



**PRENTISS
SMITH & CO**

Sustainable Investment Report for:

Carlisle Companies, Inc.

Scottsdale, AZ

Ticker: CSL US Equity

Website: www.carlisle.com

Last Updated: 03-09-2022

I. Exclusionary Screening

Does Carlisle Companies, Inc. appear on any of the following lists? In our exclusionary screening, a single appearance disqualifies an investment.

Fossil Fuels & Precious Metals Mining

- BICS - Oil, Gas & Coal Industries¹
- BICS - Precious Metals Mining¹
- CDP/CAI Carbon Majors Database²

2

Defense & Retail Gun Sales

- BICS - Defense Primes¹
- SIPRI Arms Industry Database⁵
- NRA Industry Allies/Gun Retailers⁶

7

Plastics Production

- Top 100 Plastic Polymer Producers³

Private Prisons

- BICS - Security Services¹

Agrochemicals & Animal Cruelty

- BICS - Crop Chemicals & Fertilizers¹
- Cruelty Free Investing Worst Companies for Animals⁴

Pornography, Gambling & Tobacco

- BICS - Casinos¹
- BICS - Tobacco¹
- BICS - Pornography¹

¹ BICS = [Bloomberg Industry Classification Systems](#)

² [CDP/CAI Carbon Majors](#)

³ [Minderoo Foundation Top 100 Plastic Polymer Producers](#)

⁴ [Cruelty Free Investing 10 Worst Companies for Animals](#)

⁵ SIPRI = [Stockholm International Peace Research Institute](#)

⁶ NRA = [National Rifle Association Top 10 Industry Allies](#)

⁷ Prentiss Smith & Company Internal Research

II. Recognition & Data

What quantifiable environmental, social and governance data, policies or recognition does Carlisle Companies, Inc. exhibit? Positive factors may help support a decision to invest.*

General

Just Capital Overall (1-954)

685

Climate Change & Fossil Fuels

Total Market Based GHG Emissions (TMT)

212.6

Renewable Energy Used (1000s MWh)

2.5

Environmental Stewardship

Just Capital - Environment (1-954)

438

Publicly Disclosed Sustainable Supply Guidelines
Encompassing ESG Area

Yes

Initiatives and Policies in Place:

- **Social Supply Chain Management**
- **Water Policy**
- **Waste Reduction**
- **Environmental Quality Management**
- **Emission Reduction**
- **Energy Efficiency Policy**

Human Rights & Well-Being

Just Capital - Workers (1-954)

736

Just Capital - Communities (1-954)

591

Just Capital - Customers (1-954)

629

Forbes World's Best Large Employers (1-500)

425

Initiatives and Policies in Place:

- **Anti-child Labor Policy**
- **Human Rights Policy**
- **Equal Opportunity Policy**

Diversity, Equity, Inclusion and Justice

Women Employees

32%

Women in Middle Management

20%

Women on the Board

10%

Number of Women on the Board

1

Women Executives

18%

Number of Women Executives

2

Corporate Responsibility

Just Capital - Shareholders (1-954)

430.0

Employee CSR Training

Yes

Shareholder vote on management remuneration

91.7%

Community Spending (\$ USD millions)

1605.22

Initiatives and Policies in Place:

- **Whistle Blower Employee Protection Policy**
- **Ethics Policy**

* Data sources may include:

- Corporate SEC filings
- Company sustainability and other reporting.
- Bloomberg LP ESG Data (via Data License).
- [As You Sow Clean 200](#)
- [As You Sow Racial Justice 1000 Scorecard](#)
- [Banktrack Human Rights Benchmark](#)
- [Barron's 100 Most Sustainable US Companies](#)
- [CDP A-List](#)
- [CDP Responses](#)
- [CEO Action for Diversity & Inclusion Pledge](#)
- Climate Group [EP100 Members](#), [EV100 Members](#)
- [Corporate Knights 100 Most Sustainable Corporations](#)
- [CPA-Zicklin Index](#) for Political Accountability
- [Digital Rights Corporate Accountability Index](#)
- [Diversity Inc's Top 50 Companies for Diversity](#)
- [Dow Jones Sustainability Indices \(DJSI\)](#)
- [EPA's Green Power Partners](#)
- [Equileap's Top 100 Companies for Gender Equality](#)
- Forbes [Best Large Employers](#), [Best Midsize Employers](#), [Best Employers for Diversity](#)
- Fortune [100 Best Employers](#), [Best Workplaces for Women](#), [Best Workplaces for Millennials](#)
- [Glassdoor Best Places to Work](#)
- Great Places to Work [World's Best Workplaces](#), [Best Workplaces for Parents](#)
- [HRC's Corporate Equality Index](#)
- [Institute for Clinical and Economic Review \(ICER\) Policy Leadership Forum Members](#)
- [JUST Capital Rankings](#)
- KnowTheChain [Food, Apparel and IT Benchmarks](#)
- [MSCI ESG Ratings](#)
- PEOPLE [Companies That Care](#)
- [Points of Light Civic 50 Honorees](#)
- [RE100 Member List](#)
- [Roundtable on Sustainable Palm Oil \(RSPO\) Supply Chain Certificate Holders](#)
- [S&P Global Sustainability Yearbook](#)
- [Science-Based Targets initiative \(SBTi\) Companies](#)
- [State Street Global Advisors' Gender Diversity Index](#)
- [Task Force on Climate-related Financial Disclosures \(TCFD\) Supporters](#)
- World Benchmarking Alliance [Corporate Human Rights Benchmark](#), [Social Transformation Benchmark](#), [Gender Benchmark](#), [Digital Inclusion Benchmark](#), [Food and Agriculture Benchmark](#), [Auto and Utilities Benchmark](#)

