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Major US Civil Rights and Racial Justice Organizations Call On Corporations to Account for Racial Equity and Civil Rights Audits

NEW YORK — Leaders of major racial justice movements and organizations across the United States are calling on some of the world’s largest corporations—Amazon, Apple, Microsoft, and Uber, among others—to account for the lack of meaningful progress made after commitments to conduct racial equity and civil rights audits in the wake of the 2020 racial reckoning. Color Of Change, Community Change, Hip Hop Caucus, Majority Action, Open Mic, the Service Employees International Union, and UltraViolet Action sent joint letters to the corporate secretaries of [19 companies](#) to ensure racial equity audits are legitimate, accountable, transparent, and impactful.

“Racial equity is not achieved through unfulfilled promises and platitudes,” **said Stephone Coward II, Economic Justice, Justice Paid in Full Campaigns Director at Hip Hop Caucus.** “We saw a swell of corporations capitalize on the racial reckoning of 2020 with DEI commitments and new initiative announcements; however, we have seen little in terms of tangible results. For the second year, we are monitoring the progress made and we’ll continue to demand transparency, accountability, and clear action that supports systemic change and equitable outcomes for Black, Indigenous and people of color (BIPOC) communities.”

Racial justice leaders have been actively shaping and monitoring the racial equity audits that leading corporations have conducted, as well as providing public assessments of both how well those audits are structured and the extent, or lack thereof, of their impact. While the majority of the 19 corporations that are being evaluated have yet to produce enough engagement and transparency on the outcomes and implementation of their racial equity audits, **the group has**

found the one [Airbnb](#) continues to build upon six years after completion **as well as** the long-term commitments and internal structural updates recently made by [State Street](#) after receiving its audit report, represent the clearest examples of audits that have **met expectations on legitimacy, accountability, transparency, and impact**.

“Corporations have a responsibility to ensure the equitable treatment of Black people. We have seen meaningful racial equity audits work in the past – audits that have given businesses better insights for serving their customers and their communities. For corporations to truly create positive change, these audits must be routine, thorough, and centered on the business’s policies, products and services. Racial equity audits when done correctly, will result in a stronger, more resilient corporate infrastructure.” stated **Kyle Bibby, Interim Chief of Campaigns and Programs at Color Of Change**.

Last year the racial justice leaders reached out to the corporations to [communicate](#) their shared expectations and criteria for thorough and transparent audits, after investors expressed [majority support](#) for racial equity audit proposals in the 2022 proxy season. Racial equity audits as a practice is still a fairly new demand on corporate board leadership, and racial justice leaders have outlined the **three best practices** for completing a thorough audit:

1. Select an independent person or firm with civil rights and racial justice expertise and adequate resources to complete the audit.
2. Ensure the audit comprehensively examines how corporate policies, practices, and products can either ameliorate or exacerbate racial inequalities. Audit processes should include proactively identifying and engaging in outreach to BIPOC stakeholders who are disproportionately impacted by racial inequity at corporations, as well as provide pathways for stakeholders to engage.
3. Publicly release audit findings, recommendations, and progress reports under clear timelines, with action plans for the issues raised in audits.

While the 19 corporations have committed or are in the process of completing racial equity audits, **the vast majority have failed to proactively identify and engage Black, Indigenous, and people of color stakeholders** who are disproportionately impacted by racial inequity at or by the companies. This lack of engagement with racial justice organizations and BIPOC stakeholders within their organizations flags concern among the signatories about the sincerity of intentions and efforts to produce and implement meaningful changes to increase racial equity at the corporations.

"Racial equity audits can only succeed when key stakeholders and shareholders representing impacted communities are included in the process. This ensures that the voices and

experiences of those impacted by corporation decision-making are heard, and that the financial risk created by systemic racism in and beyond the corporation is properly assessed,” **said Renaye Manley, Deputy Director of Strategic Initiatives at Service Employees International Union.** “Leaders have called on companies to engage advocates, civil rights experts, and shareholders in transparent audits, and now is the time to hold corporations to their racial justice commitments made in 2020.”

These concerns about the lack of progress on racial equity audits are deepened by the proxy voting failures of the four largest asset managers— BlackRock, Vanguard, State Street, and Fidelity— on racial equity issues during the 2023 proxy season. The four asset managers hold outsized power over the other corporations in the [monitored list](#), as they together account for 25 percent of shares voted in the S&P 500 and hold the fiduciary duty to hold the board directors accountable on the systemic risk of racial equity. [Research](#) released by Majority Action and SEIU earlier this year showed a large-scale failure to account for racial equity in the four asset managers’ proxy voting policies and practices negatively impacting shareholders’ proposals around racial equity audits, racial and ethnic board diversity, political spending and lobbying activity, human capital management, tech oversight, environmental justice, and board responsiveness.

“The largest asset managers have significant voting power over the world’s largest corporations, and yet they have continued to rubber stamp board directors and policies that run counter to their public commitments to racial equity and justice and the best interests of their long-term investor clients,” **said Eli Kasargod-Staub, CFA, Executive Director of Majority Action.** “Shareholders and community stakeholders alike are calling on asset managers and board leaders to mitigate the systemic risk of racial inequity that harms impacted communities and employees, economic growth, and portfolio performance.”

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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

The Service Employees International Union (SEIU) unites 2 million diverse members in the United States, Canada, and Puerto Rico. SEIU members working in the healthcare industry, in the public sector, and in property services believe in the power of joining together on the job to win higher wages and benefits and to create better communities while fighting for a more just

society and an economy that works for all of us, not just corporations and the wealthy.
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Color Of Change is the nation's largest online racial justice organization. We help people respond effectively to injustice in the world around us. As a national online force driven by over 7 million members, we move decision-makers in corporations and government to create a more human and less hostile world for Black people in America. Visit www.colorofchange.org.

Formed in 2004, the Hip Hop Caucus (HHC) is a non-profit, non-partisan organization that leverages Hip Hop culture to encourage young people to participate in the democratic process. Through a collaborative leadership network, HHC addresses core issues affecting underserved communities. HHC programs and campaigns support solution-driven community organizing led by today's young leaders.