



For Immediate Release: April 5, 2022

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## **Majority Action and SEIU Release Proxy Voting Guide to Empower Investors to Hold Companies Accountable for Failures to Address Racial Inequality and Injustice**

*Guide Identifies Priority Votes Ahead of the Annual Shareholder Meeting Season After Failure Last Year by the Largest Asset Managers to Respond Adequately to Shareholder Demands to Address Risks of Systemic Racism*

**NEW YORK** — Today, Majority Action, a nonprofit shareholder advocacy organization, and the Service Employees International Union (SEIU), an organization of two million members dedicated to improving the lives of workers and their families, launched a [2022 Proxy Voting Guide for Racial Equity](#) to support investors in using their proxy voting power to hold companies accountable for failures to address systemic racism. Throughout the shareholder season, Majority Action and SEIU will highlight key votes and call for urgent action from investors to vote for delivering substantive progress towards companies' stated racial justice commitments and goals as part of the companies' broader environmental, social and governance responsibilities.

The economy-wide effects of systemic racism pose multidimensional [risks to companies](#), and directors need to prioritize these risks as part of their oversight. Corporate behavior has long perpetuated and exacerbated systemic racism through both market-wide and company-specific mechanisms, from racial disparities in lending, pay and working conditions, to algorithmic discrimination in healthcare and hiring, to unaccountable technology partnerships with law enforcement, and lobbying and political contributions that support elected officials and organizations that perpetrate policies that harm communities of color, as noted in Majority Action's and SEIU's "[Equity in the Boardroom 2021: How Asset Manager Voting Shaped Corporate Action on Racial Justice](#)" report. In addition, as analysis from [Citigroup](#), the [Atlanta Federal Reserve](#), and [McKinsey & Company](#) has demonstrated, an economy rooted in systemic racism creates substantial economic drag that has the potential to lower returns across investors' portfolios.

"Racial injustice continues to bring harm to workers and their families, and limit opportunities to participate fully in society, the economy, in healthcare and so many other interconnected systems that impact their ability to thrive," said **David Huerta**, Trustee for the Service

Employees International Union Master Trust Fund. “Companies can change their practices to include rather than exclude people of color. But when they choose to sit on the sidelines – or perpetuate broken systems that also hurt other groups, businesses and the overall economy – shareholders can lead the charge to bring about transformative change.”

In support of growing shareholder efforts to address racial justice ahead of the annual general meeting season, Majority Action and SEIU are releasing the [2022 Proxy Voting Guide for Racial Equity](#) to highlight priority votes for investors seeking to address systemic risks associated with structural racism. The guide highlights four categories of priority shareholder proposals and key votes:

- Resolutions calling for corporations to undertake comprehensive racial equity auditing, including resolutions at Alphabet, Inc. (Google), Amazon, Wells Fargo, and Chevron
- Resolutions calling for enhanced disclosure and oversight of lobbying and political spending, including resolutions at AT&T and Johnson & Johnson
- Resolutions addressing specific racial equity-related topics, ranging from EEO-1 disclosures to online platform safety to workforce compensation and safety, including resolutions at Alphabet, Inc. (Google), Meta Platforms (Facebook), Kroger, and Walmart
- Votes to hold directors accountable for insufficient board diversity and failure to adequately implement shareholder proposals that received majority support in 2021

“Many investors understand that systemic racism is not only an economic headwind that is value destroying, but it is fundamentally contrary to American values of justice and equity,” said **Jonas D. Kron**, Chief Advocacy Officer at Trillium Asset Management. “Investors need to center racial justice in the financial world and remind directors and managers that our nation and economy are stronger and more resilient when we emphasize equity and inclusion.”

Many asset managers joined companies in pledging support for racial justice in the aftermath of the 2020 racial justice protests and insurrection at the U.S. Capitol in 2021. However, as Majority Action’s and SEIU’s [“Equity in the Boardroom 2021”](#) report revealed, major asset managers like BlackRock, Vanguard, Fidelity, and State Street failed to respond adequately to demands of asset owner clients and civil rights leaders. Large asset managers voted in the 2021 shareholder season against shareholder proposals for racial equity audits and enhanced oversight of political spending and/or lobbying, rubber-stamped key directors who failed to address political spending policies, supported state-level officials driving voter suppression, and voted in favor of directors at companies with all-white boards.

“Persistent racial inequities harm communities of color, undermine economic growth, and drive systemic and company-specific risks to diversified long-term shareholders. But while a large number of companies voiced support for racial equity and justice in the aftermath of George Floyd’s murder, far too many have failed to align their practices with their rhetoric,” said **Eli Kasargod-Staub**, Executive Director of Majority Action. “Asset managers this season have unprecedented opportunities to hold corporate directors responsible for aligning internal and

external practices with racial equity and justice, putting true accountability behind the 'S' in ESG.”

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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](http://www.majorityaction.us)

**Service Employees International Union (SEIU)** is an organization of 2-million members united by the belief in the dignity and worth of workers and the services they provide, and dedicated to improving the lives of workers and their families and creating a more just and humane society. [www.seiu.org](http://www.seiu.org)