

MARKET RESOURCE

Protect Third-Party Workforce Freedom

How companies can respect vendor autonomy, avoid ideological pressure, and protect third parties from religious or political discrimination.

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WHY IT MATTERS

Large companies can influence the employment policies of thousands of independent businesses through supplier codes, contracts, onboarding requirements, and reporting systems. Vendors should be able to comply with the law and protect workers from genuine abuse without being pressured to adopt a customer's preferred social, political, or workplace agenda.

The Core Principle

A company may set reasonable standards for quality, safety, ethics, legal compliance, and human rights. It should not use its purchasing power to control a vendor's lawful internal employment policies or require ideological alignment unrelated to the goods or services being provided.

Vendor freedom also requires equal treatment. Suppliers, contractors, and other business partners should not lose access to opportunities because of their religious beliefs, political affiliation, ideological viewpoint, or lawful expression.

What the Score Evaluates

The Viewpoint Diversity Score examines two related questions:

Vendor autonomy

Does the company allow vendors, suppliers, and contractors to determine their own lawful workforce policies without requiring DEI programs, training, demographic targets, or reporting?

Vendor viewpoint equality

Does the company protect third parties from discrimination based on religion, political affiliation, ideological viewpoint, or lawful expression?

What Can Undermine Vendor Freedom

A supplier-facing policy may compromise vendor autonomy when it requires or pressures third parties to:

- Adopt a DEI policy, statement, or management program;
- Provide DEI or identity-focused training to their own workforce;
- Meet workforce, leadership, board, or subcontracting targets based on demographic categories;
- Report workforce demographics, supplier-diversity spending, or other DEI metrics as a condition of the relationship;
- Promote DEI through internal programs, advocacy, or contractual commitments; or
- Attest to beliefs or practices that go beyond applicable law and the legitimate needs of the contract.

Pressure may be explicit, such as a contractual "shall," or practical, such as supplier-selection preferences, recurring reporting demands, or expectations that affect renewal and future business.

What Does Not, by Itself, Violate Vendor Freedom

Not every supplier requirement is improper. The Score distinguishes ideological mandates from ordinary commercial and legal standards. The following generally do not count as violations by themselves:

- A company choosing to purchase directly from a wider range of suppliers;
- Ordinary nondiscrimination and equal-employment requirements based on applicable law;
- Optional supplier-development or networking programs;
- Health, safety, anti-corruption, antitrust, privacy, security, and ethics requirements;
- Requirements designed to prevent forced labor, trafficking, inhumane working conditions, or other credible human-rights abuses; and
- Requests for information that are genuinely voluntary and do not affect access to contracts or future business.

What the Evidence Shows

Public supplier policies reveal two distinct questions. Some companies expressly protect vendors and contractors from religious or political discrimination. Others extend internal workforce expectations into supplier governance, training, subcontracting, or reporting. A strong third-party policy should address both concerns: protect vendors from viewpoint discrimination and allow independent businesses to determine their own lawful workforce practices.

Policies That Protect Vendor Viewpoint Equality

These examples show different ways companies can protect third parties through express nondiscrimination language or affirmative recognition of fundamental freedoms.

Bank of America

Policy features: suppliers, religion, political viewpoint, political affiliation

Bank of America states that suppliers must be treated fairly and prohibits discrimination against a supplier based on religion or political viewpoint or affiliation.

Why it matters: The policy expressly protects suppliers from both religious and political discrimination rather than relying only on a general commitment to fairness.

JPMorgan Chase

Policy features: suppliers, contractors, religious views, political speech, political affiliation

JPMorgan Chase states that it does not tolerate discrimination or abusive conduct against suppliers, contractors, or others seeking to do business with the firm based on religious views or political opinions, speech, or affiliations.

Why it matters: The language applies to a broad range of third parties and expressly protects both belief and expression.

Microsoft

Policy features: supply chain, thought, conscience, religion, speech

Microsoft's Supplier Code of Conduct recognizes freedom of thought, conscience, religion, and speech within its supply chain.

Why it matters: The policy goes beyond a conventional nondiscrimination clause by affirmatively recognizing fundamental freedoms for supply-chain participants.

Policies That Can Limit Vendor Workforce Freedom

The following provisions illustrate how supplier requirements can move beyond ordinary legal compliance and into a vendor's own policies, training, procurement decisions, or reporting systems.

Fidelity National Information Services

Policy features: supplier-diversity program, documentary proof, demographic spending reports

FIS requires suppliers to provide a copy of their supplier-diversity program and may require reports describing the number of diverse suppliers, total diversity spending, and spending percentages by supplier category.

