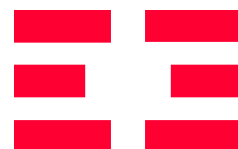




IBM

Subsidiaries: Red Hat Software, Aspera
 Locations: New York (HQ)
 Industries: Cloud & Data Storage, Software and Services, Technology
 Hardware and Equipment

RISK LEVEL:



High Risk

DESCRIPTION:

International Business Machines Corporation (IBM) 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. IBM 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 corporately boycotts, divests, or sanctions regions, people groups, or industries. Medium Risk

IBM'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). IBM was a member of the Global Alliance for Responsible Media, which demonetized and suppressed content that it deemed to spread "hate speech" or "misinformation", discuss "debated social issues in a negative or partisan context", or "vilify" individuals based on sexual orientation and gender identity. These arbitrary guidelines were used to censor mainstream perspectives online (3)(4)(5). However, the company has not publicly canceled customers, suppliers, or vendors based on political views or religious beliefs (6).

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

IBM'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 will not match gifts to "religious organizations" (3).

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

IBM's HRC 2023-2024 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 gender transition guidelines for its employees and specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). America First Legal filed a letter with the EEOC requesting a civil rights investigation into over discriminatory IBM practices in hiring (3)(4). IBM had an "Internship for Underrepresented Minorities" that bars applicants based on race, excluding White or Asian applicants (5). The company does not provide viewpoint protections for its employees (6).

Corporate Governance and Public Policy

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

IBM's HRC 2023-2024 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (1)(2). By doing so, the company risks dividing employees, alienating customers and harming shareholders. The company affirms gender transitions for those who wish to do so (3). IBM signed an open letter in support of the Equality Act, a controversial bill (4). The company has also used its corporate image to express opposition to state-led voter and election security initiatives (5)(6). IBM has also been an open supporter of legislation involving police and immigration reform for DREAMERS (7). The company opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade (8). IBM is also a partner of OneTen, prioritizing race in its hiring practices (9). CEO Arvind Krishna is a member of the Business Roundtable and Former CEO Ginni Rometty signed its 2019 Statement on the Purpose of a Corporation, which promotes stakeholder capitalism over traditional obligations to shareholders (10)(11). Red Hat Software has also signed an open letter in support of the Equality Act, a controversial bill (12). The company opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces (13). IBM signed an amicus brief in opposition to the 2016 North Carolina bathroom bill HB2, which required people to use the bathroom of their biological sex (14). The company's former CEO, Gianni Rometty, signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace (15)(16). IBM also released 3 education modules on LGBT+ topics (17).

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

IBM 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). IBM'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. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (4)(5). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. IBM is a bronze partner of the HRC (6). The company enables charitable gift-matching donations to Planned Parenthood (7). IBM is a Bronze sponsor of Out and Equal and a founding corporate partner of the National LGBT Chamber of Commerce (8)(9). The company used to fund only minorities through portions of its scholarship program but backtracked following conservative reports on the issue (10). IBM is a member of the MCCA, indicating its focus on recruiting, retaining, and promoting employees based on race (11)(12). The company was a member of the Global Alliance for Responsible Media (14)(15)(16).

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

IBM's HRC 2023-2024 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. IBM does not operate a PAC at this time but has lobbied for the Equality Act (3)(4)(5).

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