The LGBTQ+ Corporate Citizen: A Framework for Emerging Best Practices in Allyship
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A Message from Kelley Robinson

Businesses’ engagement in the communities in which they operate has evolved rapidly in the last twenty years. Philanthropic giving has been followed by strategic diversity, equity and inclusion (DEI) and Corporate Social Responsibility (CSR) efforts, and business-driven environmental, social and governance (ESG) standards and frameworks. Today, leading businesses are innovating and experimenting with how to use their business models to contribute to the wellbeing of their employees, customers and wider communities – including LGBTQ+ communities.

That’s why, after over 20 years of the Human Rights Campaign Foundation advancing LGBTQ+ workplace inclusion, I am thrilled to introduce our first-ever report on LGBTQ+ corporate citizenship - The LGBTQ+ Corporate Citizen: A Framework for Emerging Best Practices in Allyship. This report adds to the transformative work of the HRC Foundation’s Corporate Equality Index (CEI) – the world’s leading benchmark on LGBTQ+ inclusion in the workplace. In these pages, we explore current leading practices on LGBTQ+ corporate citizenship, which we define as the use of core business activities to further LGBTQ+ safety, dignity and belonging. This is a whole-of-business concept, taking into consideration what companies do internally as well as how they use their power, influence, budgets and business activities for good. The report covers six pillars of business activity that factor into being a leading LGBTQ+ corporate citizen: Workforce, Supply Chain, Products & Services, Marketing, Corporate Philanthropy and Advocacy & Political Engagement.

We are in a fraught and dangerous time for LGBTQ+ rights, with a record number of anti-LGBTQ+ state bills introduced and laws enacted, as well as terrifying increases in hate crimes, violence and anti-LGBTQ+ rhetoric. This environment
is creating new challenges for our business allies, as anti-LGBTQ+ organizations, politicians and influencers are taking aim at business efforts to build LGBTQ+ equality via calls for censorship, boycotts and even legislative retaliation. Even the most foundational element of LGBTQ+ business engagement – workplace inclusion efforts – is being attacked and litigated. These efforts are attempting to fracture decades of business allyship with the LGBTQ+ community. As a result, LGBTQ+ advocates, community members, customers and employees are increasingly asking businesses to use as much of their power as possible for the good of the community.

Our business allies must not abandon their work in support of their LGBTQ+ employees and customers. The business case and the values-driven case for practicing meaningful allyship is simply too strong. And in this difficult moment, we’re here to help. With this report, we are adding to our shared understanding of what companies can do to close the ally gap, safeguarding the rights, dignity, safety and flourishing of their LGBTQ+ employees and customers and the community writ large. For each of our six pillars for corporate citizenship, we outline key considerations for the pillar, provide data on the need and business case for action, give real-world examples of corporate citizenship in action and share leading practices from business leaders.

In a fast-changing environment, there is no one formula for how corporations can make meaningful contributions, and unlike the CEI, this report is not a scorecard. There is great diversity among corporations in their geographic footprints, industry types and business structures, so we have intentionally included a wide range of promising practices so that every business can find inspiration in these pages. We are committed to collaboration, iteration and learning together, as we explore the complexities, opportunities and benefits of being an LGBTQ+ corporate citizen.

I applaud the many corporate partners who candidly contributed insights to help shape this report. I am more optimistic than ever about the power of companies to leverage their resources and influence to drive inclusion for LGBTQ+ people across all facets of society. Together, we can work toward a world free from discrimination and full of belonging.

In Solidarity,

Kelley Robinson (she/her)
President, Human Rights Campaign
Executive Summary

In a new report that builds on decades of work with businesses in the fight for LGBTQ+ equality, the Human Rights Campaign examines how corporations can work across all of their business operations as allies to advance inclusion, safety and flourishing of LGBTQ+ people within and outside their organizations.

In a challenging and dangerous political and cultural landscape for LGBTQ+ people, businesses are uniquely positioned to live out their stated values – and benefit their bottom lines – by activating their core business operations in service of inclusion and belonging. HRC has identified six pillars of business operations where businesses can make significant impacts. This report explores how businesses can lean into these pillars, identifying examples and leading practices to inspire even more businesses to step in:

1. Workforce
2. Supply Chain
3. Products & Services
4. Marketing
5. Corporate Philanthropy
6. Advocacy & Political Engagement

There is a strong business case for engagement across these pillars, especially as LGBTQ+ workers and the public have developed greater expectations of corporate allyship and of businesses “walking the walk” in recent years. At the same time, the current climate of extremist targeting and cherry-picking of business activities in this space calls for robust strategies that ensure that businesses can continue the work of inclusion without bowing to these anti-equality pressures.

The data, examples, case studies and leading practices included in this report can serve as inspiration for any company, in any industry, to explore where and how it can take the next step in its allyship journey, and where it can build long-term business value by doing so.

This report is the first of its kind. It is not a scorecard, as this is a fast-moving and evolving field of inquiry. HRC is committed to sharing these insights with the business community and to partnering with business leaders as they implement these strategies and develop their own innovations and experimentations across the six pillars.
**IN WORKFORCE**, business leaders are investing in understanding their LGBTQ+ workforce, in order to identify where more support, recruitment and pathways for advancement are needed. Business leaders must also navigate the current climate in which diversity, equity and inclusion (DEI) work is under fire from extremist actors, in order to ensure that their business-critical inclusion work can continue.

For example, IBM allows employees in 40 countries (87% of their global workforce) to self-identify sexual orientation and gender identity. The company provides eight options for employees to cover various identities. This is an optional practice that employees can have removed at any time, and the data is not seen by co-workers, peers or managers.

**IN SUPPLY CHAIN**, business leaders likely have robust systems in place to monitor and address human rights issues across operations. However, businesses can do more to bring an LGBTQ+ lens to this work, which will allow them to identify to what extent they are upholding their commitments to LGBTQ+ safety and inclusion across their suppliers and vendors. Businesses can also seek out and support LGBTQ+ suppliers, building inclusion into the supply chain and driving economic empowerment to the community.

For example, Bayer established a Human Rights Policy that explicitly states that discrimination on the basis of sexual orientation and gender identity and expression will not be tolerated across all operations.

**IN PRODUCTS & SERVICES**, business leaders have tremendous opportunity to understand LGBTQ+ consumer and to look across their current and future offerings to meet LGBTQ+ needs. Companies can invest in understanding LGBTQ+ customers — including individual identities within the LGBTQ+ community as well as intersectional identities; investigate where they may be unnecessarily reinforcing gender binaries; and look to LGBTQ+ founders and innovators for inspiration and partnership. Social media companies also have a special responsibility to rebalance free expression and safety, given that many online spaces have become increasingly hostile to LGBTQ+ people in recent years.

For example, Mastercard launched its “True Name” product in 2022 to respond to customer desires to have their credit cards reflect their chosen name, which can result in better, more affirming interactions when using the credit card for payment. The True Name product allows participating banks to offer a chosen name option to customers without requiring a legal name change. This product catalyzed more widespread change by allowing businesses such as Citi, BMO Harris and T-Mobile to offer True Name on their branded cards.
IN MARKETING, business leaders have a long history of using LGBTQ+ storytelling to change hearts and minds and build brands. Today the imperative is to integrate LGBTQ+ stories and identities as a part of all marketing efforts, rather than in one-off campaigns or only during Pride month. Businesses must ensure that LGBTQ+ voices are empowered and at the table from start to finish. Extremism is a risk in the marketing space, as some attempts to silence business voices have focused on LGBTQ+-inclusive marketing campaigns. Zero-tolerance policies, support for LGBTQ+ partner organizations and individuals and a commitment to not placate in the face of extremism are essential elements of corporate commitment to LGBTQ+ safety.

For example, Levi Strauss & Co has shown up year-round with LGBTQ+ inclusive marketing for more than 30 years. Their 2023 Pride collection included new gender-neutral apparel that incorporated not only inclusive marketing, products, but also intentional LGBTQ+ storytelling and a cause-marketing component to ensure proceeds from sales support OutRight Action International.

IN CORPORATE PHILANTHROPY, business leaders should integrate their giving with other activities in the six pillars presented here, to ensure maximum impact and to guard against accusations of “rainbow washing.” Cause marketing campaigns are a well-worn tool to raise money and awareness for LGBTQ+ causes, and should be done in ways that drive meaningful, sustainable support to LGBTQ+ organizations, particularly those that are trans- and Black, Indigenous and People of Color (BIPOC) led. Companies should also investigate their employee matching programs to ensure they are not giving to anti-LGBTQ hate groups.

For example, in 2022 Pop-Tarts (a brand owned by Kellogg’s) released a special Pride box featuring art by queer illustrator Thaddeus Coates, tied to grants going to GLAAD and four BIPOC-led LGBTQ+ organizations.

IN ADVOCACY & POLITICAL ENGAGEMENT, business leaders should bring a mix of strategies to bear, including forming and joining coalitions to create strength in numbers, combining public and private actions as conditions dictate, sharing business impacts with lawmakers and activating employees and customers to get involved. Companies that have a corporate mandate to make political donations should be transparent with employees about how and why giving decisions, especially when those donations clash with stated values of LGBTQ+ equality.

