

NETFLIX**Netflix**

Locations: California (HQ)

Industries: Media and Entertainment

RISK LEVEL:**Medium Risk****DESCRIPTION:**

Netflix often yields to political activism in shaping corporate governance, potentially alienating consumers, dividing employees, and harming shareholders. The company implements race and identity-based policies that replace merit, excellence, and integrity with preferential treatment and outcomes. Netflix occasionally embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues at times. This approach fails to safeguard free exercise, free speech, and free enterprise.

Corporate Weaponization

Has canceled customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. Medium Risk

Netflix's HRC 2023-2024 CEI rating indicates the company recruits employees based on sexual identity. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). Netflix decided not to film their show Outer Banks in North Carolina due to the state's "bathroom bill" (3). In 2019, Netflix said it would "rethink" its decision to continue production in Georgia if the state's new abortion law went into effect (4). In 2022, the company received lots of press for standing behind the free-speech, artistic expression of a comedian, Dave Chappelle, on its platform (5). Netflix added an "artistic expression" section favoring free speech to its corporate culture guidelines, telling employees who are uncomfortable with allowing content they can leave (6). As a result of hosting Dave Chappelle's show, the Human Rights Campaign dropped Netflix from its 2022 Corporate Equality Index (7).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. High Risk

Netflix's HRC 2023-2024 CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2). The company does not appear to discriminate against charitable organizations based on views or beliefs (3)(4).

Employment policies fail to protect against viewpoint or other discrimination and/or are ideological in nature. Medium Risk

Netflix does not provide viewpoint protections for its employees (1)(2).

Corporate Governance and Public Policy

Uses corporate reputation to support causes, organizations, or policies hostile to freedom of expression. High Risk

Netflix claims to be “the only major entertainment company to have commissioned and published independent research into diversity in [its] content” (1). The company signed an open letter in support of the Equality Act, a controversial bill and denounced state efforts to reform its election processes (2)(3). Netflix showcases a variety of content on its platform, including its own shows, that promote LGBTQ ideology and also added a “Black Lives Matter” collection to its platform (4)(5)(6). The company’s former CEO, Reed Hastings, signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace (7)(8). Netflix scored a 65 out of 100 on the 2023-2024 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group (9)(10).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. High Risk

Netflix provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children (1)(2)(3)(4). The company’s HRC 2023-2024 CEI rating indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging (5)(6). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. Netflix has donated to Planned Parenthood (7)(8)(9). The company also offers comprehensive “non-binary-inclusive care” and “adoption, surrogacy and parental leave for same-sex couples”. Netflix also claims to be “the only major entertainment company to have commissioned and published independent research into diversity in [its] content” (10). The company pledged \$205 million to BLM and related causes and is a corporate partner of the National LGBT Chamber of Commerce (11)(12)(13)(14).

Uses corporate political actions and/or financial contributions for ideological, non-business purposes. Lower Risk

Netflix’s PAC has been defunct since 2016 and the company has not lobbied for ideological purposes (1)(2)(3).

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