



## **Pegasystems**

Locations: Massachusetts (HQ) Industries: Software and Services



**RISK LEVEL:** 

High Risk

## **DESCRIPTION:**

Pegasystems (Pega) is High Risk. The company 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. Pegasystems embraces corporate initiatives that redirect its central focus from business goals to partisan policies and divisive issues. 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 Medium Risk corporately boycotts, divests, or sanctions regions, people groups, or industries.

Pegasystems received a score of 95 on the 2025 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). However, Pegasystems has not publicly canceled customers, suppliers, or vendors based on political views or religious beliefs (3).

Charitable giving (including employee matching programs) policies or practices discriminate

High Risk against charitable organizations based on views or religious beliefs.

Pegasystems' HRC 2025 CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies ( $\underline{1}$ )( $\underline{2}$ ). Pegasystems offers an employee donation-matching program, however, its giving guidelines are not publicly available ( $\underline{3}$ ).

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

Pegasystems' HRC 2025 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). Pega invested in its Inclusive Leadership and Diversity training to expand its DEI initiatives for all employees (3). Pegasystems does not provide viewpoint protections for its employees (4).



## **Corporate Governance and Public Policy**

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

Pegasystem' HRC 2025 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy. By doing so, the company risks dividing employees, alienating customers and harming shareholders (1)(2). Pegasystems created partnerships with companies including Areteans and EY to expand ESG criteria (3). Additionally, Pegasystems partners with Sustainability Roundtable and the Tech Compact for Social Justice to advance ESG goals (4). Pegasystems offers self-identification for LGBTQ individuals (5). Pega Systems presented at Rainbow Railroad, an LGBTQ non-profit (6).

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

Pegasystems' HRC 2025 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. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology. By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders (1)(2). Through Pegasystems Inclusion and Diversity Investments, it supports, Lesbians Who Tech, Campaign Against Homophobia, and The Trevor Project (3). The company's Brand Ambassador Program includes Mel Reid, an LGBTQ golfer (4). Pega Systems was a Bronze sponsor of RISE, an LGBTQ focus Job Fair in India and a Brass Sponsor of Out & Equal (5)(6). Otherwise, there are no publicly known cases of Pegasystems using corporate funds to advance ideological causes, organizations, or policies (7).

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

Pegasystems' HRC 2025 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives. By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders ( $\underline{1}$ )( $\underline{2}$ ). Pegasystems does not operate a PAC at this time and has not reported on its lobbying ( $\underline{3}$ )( $\underline{4}$ )( $\underline{5}$ ).

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