For example, HRC’s Count Us In pledge, signed by more than 100+ large employers, is a pledge to action to stand up publicly in support of transgender and nonbinary employees and their families. The pledge has been used by advocates to point to a unified business voice opposing anti-LGBTQ+ bills.
Current Landscape For Corporate Citizenship

The business case for corporate citizenship

The business case for engagement in LGBTQ+ equality across operations, in the marketplace and within our communities – what we call corporate citizenship – is stronger than it has ever been. As trust in government and media plummets, employees and consumers continue to look to corporations for leadership on pressing issues. Business leaders whose core values are non-negotiable know that including, celebrating and supporting the LGBTQ+ community across all aspects of operations makes for good long-term business strategy, one that is not diminished by a manufactured political environment in which anti-LGBTQ+ rhetoric is once again not only tolerated but advanced by some lawmakers, activists and media figures.

The workforce is increasingly out and allied with the LGBTQ+ community, and as younger, more inclusive generations fill the workforce, they bring with them expectations that their employers reflect their values of inclusion and belonging. Public Religion Research Institute (PRRI) polling conducted in summer 2023 showed that 28% of Gen Z adults (ages 18-25) identify as LGBTQ+. In comparison, PRRI found that 16% of millennials, 7% of Generation X, 4% of baby boomers and 4% of the Silent Generation identify as LGBTQ+. Inclusion, or the lack thereof, has bottom-line impacts on recruitment and retention: According to the Deloitte Global 2022 Gen Z and Millennial Survey, 52% of Generation Z and millennial employees who were unsatisfied with the progress their current employer was making in creating a diverse and inclusive environment said they intended to leave their job within two years.

The number of self-identified LGBTQ+ consumers and their allies is rising, too, and with them, the potential for brand loyalty to companies that live out their values. Given that the LGBTQ+ community represents $1.46 trillion in global purchasing power, corporate brand and reputation on LGBTQ+ issues is fast becoming a business imperative. Americans are two times more likely to buy and use brands that support LGBTQ+ rights, and 71% of LGBTQ+ adults in the U.S. are more likely to buy products from companies that purposefully reach out to the LGBTQ+ community.

The rising tide of support for LGBTQ+ rights (eight in ten Americans support nondiscrimination protections for LGBTQ+ people), coupled with changing expectations of what corporate citizenship means, translates into an expectation that corporations will live out their stated allyship to the LGBTQ+ community. Increasingly, these expectations build on internal benefits and inclusive cultures – which are essential and foundational. Employees and consumers want businesses to include the community across all of their core business activities, recognizing and representing the full diversity of LGBTQ+ identities that intersect with every other identity, from race to ability to religion to nationality to age, and more.
Corporate allies have long led the way on LGBTQ+ equality and continue to innovate now more than ever. This framework for holistic LGBTQ+ corporate citizenship includes six pillars of business activity where there is significant opportunity for the corporate sector to drive change going forward.

**SIX PILLARS OF CORPORATE CITIZENSHIP**

1. **WORK FORCE**
   Building on longstanding foundations of inclusion – as captured by HRC’s Corporate Equality Index – to dig deeper on understanding who is in the workforce and what challenges and opportunities they face.

2. **SUPPLY CHAIN**
   Working across the companies and people that source, produce and deliver a company’s product or service to build opportunities for, and prevent discrimination against, LGBTQ+ workers and stakeholders.

3. **PRODUCTS & SERVICES**
   Developing products and services that intentionally serve the unique needs of LGBTQ+ people, and minimizing or eliminating potential for products or services to harm or exclude LGBTQ+ people.

4. **MARKETING**
   Developing strategic, integrated marketing plans to engage and support the LGBTQ+ community and to tell LGBTQ+ stories to the world.

5. **CORPORATE PHILANTHROPY**
   Engaging in philanthropy that maximizes benefit to the LGBTQ+ community and ensuring that corporate giving does not bring harm to the community.

6. **ADVOCACY & POLITICAL ENGAGEMENT**
   Working across the companies and people that source, produce and deliver a company’s product or service to build opportunities for, and prevent discrimination against, LGBTQ+ workers and stakeholders.

Corporate citizenship is an ongoing journey. These six pillars represent a snapshot of the current moment – the leading practices present today in using core business activities to advance LGBTQ+ equality and to build resilience and opportunity into long-term business models. As businesses continue to experiment, innovate and learn, so will the content covered within these pillars grow and change over time.
A note on existing guiding standards and frameworks

In 2002, HRC’s Corporate Equality Index (CEI), the premier LGBTQ+ workplace inclusion benchmark in the United States, began asking companies to implement a series of policies and practices to support their employees, including establishing an Employment Non-Discrimination Policy that explicitly includes the terms “sexual orientation,” “gender identity” and “gender expression.” Twenty years later, expectations for business allies continue to grow, particularly with intersections to human rights and environmental, social, and governance (ESG) standards. There are several human rights frameworks for safeguarding business practices; these serve as the foundation for examining LGBTQ+ inclusion across operations. They ground and inform best practices across all six pillars established in this report.

- **The Universal Declaration of Human Rights (UDHR):** An international document adopted by the United Nations (UN) General Assembly in 1948 that enshrines the rights and freedoms of all human beings. Although the UDHR is not legally binding, many of its principles have been incorporated into treaties, legal frameworks and national constitutions. This “most translated document in the world” is considered “the milestone document in the history of human rights” and provides the foundation for all frameworks that follow.

- **The UN Guiding Principles on Business and Human Rights:** A doctrine that lays out the responsibilities of corporations, regardless of the countries in which they operate. The doctrine includes guidance on foundational and operational principles based on the UN’s Protect, Respect and Remedy Framework.

- **The UN Standards of Conduct for Business: Tackling Discrimination against Lesbian, Gay, Bi, Trans, & Intersex People:** A set of standards that builds upon the UN Guiding Principles and offers guidance to companies on how to meet their responsibility to respect everyone’s rights – including the rights of lesbian, gay, bi, transgender and intersex (LGBTI) people.
The implementation of internal workforce policies and practices is often the first act of LGBTQ+ corporate citizenship for business leaders, and the natural starting point for building a holistic corporate citizenship strategy. An engaged, supported and included LGBTQ+ workforce is necessary to underpin innovation and impact across all of the pillars described in this report.

For some LGBTQ+ community members, the workplace can be a safe space and refuge in an otherwise unwelcoming environment. 67% of LGBTQ+ people say that supportive companies can change the lives of LGBTQ+ workers. Employers that build inclusive workplaces – where people are not only present and included but have pathways for advancement and success – have reported improved recruitment of a diverse workforce, lower job turnover, lower insurance costs (due to healthier employees), increased employee productivity and innovation and improved business reputation. LGBTQ+ workers at businesses with inclusive workplace cultures report greater job commitment, higher job satisfaction, better relationships with colleagues and supervisors, lower levels of discrimination, improved psychological and mental health and increased well-being at work.

Benchmarking tools like the HRC Foundation’s Corporate Equality Index (CEI) provide a clear framework for businesses seeking to drive inclusion in their workplaces, but as businesses deepen their commitment, a more granular understanding of the workforce is a necessary next step. Employers cannot create a work environment where everyone is seen and considered, or tap into the potential of that workforce to influence its work across the six pillars of corporate citizenship, without first learning how their employees identify and what their unique needs are.

Establishing a foundation of inclusion

Today, many large employers provide more protections for LGBTQ+ workers than the United States federal government and many state governments, as well as many countries around the world. These corporate leaders have been on a decades-long journey to implement policies and practices to support their employees.

Workplace inclusion can play an even more important role in the lives of LGBTQ+ employees and their families in times and places where their rights and freedoms are challenged. Take the recent push to ban gender-affirming care in a number of U.S. states. In some cases, it is employers that have stepped into the breach, helping families access resources where possible, within the constraints of an ugly policy environment.
The four foundational elements for an inclusive workplace are non-discrimination policies across business entities, equitable benefits for LGBTQ+ workers and their families, creating an inclusive workplace culture and corporate social responsibility. Exploration of these pillars has led to employment non-discrimination policies that explicitly include the terms “sexual orientation,” “gender identity” and “gender expression”; investing in LGBTQ+ family formation; providing transgender-inclusive healthcare; offering support for gender transition; and providing employees with resources to access essential healthcare. These workplace inclusion efforts are at the foundation of business engagement in LGBTQ+ equality, for the simple reason that authenticity, understanding, and change start at home.

**Self ID and data collection: knowing and serving your LGBTQ+ workforce**

Employers cannot create a work environment that proactively drives inclusion and success for LGBTQ+ employees and recruits without first understanding how their employees identify and the lived experiences they bring to the workplace. That's why robust data collection on employees' sexual orientation and gender identity, or “Self ID,” is becoming a leading practice in LGBTQ+ inclusion strategies. This data can unlock new opportunities for inclusion, enabling the creation of new strategies for recruitment, retention and leadership development – not just for the LGBTQ+ community as a whole but for underrepresented identities within that community.

With significant generational shifts already underway, corporate leaders who want to future-proof their businesses must act now to meaningfully understand their increasingly out workforce, and strategic data collection is the starting point. Generation Z and millennials make up more than 40% of the workforce, rising to 58% by 2030. These two generations are more likely to be out (and out at earlier ages) than previous generations and they are looking to live openly in all areas of their life – including at work.

