

For Immediate Release: May 6, 2021
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Foundation Leaders Call on their Asset Managers to Uphold Racial Justice Commitments

*Effort follows [recent letter](#) by 140+ racial justice leaders published as full-page ad in *Financial Times**

NEW YORK — Today, leading foundations announced an effort calling on their asset managers, who manage the assets in the foundations' endowments, to uphold their racial justice commitments with their 2021 proxy voting. The effort, led by the Marguerite Casey Foundation, Wallace Global Fund, Nathan Cummings Foundation, and the Woodcock Foundation, follows [an open letter](#) to the asset managers signed by 140+ of the country's top racial justice leaders, published last month as a full-page ad in the *Financial Times*. Letters sent by the foundation leaders to their asset managers and outsourced chief investment officers point to their votes in the 2021 proxy season as a critical component of their commitment racial justice—including on racial equity resolutions, political spending and disclosure, and board diversity at S&P 500 companies.

"Our purpose as a foundation is to achieve justice, not charity," said **Dr. Carmen Rojas, President & CEO of Marguerite Casey Foundation**. "Those who manage our wealth must ceaselessly look for ways to increase justice in the world, which includes influencing the corporations that our endowment sponsors to make good on long overdue commitments to racial justice. The proxy voting demands outlined by Majority Action are an important start to the transformational change we need to achieve."

As the stewards of assets intended to facilitate positive social change, philanthropic leaders have a unique obligation to ensure that the actions of financial firms entrusted with the investment of those assets do not undermine foundations' missions and philanthropic activities, including racial justice. Large asset managers hold outsized shares in S&P 500 companies -- together, BlackRock, Vanguard, and State Street vote approximately 25% of shares across the S&P 500 -- giving them unique ability to affect business-as-usual proxy voting and help shift corporate behavior toward racial equity. While last year's swell in protests for racial justice was accompanied by an outpouring of [statements from corporations](#) acknowledging the existence of systemic racism and their responsibility for addressing it, a [report by Majority Action and SEIU revealed](#) that these largest asset managers failed to challenge racist and inequitable corporate leadership and practices in the 2020 proxy season.

“In the wake of the historic and long overdue national outcry for racial justice, our foundation has undertaken efforts to comprehensively examine how our programs, investments, and operations contribute to building the world we intend to bequeath to the next generation,” said **Dr. Ellen Dorsey, Executive Director of the Wallace Global Fund**. “Foundation investments can prop up unjust systems or can be used as a lever for social change and accountability for injustice. To ensure our investments align with our values, today Wallace Global Fund is calling on our asset managers to cast their proxy votes in support of racial justice and demand corporations be part of the change this moment requires.”

“Far too many asset managers have failed to advance the imperative of racial justice,” said **Rey Ramsey, Interim President and CEO, Nathan Cummings Foundation**. “Words alone will not suffice. Instead, asset managers must take actions such as casting proxy votes against all white boards of directors or in favor of requests for racial equity audits. Foundations committed to using all of their resources to drive progress on racial justice must also urge their asset managers to vote against systemic racism.”

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Majority Action is a nonprofit organization dedicated to empowering shareholders of all sizes to hold corporations and their leadership accountable to high standards of long-term value creation, corporate governance, and social responsibility. www.majorityaction.us