III. Further Research

What else has our research process told us about how Carlisle Companies, Inc. conducts business, in terms of its products and services, its environmental impact, and its approach to governance?

Summary

Carlisle Companies is a US-based holding company whose businesses specialize in roofing, insulation, industrial fluids, and other construction materials. Carlisle has used recycled materials (initially rubber) since its founding in 1917 as a tire and rubber company. Today, the company says its subsidiary Ultimate RB is one of the largest tire recyclers in the US. In 2021, Carlisle Companies recycled 63,000 tons of materials, including single-ply roofing membranes, polystyrene building insulation, wastepaper and tires. Carlisle has also developed a Net Zero target for 2050 along with a short-term emissions reduction goal, both of which have been submitted to the Science Based Targets Initiative for approval.

While Carlisle is moving aggressively to set targets and publicize its environmental credentials, the company will need to recruit and hire aggressively to meet its modest goals for increased gender and racial diversity among its workforce, leadership and board. We were also unable to find details on Carlisle's supply chain due diligence, including mention of auditing for forced labor and other negative practices.

Products & Services

Background

- *Brief description of products/services:*
CSL has several businesses including: Construction Materials, Weatherproofing Technologies, Interconnect Technologies, Fluid Technologies, and Brake & Friction.¹

¹ <https://www.carlisle.com/our-businesses/default.aspx>

- *Founding date:*
Founded in 1917 as Carlisle Tire and Rubber Company.²
- *Key historical changes to company structure (e.g. M&A):*
In 1972 Carlisle expanded internationally into Europe for the first time. In the 1990's they completed 30 acquisitions during the decade with a plan to grow the business to \$1 billion by 1994. In 2015 they acquired Finishing Brands which became Carlisle Fluid Technologies.³
- *Key historical changes to products:*
Constantly acquiring new companies that adds to their reach and product lines.

Product Detail

- *Current products/services detail, including social/environmental benefits:*
31 million metric tons of CO2 emissions avoided based on products sold.⁴
- *Significant recent developments or new plans for products/services (in the context of industry developments if applicable):*
Has deployed over \$6 billion into over 30 acquisitions since 2008 to diversify their companies in hopes for consistent growth.⁵

Landscape

- *Company size:*
Carlisle businesses employ approximately 13,000 people.⁶
- *Business segments and revenue:*
CSL business segments include Aerospace, Medical Technologies, and General Industrial markets.⁷ Their 2022 revenue was \$6.6 billion.⁸
- *Industry position/market share:*
13.5% of total revenue in the Rubber Product Manufacturing industry.⁹

Impact

- *Detail on additional social/environmental impacts of products:*
Carlisle has a Product Sustainability Reference Guide that lists all of their products and their pre/post consumer recycled content, sustainable sites, energy and atmosphere

² <https://www.carlisle.com/who-we-are/our-history/default.aspx>

³ <https://www.carlisle.com/who-we-are/our-history/default.aspx>

⁴ <https://www.carlisle.com/sustainability/Home/default.aspx>

⁵ <https://www.carlisle.com/who-we-are/acquisitions/default.aspx>

⁶ <https://www.carlisle.com/who-we-are/our-history/default.aspx>

⁷ <https://www.carlisle.com/home/default.aspx>

⁸ <https://www.carlisle.com/investors/news/press-release-details/2023/Carlisle-Companies-Reports-Record-Fourth-Quarter-and-Full-Year-2022-Results/default.aspx>