**Building trust in the data collection process**

Being out in the workplace is a complex, personal decision. Results from the HRC Foundation's Equality Rising Report reveal that although the vast majority of LGBTQ+ workers are out to a colleague (81%) or supervisor (69%), those that still remain closeted cite fear of violence, discrimination, and loss of status in the workplace (see box below). Human Resources (HR) adds another layer of complexity: less than half (48%) of LGBTQ+ workers said they are out to their Human Resources (HR) departments. This is due both to trust considerations as well as the lack of opportunity to self-report sexual orientation and gender identity to HR. Because being out at work can sometimes translate to being out everywhere, LGBTQ+ employees must also consider the legal and social environment in their broader community, including whether they or their family members’ healthcare, educational opportunities or personal safety could be at risk due to the presence of anti-LGBTQ+ laws and actors.

For a Self ID campaign to be successful, it is essential to communicate with employees so they understand that participation does not have to mean coming out at work. Employees also need to know why the data collection is being done, how it will be used, and who will have access to it. Employers should share the benefits of a Self ID program, too, such as giving the business insights to catalyze new professional development programs.

For multinational companies, the global context is more complex. Companies cannot ask employees to self-identify in a setting where their lives and freedoms might depend on staying in the closet. In such cases self ID implementation strategies can, and should, be tailored to provide additional anonymity, privacy

**LOSS OF STATUS AT THE WORKPLACE**

Three in ten (29%) of LGBTQ+ workers have previously been closeted on the job because they thought their status at work would be negatively impacted. More specifically, LGBTQ+ workers reported they were previously closeted at work because….

- They thought there was a possibility of losing connections or relationships with coworkers (18%)
- They thought coworkers or management will think they are not professional if they talk about their sexual orientation (9%) or gender identity (19% of transgender and non-binary workers)
and confidentiality to ensure the safety of employees. It should also be noted that in countries that criminalize being LGBTQ+, an employer that knows if employees are LGBTQ+ could even face demands from law enforcement authorities for that information, thereby making them complicit in human rights violations. Uganda’s Anti-Homosexuality Act provides a recent example.

Designing Self ID

Over the years, companies have employed many methods of collecting data about who is in their workforce, including employee engagement surveys and employee resource group membership. These methods are important parts of a company workforce inclusion strategy, but a robust strategy will include these tools as well as anonymous, optional Self ID data collection.

While the specifics of data collection will be driven in part by capacity in existing Human Resource Information Systems (HRIS), any LGBTQ+ Self ID system should include the following components, to ensure accurate and comprehensive data collection:

1. Include open-ended options to allow employees to write in additional answers other than those provided.
2. Allow employees to select more than one answer, as some hold multiple identities. If the HRIS does not allow for multiple responses, include language to explain to employees why answer choices are limited, and consider question wording that respects multiple identities and encourages a response, such as, “A person can identify in a diverse number of ways, but what if you had to pick only one option for each question?”
3. Allow employees to opt in or out, rather than making this information mandatory to report.

The HRC Foundation’s resource guide “An Employer Guide to LGBTQ+ Inclusive Self ID” provides more information on best practice language and how to approach data collection.

Leveraging Self-ID data for greater inclusion

An integrated, LGBTQ+-inclusive Self ID program within HRIS enables employers to collect employee data to help them understand their workforce and fulfill their commitments of inclusion. Employers can build rich intersectional metrics such as pay and benefits data across the organization. And when employers center their workforce’s lived experiences, they can refine programming and policies, particularly recruitment and leadership development. The benefits of this data are multiplied when considered alongside other employee demographic data businesses are likely already capturing, such as race/ethnicity, age and military status, deepening opportunities for intersectional analyses and action.

DISCRIMINATION AND LACK OF PROTECTIONS

Nearly one-quarter (23%) of LGBTQ+ workers have been previously closeted at work because of fears of discrimination or because there were no policies protecting LGBTQ+ people at their workplace, including:

- A lack of policies protecting LGBTQ+ people at their job (11%)
- Fears they would not be considered for advancement or development opportunities (16%)
- Fear of being fired (8% of all LGBTQ+ workers, 14% of transgender and non-binary workers)

VIOLENCE, STIGMA AND VICTIMIZATION

Four in ten (40%) LGBTQ+ workers have previously been closeted at work because of actual or perceived risk of violence, stigma and victimization, including:

- Fears they could make people feel uncomfortable if they were out (25%)
- Fears that people would assume they were attracted to them because they are an LGBTQ+ person (19%)
- Fears for their personal safety (13%)
- 8% of LGBTQ+ workers have previously been closeted at work because they or someone they know at work has been humiliated on the job for being an LGBTQ+ person
LGBTQ+ employee data collection: Self-ID to more deeply know the workforce

Deloitte US is on a multi-year journey to enhance their self-identification processes to more fully understand the intersecting identities present within their workforce.

Among the many lessons learned, Deloitte points out that their Self-ID work is:

- Informed by employees: Deloitte’s DEI team asked professionals about how they identify and how they wanted to see Self-ID constructed. This employee feedback helped inform the end product in multiple ways; for example, it allowed for more nuanced identifications for indigenous people.
- Intersectional, enabling multi-selection of overlapping identities, including race and ethnicity, sexual orientation, gender identity, and veteran status.
- Cognizant of family structures, including identities such as caregiver status.
- Optional, Self-ID data is not used for hiring, staffing, promotion, or other employment-related decisions, but rather provides observations and insights to better understand and engage our workforce and inform our Talent and DEI strategy.
- With consent, Self-ID data is used for various programs to help connect their people with others who share identities as well as allies.

Deloitte can now better capture the lived experiences of its workforce in the US and provide visibility and identity for people who don’t always feel fully seen at work. This enriched data is used to inform aspirational DEI Strategy and talent development. The organization also shares aggregated Self-ID data in its annual transparency report, allowing its employees and the public to see its progress.
Maintaining inclusion efforts amid extremist challenges

The success of business leadership on LGBTQ+ equality and other issues of diversity, equity and inclusion (DEI), including racial and reproductive justice, has sparked forces that seek to quash decades of corporate allyship. As companies work to create opportunity and a level playing field in the workforce for underrepresented communities, these actors are cherry-picking business activities to target in an attempt to punish or scare the business sector into backing away from its work. (See Marketing section for more on these activities.)

Florida’s infamous 2022 “Stop WOKE Act” is an example of politicians’ efforts to chill corporate allyship by opening up companies to legal liability when providing some forms of mandatory diversity training. As of the publication of this report, two cases challenging this law have already elicited injunctions against its enforcement on First Amendment grounds. On the national stage, in summer 2023 the Supreme Court effectively struck down affirmative action in college and university admissions. While the decision is about college and university admissions, some employers are concerned by how the rhetoric of the decision might be applied in the context of employment discrimination in the future. Soon after the ruling, thirteen Republican state Attorneys General sent a letter to Fortune 100 companies threatening “serious legal consequences” for companies with race-based employment preferences.

These efforts to regulate or penalize corporate programs present operational risks and fly in the face of broad consensus that inclusion is an essential part of business success. If corporations respond by pulling back on inclusion efforts they risk forfeiting not only the opportunities they’ve created for the most marginalized, but also the accompanying business success. This publication is not legal advice, and employers should consult with their own counsel about the existing state of the law in all relevant jurisdictions, but it is important to note that intimidating companies into capitulating is precisely the outcome this loud minority is trying to achieve.

Business should monitor this evolving legal landscape closely. This means ensuring DEI professionals are closely connected with government affairs leadership within their businesses to ensure practices remain compliant, but also to identify strategic opportunities to push back against legal and legislative efforts to unravel best practice DEI initiatives. Some ways businesses can push back include raising awareness about problematic laws through open letters and statements (including with other companies,) interpreting laws as narrowly as possible to minimize their harmful impacts and being outspoken on pro-business efforts the company has been prevented from doing.

Leading practices in workforce

- Establish a foundation of inclusion, implementing policies and practices to build a more inclusive workplace for all employees.
- Ensure that teams leading on Self ID are deeply familiar with LGBTQ+ people and terminology, and that these teams include LGBTQ+ employees.
- Choose an HRIS with features that make it as inclusive and flexible as possible.
- Ensure employees know that the process is optional, and that they can redeclare or self-disclose at any time.
- Establish guidelines that prioritize employees’ privacy and confidentiality.
- Consider global operations, including whether employees can safely disclose their identities, even within a confidential system.
- Utilize employee resource groups to drive education and participation.
- Refine programming and policies based on Self ID results, particularly recruitment and leadership development, and take an intersectional approach to include other identities.
- Monitor the evolving legal and legislative landscape for efforts to dismantle DEI efforts.
- Maintain close connections between DEI, HR and Government Affairs functions to ensure compliance and identify opportunities to defend pro-business DEI practices.
Despite the protection of human rights across corporate supply chains being a long-established area of practice, not every company currently includes an LGBTQ+ rights and safety lens in this work. A holistic view of LGBTQ+ corporate citizenship must leverage the influence of business to protect the health, safety, and well-being of LGBTQ+ workers across the supply chain. With over 60 countries criminalizing LGBTQ+ people and 112 countries where employees can be legally fired based on perceived or true sexual orientation and multiple U.S. states with varying degrees of laws targeting LGBTQ+ people, businesses face extreme disparities in LGBTQ+ worker well-being in the law – for their own workforce and workers of any suppliers and vendors they work with. In addition, many of the suppliers that businesses engage with may have disparate protections that do or do not extend to LGBTQ+ people on the job.

