANNA HUFFINGTON

CEO, Thrive Global

PAUL TUDOR JONES II, CHAIR

Founder, Co-Chairman &
Chief Investment Officer,
Tudor Investment Corporation

RANDALL LANE

Editor, Forbes

MINDY LUBBER

President, Ceres

JENNIFER MCCREA

Co-Founder & CEO,
Born Free Africa
Senior Research Fellow,
Harvard University

MARC H. MORIAL

President & CEO,
National Urban League

JEAN OELWANG

CEO & Virgin Group Partner,
Virgin Unite

ANDREW PAUL

Former General Counsel & Managing
Director, Tudor Investment Corporation

STEVE SCHMIDT

Campaign Strategist & Political Analyst

PAUL SCIALLA

Founder & CEO,
Delos Living

JAMES P. STEYER

CEO, Common
Sense Media

ANN VENEMAN

Former Secretary,
U.S. Department of Agriculture

DAVID VOGEL

CEO & Chief Scientist,
Volordige Investment Management

JEFF WALKER

Vice Chairman, Health in Agenda
2030 and Malaria

MICHAEL WEINSTEIN

Executive Director,
Impact Matters



Financial Overview

As a 501(c)(3) registered charity, JUST Capital is an organization substantially funded by grants. All our donors and supporters are identified below, and we thank them all from the bottom of our hearts for their generosity and support.

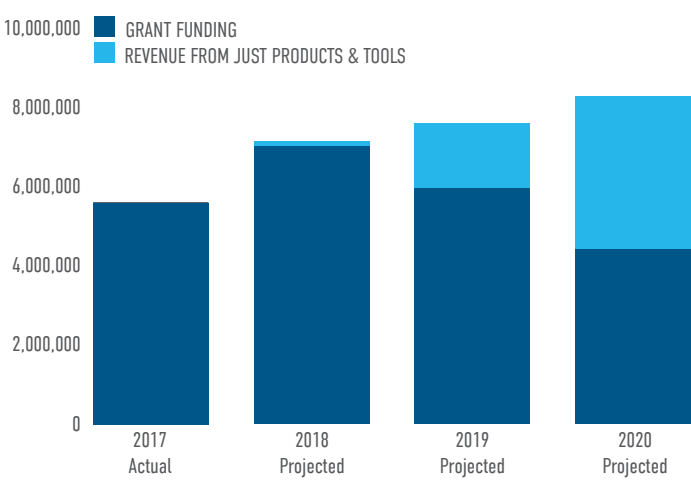
We continually seek new grant funding from a variety of sources to finance both the annual budget and the long-term growth of the organization. Our strategy is to cultivate lasting relationships with a smaller number of strategic grant-making entities that can provide larger, multi-year financial support, either on a purely unrestricted funding basis or to support a core element of our work (e.g. thematic support for our environmental or living wage analysis). Over the longer term, we anticipate that income generated

from the products and tools we bring to market will provide the means for us to grow and ultimately become self-reliant. In the near term, however, we depend upon donor support to execute the mission.

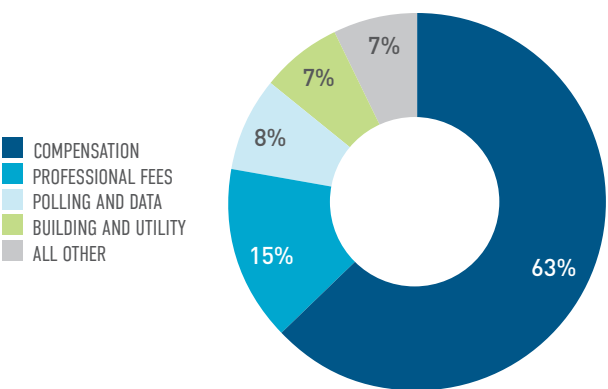
The nature of the organization’s mission, and the strategy for pursuing it (i.e. our research-centric approach), means that the bulk of the organization’s expenses go towards compensation for the team, who are dedicated to fulfilling our mission.

To avoid the perception or reality of conflicts, we do not seek, nor will we accept, any direct or in-kind funding from companies we rank. In addition, we will not accept funding from any organizations deemed to be antithetical to the Foundation’s mission of social justice and the creation of a more just marketplace.

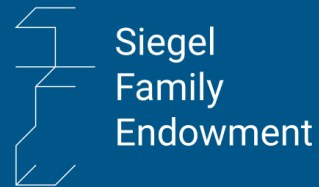
JUST Capital Future Funding Objectives



2017 Operating Expenses



THANK YOU TO OUR SUPPORTERS



Forbes



MCJ AMELIOR FOUNDATION

NATHAN CUMMINGS FOUNDATION

VOLO FOUNDATION

ZEGAR FAMILY FOUNDATION

EVENT SPONSORS

JUSTWORKS.

PAX

SOCAP

**AND THE MANY INDIVIDUALS DONORS
WHO MAKE OUR WORK POSSIBLE**

Capital.com



ABOUT JUST CAPITAL

JUST Capital, an independent, nonprofit research organization, makes it easier for people, companies, and markets to do the right thing by tracking the business behaviors Americans care about most. Our research, rankings, and data-driven tools help people make more informed decisions about where to invest, work, and buy to direct capital towards companies advancing a more just future. Companies that believe in fair pay and equal treatment for all workers. Companies that create good jobs and understand the value of strong communities. Companies that are committed to a healthy planet. America's Most JUST Companies, including the groundbreaking JUST 100 list, is published annually in the December issue of Forbes and on justcapital.com.





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