Why it matters: The terms require independent suppliers to document and measure their participation in FIS's preferred supplier-diversity program.

Northern Trust

Policy features: DEI policy, governance, workforce diversity, training

Northern Trust expects suppliers to foster an inclusive workplace and encourages them to maintain a documented DEI policy, establish governance and accountability, and provide inclusion and diversity training.

Why it matters: The guidance reaches into suppliers' internal governance, workforce practices, and employee training rather than focusing only on the goods or services they provide.

KeyCorp

Policy features: second-tier spending target, subcontracting, ownership categories

KeyCorp's purchase-order terms establish a 20% target for spending with designated diverse businesses in subcontracts connected to the agreement.

Why it matters: A quantitative second-tier target can pressure suppliers to make subcontracting decisions based on ownership categories unrelated to quality, price, or suitability.

These standards are not interchangeable. A company may protect vendors from religious or political discrimination while still imposing workforce or procurement expectations. It may also respect vendor autonomy without publishing an affirmative viewpoint-equality policy. The strongest approach does both.

Better and Problematic Approaches

BETTER APPROACH

- Require compliance with applicable employment and human-rights laws.
- Limit supplier obligations to the work being performed and identifiable business risks.
- Allow vendors to design their own lawful hiring, training, and workplace practices.
- Protect vendors from religious and ideological discrimination.
- Make optional programs clearly voluntary.

PROBLEMATIC APPROACH

- Require vendors to adopt the company's DEI policy or training.
- Set demographic workforce, board, or subcontracting targets for vendors.
- Require recurring DEI metrics or supplier-diversity spending reports.
- Favor or penalize vendors based on ideological alignment.
- Use broad "values alignment" clauses to control lawful internal policies.

Model Policy

A concise public policy can establish both vendor autonomy and viewpoint equality:

THIRD-PARTY WORKFORCE FREEDOM POLICY

[Company] respects the freedom of its vendors, suppliers, and contractors to determine their own lawful hiring, employment, training, and workplace policies in a manner consistent with their missions, values, and applicable law.

[Company] will not require third parties to adopt workforce programs, demographic targets, ideological commitments, or reporting practices that are unrelated to applicable law, credible human-rights risks, or the legitimate requirements of the contracted work.

[Company] does not discriminate against current or prospective third parties based on religion, religious belief, political affiliation, ideological viewpoint, or lawful expression.

This model does not prevent a company from requiring compliance with applicable law or imposing narrowly tailored safeguards against forced labor, trafficking, unsafe conditions, discrimination prohibited by law, or other serious human-rights abuses.

A Six-Step Policy Review

- 1. Inventory supplier-facing requirements.** Review supplier codes, purchase-order terms, master agreements, onboarding materials, RFPs, questionnaires, and subcontracting schedules.
- 2. Separate legal compliance from corporate preference.** Identify which requirements are mandated by law, necessary to perform the contract, or designed to address a documented human-rights risk.
- 3. Flag workforce mandates.** Look for required policies, training, demographic goals, attestations, data reporting, or “values alignment” provisions.
- 4. Test voluntariness.** Determine whether an “encouraged” program affects supplier selection, contract renewal, scoring, or access to future business.
- 5. Add viewpoint protections.** Protect vendors from discrimination based on religion, political affiliation, ideological viewpoint, and lawful expression.
- 6. Publish a clear commitment.** Make the controlling policy easy for vendors and procurement teams to locate and apply consistently.

Frequently Asked Questions

Can a company require suppliers to follow nondiscrimination laws?

Yes. Ordinary legal-compliance requirements are compatible with vendor freedom. The concern is with mandates that go beyond applicable law and require a supplier to adopt the customer’s preferred ideology, programs, or demographic goals.

Can a company operate a supplier-diversity program?

Yes. A company may broaden its own supplier pool or offer voluntary development programs. The concern arises when independent vendors must adopt demographic targets, report downstream spending, or restructure their own workforce and procurement practices as a condition of doing business.

Why include religious and political protections?

Vendor autonomy is incomplete if a company refrains from imposing DEI mandates but still excludes suppliers because of their beliefs, affiliations, or lawful expression. A strong policy protects both operational independence and viewpoint equality.

Source note: This resource reflects the 2026 benchmarks addressing vendor freedom concerning DEI practices and protection against religious or ideological discrimination. Company examples are drawn from current 2026 Viewpoint Diversity Score research records; linked company names lead to the underlying public evidence.

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