To build LGBTQ+-specific human rights commitments that extend throughout the supply chain, business leaders should first adopt and tailor existing principles and standards, including The UN Guiding Principles on Business and Human Rights and the UN Standards of Conduct Tackling Discrimination against Lesbian, Gay, Bi, Trans, & Intersex People. Business leaders should also invest in and partner with LGBTQ+-owned businesses to diversify operations and sourcing and promote economic mobility and prosperity within the LGBTQ+ community.

Establishing an LGBTQ+ specific human rights commitment

Human rights commitments can set a standard for operations within a company, but they are particularly helpful in driving company values across the supply chain. A supply chain that respects LGBTQ+ human rights requires making an explicit public commitment to the safety and well-being of the LGBTQ+ community, understanding risks to the community and ways to mitigate challenges and establishing reporting mechanisms for workers to communicate when their safety and well-being has been or could be violated.

Expressions of an LGBTQ+ human rights commitment can take many forms, but joining the United Nations Global Compact (UNGC) or Partnership for Global LGBTIQ+ Equality (PGLE) provides credibility among human rights and LGBTQ+ advocates. These entities also provide critical implementation resources helpful in creating an LGBTQ+-specific commitment to human rights. For example, the UN LGBTIQ+ Standards Gap Analysis Tool assesses current practices and identifies gaps and opportunities so businesses can implement an LGBTQ+-inclusive commitment.

Make it public

- Human rights commitments need to be clear and accessible for all supply chain stakeholders. If a business is going to hold suppliers accountable to its values of inclusion, the associated requirements need to be broadly understood and part of a binding and enforceable con-
tract. This commitment can be made within a dedicated policy or part of an existing code of conduct or other governing statements. Best practice examples embed an LGBTQ+ human rights lens across multiple components of company strategy and operations:

- **Bayer** developed an LGBTQ+-inclusive human rights policy following the standards set out by the United Nations, defining its human rights standards and responsibilities across its operations.
- **McKinsey & Company** established a Code of Professional Conduct based on the United Nations Global Compact, stating its commitment to inclusion and diversity.

**Conduct due diligence**

Under the [UN Standards of Conduct for Business](https://www.un.org/), all companies "should conduct due diligence to identify, prevent, mitigate and account for any actual or potentially negative impacts" on LGBTQ+ people.

A due diligence analysis should document key stakeholders and map critical responsibilities, including among LGBTQ+ champions, DEI professionals, supply chain managers, vendors, suppliers and workers. Stakeholder mapping can identify individuals and groups that should be engaged, and provide insights into risks that need to be prioritized to mitigate and prevent harm to the LGBTQ+ community.

This mapping and risk assessment, along with ongoing monitoring and communication of supply chain stakeholders, should drive each company’s approach to preventing and mitigating harms within the supply chain. One essential element of both prevention and mitigation is mandatory training that clearly and consistently communicates the company values of LGBTQ+ inclusion. Training must include employees at all levels and should extend to suppliers, vendors and contractors.

**Facilitate communication**

LGBTQ+ employees who experience discriminatory treatment in the workplace or across the supply chain should have access to a reporting mechanism, regardless of their location or job function. Companies should consider additional protections in countries where being a part of or associated with the LGBTQ+ community is criminalized or penalized. Companies should make grievance mechanisms available without barriers, and should include clear responsibilities and processes to ensure resolution. Effective reporting mechanisms are typically available in relevant languages, and provide anonymity via secure (e.g. encrypted) channels.

### Recruiting and supporting LGBTQ+ owned suppliers

Intentionally bringing in LGBTQ+-owned suppliers builds inclusion into supply chains, drives economic value to the LGBTQ+ community and can help future-proof a business’ operations and products by ensuring that LGBTQ+ voices are at the table every step of the way.

Many LGBTQ+ owned businesses in the U.S. can become certified [LGBT Business Enterprises](https://www.nglcc.com/) through the [National LGBT Chamber of Commerce](https://www.nglcc.com/); the chamber also has affiliates across the globe. The designation creates opportunities to compete for sourcing contracts with a network of corporate and public sector partners, eligibility to showcase products and services at conferences and access to leadership and training opportunities. In the absence of an official certification program in some countries, international affiliates advance supplier diversity efforts through self-registration programs, each operating under different standards and requirements according to each country’s safety and legal environments.

Effective supplier diversity programs go beyond sourcing to include providing funding support for the certification process, training opportunities, mentorship support and inclusive Request for Proposal (RFP) processes.

### Leading practices in supply chain

- Establish public commitment to LGBTQ+ human rights across supply chain operations; ensure company supply chain partners understand their responsibility in upholding corporate values of LGBTQ+ inclusion.
- Leverage existing resources including [UN Standards of Conduct for Business](https://www.un.org/) and [UN LGBTIQ+ Standards Gap Analysis Tool](https://www.un.org/) to build commitments.
- Conduct due diligence to identify supply chain stakeholders and potential risks for LGBTQ+ workers.
- Establish safeguards and processes to mitigate harm, including required training at all levels of the organization.
- Build accessible and effective cross-supply chain processes to report and address violations.
- Demonstrate company commitments through partnerships like the UN Global Compact and PGLE.
- Build a robust LGBTQ+ supplier diversity program to build organic diversity into supply chain operations.
The LGBTQ+ community deserves culturally competent, relevant and safe products and services, and the growing LGBTQ+ and allied market means that innovators in this space can drive brand loyalty and bottom-line results. By stepping forward to intentionally include LGBTQ+ people in product and service design – not just during Pride but year-round – business leaders can set the stage for a cascade effect across their industries, inspiring and challenging peers and competitors to do the same.

LGBTQ+ people report higher-than-average discrimination in many areas of accessing products and services. While some industries have more opportunities in this space than others, there is a clear business case for investing in products and services that meet the needs of the LGBTQ+ community. 63% of LGBTQ+ people say that brands “treat people like me as an afterthought.” Many LGBTQ+ people express a desire for more products that fit their lives, and 48% of Generation Z customers say they value brands “that don’t classify items as male or female.” What’s more, LGBTQ+ people are much more likely to be early adopters and to share opinions on products with their networks.

Understanding the customer
Understanding the needs of the LGBTQ+ community is essential to designing impactful products and services. It is especially important to engage the diverse spectrum of the LGBTQ+ community, taking into consideration individual and multiply-held identities, as well as intersections with other identities. This understanding can drive wins in product and service development. MassMutual provides financial advisors who are sensitive to the financial needs of the LGBTQ+ community, including in family planning and parenting and estate planning. NatWest lets customers record information about their customer support needs, including asking employees not to assume their gender when speaking to them. Blue Cross and Blue Shield of Minnesota hired a gender services consultant in 2020, to assist transgender and nonbinary members in navigating their care needs.

Understanding the customer is critical for customer-facing staff who play an outsized role in how LGBTQ+ people experience services. Training for cultural competence among customer-facing staff can make the difference between an uncomfortable, hostile, or even unsafe experience and one that is welcoming and affirming. Booking.com invested in research and found that 53% of LGBTQ+ Americans have had unwelcoming experiences at a property. This insight led to the creation of an online resource, Proud Hospitality, to help the company’s property partners provide a welcoming experience to LGBTQ+ guests.
Breaking the binary
Society reinforces a fixed, binary interpretation of gender that does not reflect the experiences of many people. Business leaders have the opportunity and responsibility to explore how they may be unnecessarily reinforcing that binary. This approach matters most for gender-expansive and nonbinary people, but it can also help businesses connect with other customers, too: As far back as 2016, only 44% of Generation Z customers said they always bought clothes “designed for their own gender,” and in 2022, 61% of Generation Z said that brands should do more to show that “style should not have a gender.”

Some product changes to get beyond the binary can be small but meaningful. In 2019, Lyft updated its app to allow passengers to specify pronouns; Uber announced in 2023 that it would do the same. Microsoft updated its Microsoft 365 products to allow users to display pronouns. American Express has offered a chosen name option on some cards for decades and HSBC offers gender-expansive options on all forms and paperwork. Facebook allows a single gender update to flow across pronouns on the platform. Business-to-business products can contribute, too: In 2022, SAP introduced chosen names and pronouns in its SuccessFactors product, and in 2023, Salesforce added fields for gender identity and pronouns in its products. These changes can cascade across the businesses that are powered by this software.

Mitigating safety risks online
When looking across their business for opportunities, corporate leaders must also think about unintended harms their products and services might create for the LGBTQ+ community. Nowhere is this more pressing than in online communities.

