

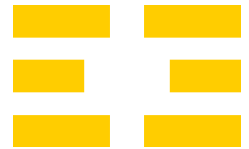


Gusto

Locations: California (HQ)

Industries: Accounting Payroll & HR Services

RISK LEVEL:



Medium Risk

DESCRIPTION:

Gusto scored a 70 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with the HRC's controversial demands, Gusto increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children. Gusto uses its corporate funds to support controversial sex and gender ideologies and organizations. The company vets vendors according to LGBTQ policies and does not provide viewpoint protections for its employees. However, Gusto has not publicly terminated business relationships based on views or beliefs. The company signed an open letter in support of the Equality Act and opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces. Gusto's CEO opposed any changes to the immigration system under then-president Trump, and the company's social media accounts have supported Black Lives Matter (BLM). The company co-signed a letter to law firms demanding an improvement in diversity in order to retain business with the company. However, the company does not discriminate against charitable organizations based on views or beliefs and has not lobbied for ideological purposes. For these reasons, Gusto receives a Medium Risk rating.

Corporate Weaponization

Has denied service to 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**

Gusto has a written policy pledging to vet vendors for LGBTQ policies. Its nondiscrimination policy requires vendors to include sexual orientation and gender identity in its nondiscrimination policy (1). However, the company has not publicly terminated business relationships due to political views or religious beliefs.

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

Gusto does not discriminate against charitable organizations based on views or beliefs (1).

Employment policies fail to protect against discrimination based on political affiliation/views and/or religion. **High Risk**

Gusto (1)(2). Gusto does not provide viewpoint protections for its employees (3).

Corporate Governance and Public Policy

Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression. High Risk

Gusto signed an open letter in support of the Equality Act (1). Gusto opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade (2). Gusto was part of the Freedom for All Americans coalition, which advocated for federal legislation that would overrule state laws designed to protect girls' sports and similar laws(3). The company has used its Twitter page to endorse the BLM movement and support the pay inequity narrative (4)(5). Gusto's CEO Joshua Reeves also published a memo opposing (potential) Trump-era immigration policy in January 2017, a few days before Trump's inauguration (6). The company co-signed a letter to law firms demanding an improvement in diversity in order to retain business with the company (7).

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

Gusto 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 (1)(2). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. The company also raised \$70,000 for the American Civil Liberties Union (ACLU) in 2017 (3)(4).

Uses corporate political contributions for ideological, non-business purposes. Lower Risk

Gusto does not operate a PAC at this time and has not lobbied for ideological purposes (1)(2)(3).

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