Significantly more LGBTQ+ people than their cisgender and straight peers say they get a “real sense of belonging” in online communities. But many online platforms have also been used to test and spread dangerous misinformation and propaganda about LGBTQ+ people, which can fuel discriminatory legislation and spark real-world violence. During Pride Month 2022, Media Matters reported that anti-LGBTQ+ rhetoric was far more common on Facebook than positive messages about Pride. In September 2023, Media Matters reported that YouTube reinstated its revenue stream for Matt Walsh, who repeatedly uses the platform to spread anti-transgender disinformation.

The case of X (formerly known as Twitter) is particularly troubling. As with many social media platforms, it had been a space for LGBTQ+ people to find voice and community, but had also had its share of safety and inclusion issues. But in recent years, the platform has become a hotbed for anti-LGBTQ+ propaganda. After Elon Musk took over as CEO in October 2022, he disbanded the company’s “trust
and safety” council, a group composed of experts including a number of LGBTQ+ organizations. In March 2023, tweets linking LGBTQ+ people to ‘grooming’ were up 119% since the takeover. In April 2023, X removed language from its “hateful conduct” policy that had protected transgender people from harassment. In June 2023, Musk announced that the platform would no longer enforce rules against deadnaming or misgendering users. And in June 2023, Musk himself posted that “cisgender” would be considered a “slur” on X, promoted a transphobic “documentary” from a right-wing outlet and liked tweets that praised states for passing gender-affirming care bans and that compare pride flags to Nazi flags.

The balance of free exchange of ideas and online safety will always be a difficult one, but today, even among companies with public commitments to diversity and inclusion, that balance is off, leaving LGBTQ+ people unsafe and increasing risks for real-life violence. Allowing threats and hate speech to run rampant undermines online communities’ accessibility and utility for LGBTQ+ people. Clear articulation of community standards and swift and consistent enforcement are key to making any corporate values of safety and inclusion work in online spaces. The disinformation about LGBTQ+ people that is often allowed to go unchecked online has real-world consequences that have to be part of any corporation’s analysis of its success as a corporate citizen. Companies should also ensure that they are protecting the privacy of their customers, given the increasing numbers of real-world threats stemming from online platforms.

Leading practices in products & services

- Invest in understanding the unique needs of LGBTQ+ people, across the spectrum of LGBTQ+ identities and intersectional identities.
- Ensure diverse LGBTQ+ people are at the table from start to finish when designing solutions for the LGBTQ+ community.
- Give product and service designers key performance indicators that measure how well they include LGBTQ+ and other marginalized communities in their work.
- Ask how people across the gender spectrum will access and experience a product.
- Look across offerings to explore how they may be unnecessarily and unintentionally reinforcing a gender binary that does not reflect people’s experiences.
- Assess potential harms to LGBTQ+ people when developing new products or services, including impacts on safety, handling of data, and user experience.
Women+ Connect: Listening to riders and drivers

In September 2023, Lyft launched a new “Women+ Connect” preference to allow nonbinary and women riders and drivers alike to request they be paired more frequently with nonbinary people and women. Lyft rolled out this preference in San Francisco, Chicago, Phoenix, San Diego and San Jose, with more cities coming soon.

Comfort of drivers and riders is top of mind for Lyft, and Women+ Connect creates a positive experience for riders and drivers while simultaneously attracting women and nonbinary drivers to Lyft. Lyft executives had heard from some riders and drivers who wanted to be matched more frequently with other women and nonbinary people. In developing the Women+ Connect product, Lyft engaged LGBTQ+ people and women in focus groups and partnered with HRC for input. The product allows users to self identify their gender, even if it is not reflected on their government documents. That gender identification is not shared with other users, including the rider or driver a user is paired with. (If a user inputs pronouns into their Lyft profile, those pronouns will be shared, but this is an optional feature for all users.)

Another goal for Women+ Connect is to attract more women and nonbinary drivers, who currently make up just 23% of Lyft drivers. People who identify as women are overrepresented as drivers for delivery apps, so Lyft leaders know that driving is a line of work, women are interested in. Company leaders hope that Women+ Connect can provide a driver experience women and nonbinary people will value.
As one of the most trusted institutions today, businesses have a unique opportunity to use their platforms to change hearts and minds for greater inclusion of LGBTQ+ people. Including diverse stories, families and identities across marketing channels and strategies has long been a driver of culture change, allowing LGBTQ+ people to see themselves and normalizing LGBTQ+ identities for those who are still on a learning journey about the community. Integrated marketing strategies that show the world the experiences of diverse LGBTQ+ people can introduce people to their LGBTQ+ neighbors and show the beauty, challenges and normalcy of their lives.

Celebrating Pride is a crucial step in companies’ journey of support for the LGBTQ+ community, and it and other key moments during the year will continue to be important for businesses to activate and engage. But the days of relegating LGBTQ+ stories to annual Pride campaigns or only in LGBTQ+ marketing channels, and of engaging with LGBTQ+ influencers without deeper planning, are over. LGBTQ+ people are in the workforce and in every community; their presence in a company’s marketing strategies and assets should not be an add-on or reduced to a few moments throughout the year. This kind of mindset change requires cross-enterprise input, buy-in and sign-off from leadership, and the ability of members of the community to be at the table and empowered to weigh in, from start to finish.

Business leaders have engaged in LGBTQ+ storytelling for decades, influenced by and sometimes leading on major policy issues of the day. During the AIDS epidemic, when stigma and misinformation were rampant, Converse and Nike ran campaigns featuring athletes living with HIV. As the conversation about marriage equality grew louder in the 90s, IKEA aired the first television ad with a same-sex couple. Subaru ran ads with clever double meanings that spoke to an understanding of the community; these were coded, in what was called “gay vague” advertising. By the 2010s, representation of LGB identities had gone mainstream. In 2012, JCPenney announced Ellen DeGeneres as a spokesperson and ran ads featuring two moms and later two dads. In 2013, as marriage equality cases were moving through the courts, Microsoft ran an ad that included a lesbian wedding and Amazon ran an ad that portrayed straight and gay couples in the same fun, positive light.

Today, with some of the harshest discrimination and propaganda aimed at transgender people, some businesses are telling inspiring and educational stories in mainstream channels. This work is especially important given that as of 2022, nearly 60% of American adults said they do not personally know a transgender person. In 2016, Nike featured transgender athlete Chris Mosier in a spot. In 2017, Vicks (a brand owned by Procter & Gamble) produced an ad for its Indian market that told the story of a transgender woman adopting a child and included a message about equal rights. In 2018,
Coca-Cola ran a Super Bowl ad that used diverse actors and a range of pronouns. In 2019, a Gillette ad (also a Procter & Gamble brand) showed a real-life father teaching his transgender son how to shave for the first time; the video had more than a million views in its first two days online.

Thoughtful, empathetic, and joyful storytelling can influence public discourse, reduce stigma and change lives, while humanizing and endearing brands to viewers. In the viral age, these stories can also get massive boosts online from the LGBTQ+ community and its allies.

Maintaining commitment in the face of extremist backlash

Today, there is a loud, well-funded minority of extremist actors in government, media and activist organizations who are attempting to turn back the clock on the progress of the past few decades. Their efforts include attacking corporate inclusion efforts across many of our six pillars. These attacks are limited in number, but the majority target corporate marketing campaigns.

When a company handles such attacks with appeasement to extremists, it can empower those extremists to escalate and expand their efforts, create momentum for the next such attack and alienate the LGBTQ+ community and its allies. HRC’s internal analysis of social media activity shows a pattern of greater negative sentiment when companies bow to extremist pressure and back away from their inclusive marketing and product efforts than from the initial attacks.

The recent experiences of two companies offer critical lessons in how to navigate and respond in a way that maintains corporate values and commitment to the community, and does not cause further harm or add momentum to extremism.

In April 2023, Anheuser-Busch InBev partnered with Dylan Mulvaney, a transgender content creator, to promote Bud Light in her social media channels. Far-right media activists went on the attack, and Anheuser-Busch’s response was tepid. “For a company to hire a trans person and then not publicly stand by them is worse, in my opinion, than not hiring a trans person at all,” said Mulvaney. “It gives customers permission to be as transphobic and hateful as they want.”

In May 2023, extremist individuals and groups falsely accused Target of pushing a radical and dangerous agenda via its Pride collection. They threatened the safety of Target employees and defaced displays, illustrating how online rhetoric can spark real-world violence. Target voiced a commitment to protect the safety of its employees, including LGBTQ+ employees who felt threatened, and at the same time, removed some products from its shelves and moved Pride displays to less visible areas of some stores.

While different, both of these conciliatory corporate responses sparked new rounds of backlash – this time from LGBTQ+ customers and allies – while doing nothing to satisfy extremist appetites.

Businesses committed to LGBTQ+ corporate citizenship cannot let the fear of extremism dictate their inclusion strategies, nor can they let appeasement of bad actors be part of their response to such attacks. They should instead develop proactive plans that prioritize the safety of customers and team members while also affirming unequivocal support for the LGBTQ+ community. And in fact, there are many more examples of companies executing inclusive marketing campaigns with no backlash, and of companies handling backlash the right way. Just one example: The North Face celebrated Pride Month 2023 with a cheeky ad featuring drag queen Pattie Gonia, paired with a rainbow clothing line and partnerships with a number of LGBTQ+ organizations. When commenters began to complain about the spot, the company responded with an unequivocal statement of its values and continued with business as usual.

Leading practices in marketing

• Ensure that underrepresented LGBTQ+ perspectives provide input from start to finish, within internal teams and for any vendors or partners.
• Include diverse LGBTQ+ people in market research and campaign talent.
• Look for authenticity and alignment with brand and business priorities.
• Establish long-term partnerships with LGBTQ+ organizations to provide counsel.
• Engage in year-round marketing as well as key moments, such as Transgender Day of Visibility and Transgender Day of Remembrance.
• Require inclusive language across all marketing efforts.
• Tie marketing stories to real-world action, from philanthropy to corporate advocacy.
• Set a zero-tolerance policy for hate speech, extremist behavior, threats to employees and harassment of brand ambassadors and partners.
• Build safety and response plans into marketing efforts so leaders are prepared to respond to any backlash in a way that affirms the company’s commitment.
• In the face of any extremist actions, refrain from taking “corrective” or placating actions.
#LoveTravels: Inclusive marketing in action

In 2014, it was clear to Marriott International that the LGBTQ+ community was underrepresented in marketing campaigns. Marriott decided to seize the chance to engage with an underrepresented demographic while contributing to social change and delivering business success.

Marriott’s #LoveTravels campaign launched in 2014, before the community secured marriage equality in the U.S. in 2015. Two of the goals of the campaign were to portray the LGBTQ+ community authentically, and to position Marriott as a leader in LGBTQ+ inclusion by elevating the brand’s long-standing values. The Marriott team conducted in-depth market research to understand the specific needs of LGBTQ+ travelers. The team worked to ensure that every aspect of the campaign, from visuals to messaging, was inclusive and respectful. Marriott launched the #LoveTravels campaign utilizing a multi-channel strategy, including a dedicated website, a social media strategy and partnerships with LGBTQ+ influencers and organizations.

The campaign made an impact in several key areas: Marriott saw increased bookings from LGBTQ+ travelers, demonstrating the financial benefits of inclusive marketing. The company also saw a significant increase in positive feedback from the LGBTQ+ community, and it garnered millions of likes, shares and comments on social media.

Connecting marketing and philanthropy, Marriott later launched its #LoveTravels Beyond Barriers initiative, which provided $500,000 in grants to groups advocating for inclusion, equality, peace and human rights.

By involving key stakeholders, authentically representing the LGBTQ+ community and achieving significant business results, Marriott set a benchmark for inclusive marketing that remains relevant and inspiring to this day.
Corporate America has a long history of philanthropic giving to address societal challenges, mitigate risk and burnish reputation. Companies can use their dollars as a demonstration of corporate citizenship, to address inequality, to care for the planet and to support the communities in which they operate.

Supporting the LGBTQ+ community year-round builds customer and employee loyalty by establishing a permanent and meaningful foundation of support for the health, safety and success of the community. Corporations partner with non-profit organizations and the communities they serve via direct donations, foundation grantmaking and corporate sponsorships; cause marketing campaigns, in which some proceeds from product sales trigger donations to partner organizations; in-kind donations or pro bono services; and facilitating, encouraging or matching employees’ charitable giving.

No matter which mechanism(s) companies engage in, where the money and resources are directed matters. In 2018, Funders for LGBTQ+ issues found that for every $100 American foundations awarded to LGBTQ+ organizations, only 4 cents went to trans-led organizations. This funding disparity is particularly disheartening given the disproportionate impact of recent attacks on transgender and nonbinary people. Given these attacks on transgender rights and disproportionate negative impacts on LGBTQ+ people of color, corporate philanthropists should seek out opportunities to fund organizations led by these communities in ways that enable them to support their operations and grow their impact.

**Spotlight on cause marketing**

One very visible way that companies direct funds to LGBTQ+ organizations is through cause marketing campaigns, particularly during Pride month. For example:

- IKEA’s rainbow shopping bag is sold year-round. During Pride month, 100% of proceeds are donated to a selected LGBTQ+ charity in the U.S.
- Kiehl’s created a limited edition face cream, with 100% of proceeds donated to the Tegan and Sara Foundation.
- Milk-Bone created Pride-themed dog treats during Pride, pairing the product with a $50,000 donation to the Human Rights Campaign.
- Pop-Tarts released a special Pride box featuring art by queer illustrator Thaddeus Coates, with grants going to four BIPOC LGBTQ+ organizations.
- KAY Jewelers designed a gold Pride necklace in partnership with the Human Rights Campaign and pledged $100 to HRC for every necklace sold.
In addition to financial benefits, these campaigns can raise awareness about causes and organizations and add to the storytelling work discussed in the Marketing pillar. However, because they are typically time-limited, they might offer LGBTQ+ organizations less-sustainable financial support and exposure. Such campaigns are also sometimes targets for criticism and charges of “rainbow-washing” from the LGBTQ+ community, especially if a company’s other activities do not align with the values represented by the cause marketing campaign. Coupling these initiatives with longer-term philanthropic funding, as well as working meaningfully across the six pillars covered in this report, can help such gifts be more sustainable for recipient organizations and better received by the public.

**Spotlight on employee matching**

Corporations have been matching charitable donations made by employees for decades, encouraging giving by employees while increasing their own donations to organizations that their employees support. Such matching has created challenges in recent years, as watchdog reporting has revealed that some companies and the third-party platforms they use to facilitate these programs do not have guardrails in place to avoid matching donations to extremist, violent or discriminatory organizations. This means that committed corporate allies might be giving to anti-LGBTQ+ organizations without even knowing it. Companies should review their matching programs and can work with trusted LGBTQ+ organizations to identify organizations that are structured as charities but whose missions and activities are focused on promoting discrimination against LGBTQ+ people. Using lists like the Southern Poverty Law Center’s list of designated hate and extremist groups is also a helpful place to start.

**Leading practices in philanthropy**

- Regardless of the giving mechanism, seek to level the playing field for Black, Indigenous and People of Color (BIPOC) and trans-led organizations, which are chronically underfunded among LGBTQ+ nonprofits.
- Consult with and include LGBTQ+ leaders when shaping giving strategies.
- Diversify philanthropic giving to include unrestricted funding, longer-term grants to support infrastructure and operating costs and in-kind support where impactful.
- Provide sustained philanthropic giving year-round — not only during Pride month.
- Work across the six pillars of corporate citizenship to ensure that company commitment to inclusion goes beyond and is integrated with philanthropic giving.
- Develop guardrails and utilize vendors that prevent donations or matching to anti-LGBTQ+ hate groups, and review these organizations regularly.
Giving as a vehicle for change: Philanthropy that responds to the moment

Lush Cosmetics has integrated philanthropic giving, marketing and advocacy into their business model for years. They make charitable contributions via grantmaking and cause marketing campaigns, and create opportunities for customers to engage in advocacy as part of their shopping experience.

Since 2007, Lush has distributed $56 million in grants to small nonprofit organizations in North America via their Charity Pot product, including $1.9 million to LGBTQ+ organizations (including specifically trans-led organizations). Organizations with annual budgets under $500,000 are eligible to apply for unrestricted grants, and the grant application is intentionally simple to allow organizations without dedicated development staff to apply. Lush’s giving includes a wide range of issues beyond LGBTQ+ equality, including climate change, racial justice and animal rights.

Lush also creates products for cause marketing campaigns, with 100% of the purchase price dedicated to charity. These efforts also educate customers about the cause behind the campaign. In response to a wave of anti-transgender legislation in 2018, Lush raised $450,000 for trans-led organizations over fourteen days. Lush consulted with National Center for Transgender Equality (NCTE) to ensure that funds went where they were most urgently needed. In 2022, Lush sold a bar of soap emblazoned with “Gay is OK” to raise funds for Equality Florida in the wake of the so-called “Don’t Say LGBTQ+” legislation in the state. That year, Lush wove in marketing and advocacy efforts too, setting up QR codes in 37 stores across ten key states to allow customers to contact their Senators and urge them to support the Equality Act, and dedicated donations to organizations working to pass the bill. Also in 2022, as Texas Gov. Greg Abbott directed state agencies to investigate the families of transgender kids, all 210 Lush stores in the U.S. placed a simple message in their store windows: “Trans Kids Belong.” This combination of giving, advocacy and marketing illustrates the way corporate allies can develop integrated actions across the pillars of corporate citizenship.

Lush also benefits from its philanthropic efforts, including in employee satisfaction and retention, a loyal and educated customer base and a strong pro-LGBTQ+ brand. These campaigns influence Lush’s internal processes as well: While preparing for the 2018 trans-focused cause marketing campaign, Lush instituted workplace inclusion practices to support transgender and nonbinary employees in changing their names and pronouns, conducted inclusive trainings for managers, sought out more inclusive insurance providers and created a healthcare insurance liaison to answer coverage questions from LGBTQ+ staff.
Advocacy & Political Engagement

Businesses engage in political advocacy – publicly and privately, in local, state and/or federal contexts – on issues that present short- and long-term risk and opportunity to their operations, workforce and bottom lines. In the past decade, advocating for the rights of LGBTQ+ people has become a critical element of corporate public policy strategy for many businesses, due to expectations from and impacts on workers and customers and the evolution of corporate values as part of corporate identity and business strategy.

Some corporations also engage in political giving as part of risk mitigation and revenue considerations. Highly regulated industries, including (but not limited to) financial services, healthcare, telecommunications, construction and energy, are more likely to make political donations given the heightened impact of laws and regulations on their operations. While these practices are considered non-negotiable in some industries, there is growing realization among the public that political giving and stated commitment to LGBTQ+ rights and safety are sometimes diametrically opposed. This can even be

A history of corporate LGBTQ+ advocacy

While there are hundreds of examples of successful corporate advocacy, big and small, public and private, below are some of the most notable public actions of recent years. These examples, while not exhaustive, encompass support for passage of proactive legislation to protect LGBTQ+ people and their families, as well as efforts to prevent harmful legislation from passing or remaining in effect.

2014
- Since 2014, nearly 550 large employers in the United States have signed onto HRC’s Business Coalition for the Equality Act, publicly supporting passage of federal non-discrimination protections for LGBTQ+ Americans nationwide.
- In 2015, businesses voiced opposition to help overturn Indiana’s “Religious Freedom Restoration Act” (RFRA), which permitted discrimination against LGBTQ+ people. Vocal actors included the Indiana Chamber of Commerce and companies with headquarters or major operations in Indiana, such as Salesforce, Angi and Cummins.
- Businesses respond to North Carolina’s discriminatory HB2 “bathroom bill” aiding in its repeal, including decisions by PayPal and Deutsche Bank to withdraw expansion plans in the state.
- The Texas Association of Business, business coalition Texas Competes and companies like Dell, American Airlines, Apple and Southwest Airlines spoke out against the state’s “bathroom bill,” helping to prevent its passage.
- Dozens of large companies joined an amicus brief to the U.S. Supreme Court in the Masterpiece Cakeshop, Ltd v. Colorado Civil Rights Commission, arguing that businesses must be open to all.

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true in cases in which companies use their voices to advocate for equality, but also make political donations to politicians who work against the safety and freedoms of LGBTQ+ people. In the social media age, companies are more likely to see these contrasts and contradictions called out by members of the public, employees, LGBTQ+ groups and the media.

The complexities of corporate advocacy are compounded for businesses that operate on a global scale, especially in countries where identities are criminalized. In these cases, businesses should lean in as much as possible on their human rights commitments, make workplaces safe and inclusive havens in ways that don’t jeopardize LGBTQ+ people in their communities and use their influence in advocacy where possible.

The business case for corporate advocacy

The American public has never been more out and allied. Pro-equality legislation has been successful like never before, in statehouses, at the ballot box and in Congress. This progress has been met with an intense backlash by opposition groups – including Alliance Defending Freedom and The Heritage Foundation, each with annual revenue over $100 million – seeking to roll back LGBTQ+ rights.

In 2023, the increasing efforts to legislate discrimination across the country resulted in HRC’s first ever State of Emergency declaration in its 40 year history: More than 550 pieces of anti-LGBTQ+ legislation were introduced across 41 states, and more than 80 of these bills became law, many directly affecting BIPOC, transgender and nonbinary people. This unprecedented level of attacks – many of which revived homophobic and transphobic themes of decades past – comes not from real issues but from a coordinated, top-down moral panic driven by a few well funded and well-connected organizations.

These threats create operational and bottom-line risks, while also putting pressure on companies that profess solidarity with the LGBTQ+ community. Companies with multi-state and multinational workforces are particularly impacted, given the complex nature of navigating a patchwork of policy landscapes impacting workforce recruitment and retention, as well as employees’ sense of safety in their communities.

Consistent policies across cities, states and the federal government are good for business, including when it comes to policies that allow LGBTQ+ people to be safe and to participate fully at work and in their communities. Similarly, companies need to be able to make their own decisions about what is best for their workforce when it comes to diversity, equity, and inclusion (DEI). Anti-LGBTQ+ policies, even when they do not become law, create strain on business operations and on individual workers and their families. For example, nearly one-third of all LGBTQ+ adults are seriously considering or choosing to move away from states where gender-affirming care bans are passed. In addition, more than one in

- The Yes On 3 campaign launched and won a ballot initiative to protect transgender people from discrimination in public places in Massachusetts, including public support from nearly 1,500 businesses and funding from the business community.
- More than 220 companies across industries signed a letter and lobbied behind the scenes to pass the Respect for Marriage Act in Congress.
- More than 200 companies joined an amicus brief in the Bostock v. Clayton County case in support of LGBTQ+ employment nondiscrimination.
- More than two dozen companies signed a letter to support the Virginia Values Act, which became the first statewide LGBTQ+ non-discrimination law in the South.
- The business community joined with LGBTQ+ movement leaders to support Michigan lawmakers to amend the state’s Elliott-Larsen Civil Rights Act to include sexual orientation and gender identity.
- As of the end of 2023, more than 300 large employers have publicly stated opposition to anti-LGBTQ+ state legislation, and more than 100 large employers have pledged to “Count Us In” and support the transgender and nonbinary communities with action.
four (28%) LGBTQ+ adults and over 40% of transgender and nonbinary adults would leave their current job to relocate. Beyond individual impacts to worker safety, productivity, and willingness to remain in a state where laws create safety risks, companies are facing challenges in planning work-related travel for their employees. The expense platform SAP Concur found 82% of LGBTQ+ business travelers had changed accommodations at least once in the past 12 months because they felt unsafe, compared with 70% of U.S. business travelers overall.

Against this backdrop, the LGBTQ+ community and its allies have growing expectations for sustained political action from companies. According to the Human Rights Campaign Foundation’s analysis of the 17th Annual LGBTQ+ Community Survey, over 80% of LGBTQ+ adults want companies to take a political stand to support transgender rights. Today, corporate advocacy is needed more than ever to sustain existing protections and ensure full non-discrimination protections are in place for all LGBTQ+ people nationwide.

Strategies for corporate allyship in action

How companies engage in advocacy matters, especially as observers in the community and within the workforce become more savvy in analyzing the authenticity and impacts of corporate actions. Broad statements of support for LGBTQ+ rights no longer pass muster in the public eye, as the community discerns the difference between words and influential action. Corporate advocacy must be rooted in principles of authenticity and commitment, endeavoring towards boldness whenever possible. When the LGBTQ+ community feels at risk, they expect the corporate allies that have promised them solidarity to take risks, too. A strategy built across the six pillars in this report builds authenticity that can fuel and guide advocacy efforts, as well as helping companies authentically engage and avoid the appearance of being “performative.”

Smart advocacy should also be agile and able to be public-facing or behind the scenes as conditions on the ground dictate. Customers, employees and LGBTQ+ people broadly tend to want to see companies take public stances, and it’s true that such public actions have been influential at some key moments. However, countless anti-LGBTQ+ bills have been defeated when employers and business groups privately voiced concerns to lawmakers about impacts to business operations and bottom lines. Collaborating and communicating with LGBTQ+ movement organizations is key to determining the best strategy at any given moment.

Public action

Public statements from corporate leaders establish a bright line for the employer(s) in upholding their stated values of inclusion and demonstrate to employees and customers alike where they stand. However, in the current climate in which business voices are being heavily discounted, statements alone are often not enough. Going beyond statements in public might involve giving written or oral testimony in a legislative session, signing onto an amicus brief before a court or publicly sharing real-world experiences and data – particularly financial impacts – of legislation that impacts the LGBTQ+ community. If or when a company or industry association is impacted by an anti-LGBTQ+ policy, or makes a business decision in response to a policy (such as canceling an event or investment), they should make that information known to lawmakers, and if possible, the public.

Private action

Private education and outreach to lawmakers can help dispel misconceptions and provide a nuanced understanding of LGBTQ+ issues from a business perspective, appealing directly to lawmakers who prioritize related issues such as economic growth and opportunity. Doing so well ahead of the next wave of discriminatory legislation can help inoculate legislators and their staff to the myths and moral panics used to promote such policies.

While behind-the-scenes work almost always must remain unsung, in order to preserve the ability to use these tactics again, it is an important factor in why 90+% of anti-LGBTQ+ bills never make it to the floor of a statehouse or Congress. Companies that engage in this work should make an effort to educate employees about it, even if they cannot give specifics.

Strength in numbers

Business leaders can create networks and coalitions to mitigate risk and magnify their influence and power. Unified action underscores the reality that LGBTQ+ equality is an issue across industries and geographies; it also can help shield individual businesses from legislative retaliation by creating strength in numbers. Corporate leaders are ideally suited to reach out to peer businesses, trade and professional associations, chambers of commerce and tourism bureaus to encourage their involvement.

Coalitions like HRC’s Business Coalition for the Equality Act, with over 550+ large employers supporting non-discrimination protections at the federal level, and state coalitions like Texas Competes and Ohio Business Competes, create spaces for sharing intel, synchronizing strategies and messaging and presenting a unified front to lawmakers and the public. These coalitions can also make statements in urgent moments, when individual corporate decision-making on getting a statement
out can be slower than the political and news cycles.

HRC’s Count Us In pledge, with over 100+ large employers, is a collective pledge to action to support transgender and nonbinary employees and their families. Similarly HRC’s national business statement opposition anti-LGBTQ+ state legislation secured nearly 350 large employers to oppose discriminatory state legislation and has been used by advocates in state legislative sessions to point to a unified business voice opposing these kinds of bills.

Activating employees and customers
Businesses can add to their own activities by educating and empowering their employees and customers. Companies can bring in speakers to educate workers about LGBTQ+ policy issues as well as about the advocacy process itself, and partner with LGBTQ+ organizations to connect employees to advocacy programs and host non-partisan “Get Out The Vote” efforts.

Companies can also leverage their customer networks to grow people power. A recent example is HRC’s partnership with Match Group, which activates audiences across their brand portfolio. Tinder users have advocated to end the FDA’s discriminatory blood donation policy, shared resources on Mpox vaccinations and pledged to come out against anti-LGBTQ+ hate with HRC.

Leading practices in corporate advocacy

- Seek guidance from trusted LGBTQ+ movement partners and LGBTQ+ and allied employees.
- Choose public and/or private actions based on legislative intel and advice from LGBTQ+ partners.
- Educate employees about the need for private actions so they have a more nuanced understanding of decision-making.
- Recruit and leverage peers; build and join coalitions to grow power and mitigate risk and activate trade and professional groups.
- Demonstrate to lawmakers, with stories and data, why LGBTQ+ equality matters to employees, shareholders, and leadership
- Track financial and other impacts and regularly update talking points for key staff to share with policymakers.

Navigating political giving

For some corporations, especially in highly regulated industries, political giving is an integral part of the business model. Donations to candidates in state legislatures and in the federal government are motivated by a desire to develop and maintain productive relationships with people who make consequential decisions that can impact bottom lines and business viability. But corporate leaders must acknowledge the ways in which the LGBTQ+ community is weaponized by some lawmakers – including lawmakers they may give to for entirely unrelated reasons – resulting in real-world harm.

Employee-funded political action committees (PACs) can cause special concern among employees when those PACs are used to donate to politicians whose votes put them and their loved ones in jeopardy. By financially supporting the architects of these bills, even if for very different policy reasons, corporate donors are participating in today’s anti-LGBTQ+ political climate. For companies that support and champion their LGBTQ+ employees and customers in other spheres, but that have board-level directives to engage in political giving, these dynamics have created significant challenges.

Every business that values inclusion and belonging can start now by reviewing their political giving programs in order to understand the extent to which they are supporting candidates who are committed to undermining LGBTQ+ equality. When business-critical relationships exist with elected leaders who don’t align with a corporation’s values in some areas, companies should try to mitigate harm, reaching out to lawmakers to share data and insights about the business impacts of discriminatory policies. However, the collective goal of eradicating anti-LGBTQ+ sentiment and building a world in which all LGBTQ+ people are safe and celebrated would require a massive shift in the current landscape, resulting in a world in which no corporation would direct donations to vehemently anti-LGBTQ+ elected officials.
In 2023, AT&T released a first-of-its kind “Political Congruency Report” on its 2022 political giving, reporting on the extent to which its political donations lined up with votes on policies that benefit the business and the company’s values. Federally, AT&T considered at least one bill directly impacting LGBTQ+ people: the Respect for Marriage Act. For state legislatures, the published analysis was unclear about which bills in which states were considered. Given the fact that scores of anti-LGBTQ+ and anti-transgender bills were filed and received votes in states that year, it’s likely that most of these bills were not included. However, given the significant intransparency of how companies assess and make political donations, the publication of this analysis is a helpful first step toward transparency that can lead to productive conversations with stakeholders, including in the workforce and the wider LGBTQ+ community.

In 2022, cloud computing company VMWare (now part of Broadcom) added DEI leaders and a member of each employee resource group (ERG) to its PAC board. This led to a shift: the PAC board was able to bring forward new reasons to recommend a lawmaker to receive donations, including alignment with ERG values and long-term (2030) corporate goals. For all lawmakers who received PAC money, the board explained their rationale and acknowledged any of the lawmaker’s positions that were not in line with the company’s 2030 goals. The company published the qualifications they used in their PAC giving decisions, and leadership worked with the ERG members on the PAC board to explain the rationale behind potentially controversial donations, to address as many concerns as possible.

Leading practices in political giving

- Start now with transparency in the company’s political giving history and process, including when such giving does not line up with stated company values.
- Evaluate the severity of a potential recipient’s actions on LGBTQ+ issues, including:
  - Whether the potential recipient has been a recent lead author or sponsor of one or more pro- and/or anti-LGBTQ+ legislation.
  - Any public remarks and campaign rhetoric relevant to LGBTQ+ people.
  - Leadership of a legislative body or committee that has recently passed anti-LGBTQ+ legislation.
- Create avenues for employees to have access to information about and give feedback on political giving decisions, particularly employees who give to a company PAC.
- Develop a policy for pausing donations during major inflection points, with predetermined periods of reassessment.
- Regularly review LGBTQ+ organization’s endorsements and legislator scorecards to understand community sentiment and priorities.
Our Call
To Action

The Human Rights Campaign Foundation seeks to provide every possible resource to help businesses stand in solidarity with our community. In presenting this framework, we are calling businesses to introspection, inspiration, exploration, and action. We encourage companies to do what they can, where and when they can, to live out their values of equality, which is why this report spans six pillars of activity, with many examples and leading practices presented in each. There is so much opportunity to keep meeting the moment, and we know that together, we can carry this collective vision forward into the next phase of our work.

We invite corporate partners who have committed to the work of LGBTQ+ equality to share this report across your businesses, and use it to engage key internal and external stakeholders in discussion and exploration. Our hope is that businesses will use the guidance to develop and experiment across their own operations, and then share their experiences with us and with other businesses, sparking a new race-to-the-top that benefits businesses and LGBTQ+ communities alike.

This is not a one-time report: As we work with our business partners, we will continue to uplift and elevate businesses that are innovating across these six pillars of corporate citizenship. We invite you to reach out to the Human Rights Campaign Foundation's Workplace Equality team to share your reactions and examples of corporate citizenship within your workplaces at workplace@hrc.org.

Thank you for being partners in this work. Onward.
This guide is brought to you by the Human Rights Campaign Foundation’s Workplace Equality and Stakeholder Engagement Programs. We’d like to thank our staff, partners and advisors – in particular, the HRC Business Advisory Council for their contributions to the guide. A special thanks to case study participants Deloitte, Lyft, Marriott and Lush Cosmetics.

**HRC Foundation**

The HRC Foundation — a tax-exempt 501(c)(3) organization — envisions a world where all LGBTQ+ people can participate fully in the systems that shape our daily lives. Through public education, research, and policy and practice change, the Foundation’s impact can be felt in schools, on factory floors and corporate suites, and in places of worship. It touches LGBTQ+ lives from childhood through end-of-life, people of all races, ethnicities, sexual orientations, gender identities, abilities and religious beliefs, in big cities and small towns, in the United States and across the globe.

The Workplace Equality Program

Since 1998, HRC Foundation’s Workplace Equality Program has achieved dramatic advances in LGBTQ+ equality by encouraging workplaces in the U.S. and beyond to adopt inclusive employment policies, practices and benefits. By educating corporate entities and benchmarking corporate practices, the HRC Foundation has motivated employers to adopt inclusive workplace benefits and protections that directly impact the lives of millions of LGBTQ+ workers and their families.

One way the Workplace Equality Program does that is through the Corporate Equality Index (CEI). It is the premier national benchmarking tool measuring policies, practices, and benefits pertinent to lesbian, gay, bisexual, transgender, and queer (LGBTQ+) employees. It is the primary driving force for LGBTQ+ inclusion as it continues to show incredible growth in the number of employees committed to inclusive workplaces. In addition to the CEI, the Workplace Equality Program researches, develops, and advocates for greater equity and inclusion for LGBTQ+ workers at the federal, state, and local levels, and provides support to employers seeking to enhance LGBTQ+ inclusion through education, training, policy, and consulting assistance.

Additionally, our Global Workplace Equality Programs were established to grow and promote LGBTQ+ inclusion among companies and U.S. multinationals in Latin America and recognize businesses for their efforts. Through HRC Equidad MX, CL, and Equidade BR, the HRC Foundation promotes the adoption of critical practices and policies that reflect the employer’s commitment to LGBTQ+ equality.

The Stakeholder Engagement Program

The stakeholder engagement program aims to build, foster and activate equality-minded stakeholders of the HRC Foundation to advance LGBTQ+ inclusion and equality and defeat anti-LGBTQ+ efforts through federal, state and legal advocacy initiatives. By collaborating with institutional allies, HRC leverages sector-specific resources, influence, and expansive reach amplifying our impact on policy objectives. Through timely and careful relationship management we empower institutions such as companies and associations and their networks to be champions for LGBTQ+ public policy initiatives and to increase their public policy engagement over time. Our diverse set of stakeholders include businesses, professional associations, higher education institutions, health and youth well-being organizations, and more, all united in our commitment to advancing LGBTQ+ rights and equality.

**Methodology**

This report was compiled using publicly available data; anonymized insights from corporate partners; publicly available examples of corporate actions in support of the LGBTQ+ community, and case study interviews with corporate partners conducted during the fall of 2023.