⁹ <https://www.ibisworld.com/us/company/carlisle-companies-incorporated/428800/>

performance, materials and resources data, and indoor environmental quality. The guide can be found [here](#).¹⁰

Environment

Goals & Disclosure

- Environmental Commitments
 - *CDP reporting and score:*
Submitted in 2022 but not yet available.¹¹
 - *Emissions target(s)? 1.5-degree SBTi target?*
CSL committed to achieving net-zero GHG emissions by 2050
 - *Scope 3 targets?*
CSL has committed to reducing scope 3 GHG emissions by 48% per pound produced by 2030 with 2021 as a base year by transitioning to more bio-based feedstocks, low emission blowing agents, and electrification of material transportation modes.¹²
 - *Water/waste/deforestation goals?*
“Carlisle’s three pillars of environmental sustainability—energy efficient products and solutions, the reduction of greenhouse gas emissions in our manufacturing process, and the reduction of waste going to landfills—are central to our efforts to achieve our sustainability goals.”¹³
- Environmental Disclosures and Progress
 - *Emissions:*
Scope 1 total CO2 emissions =75,288 tonnes
Scope 2 location total CO2 emissions =107,317.56 tonnes
Scope 3 market total CO2 emissions =138,162.17 tonnes¹⁴
 - *Water:*
Total fresh water withdrawn = 1,054 10³ cubic meters. Not a significant use of water in operations but in Nogales, Mexico CSL recycles and reuses waste water through deionization. In 2021 approximately 700,000 gallons at the facility was recycled and reused.¹⁵

¹⁰<https://www.carlisesyntec.com/en/Document-Viewer/product-sustainability-reference-guide/5b69b4d6-7fef-fc61-a97a-eb340992ee07>

¹¹ <https://www.cdp.net/en/responses/863461/Carlisle-Companies-Incorporated>

¹² <https://www.carlisle.com/sustainability/Home/default.aspx>

¹³ <https://www.carlisle.com/sustainability/Environment/default.aspx>

¹⁴ Carlisle-2021-CSR-spreads.pdf pg. 50

¹⁵ Carlisle-2021-CSR-spreads.pdf pg. 24

- *Waste, including use of recyclable materials:*
Total waste generated = 61,442 metric tons
% of waste recycled or waste to energy (landfill diversion rate) = 42%
Total hazardous waste generated = 1472 metric tons
Hazardous waste as % of total waste = 2.4%¹⁶
- *Deforestation:*
Not mentioned. CSL is partnered with One Tote, One Tree and has planted over 240,000 trees with the American Forests.¹⁷

Product & Supply Chain Impacts

- *Further environmental benefits to using products:*
Carlisle has a Product Sustainability Reference Guide that lists all of their products and their pre/post consumer recycled content, sustainable sites, energy and atmosphere performance, materials and resources data, and indoor environmental quality. The guide can be found [here](#).¹⁸
- *Significant environmental commitments in supply chain:*
Nothing significant was found.
- *Do products help customers reduce emissions? By how much?*
For Carlisle Construction Materials, every ton of CO₂ consumed to manufacture polyiso, customers avoid emitting up to 34 tons of CO₂ over the lifetime of the product.¹⁹
- *Intermediate scope 3 milestones and targets:*
None found.
- *Significant environmental fines, remediation or controversy:*
Nothing significant was found.

Operational Initiatives

- *Are scope 1 and 2 commitments 1.5-aligned?*
Yes they are a part of Business Ambition for 1.5 degrees celsius.²⁰
- *Intermediate scope 1/2 initiatives, milestones and targets:*
CSL committed to reduce scope 1 & 2 GHG emissions by 38% by 2030 with 2021 as a base year.²¹

¹⁶ Carlisle-2021-CSR-spreads.pdf pg 46

¹⁷ <https://www.carlisle.com/sustainability/Environment/default.aspx>

¹⁸ <https://www.carlislesyntec.com/Document-Viewer/product-sustainability-reference-guide/5b69b4d6-7fef-fc61-a97a-eb340992ee07>

¹⁹ <https://www.carlislesyntec.com/Document-Viewer/product-sustainability-reference-guide/5b69b4d6-7fef-fc61-a97a-eb340992ee07> pg 4

²⁰ <https://www.carlisle.com/sustainability/Home/default.aspx>

²¹ <https://www.carlisle.com/sustainability/Home/default.aspx>

- *Specific initiatives that could help achieve scope 1/2 targets, or lower emissions if no targets:*
10% electric vehicle fleet in 2021 with the objective of 100% electric fleet by 2030 target. 20 facilities with LED lighting in 2021 with the objective of 82 facilities by 2030. Increasing solar generation for manufacturing facilities. Transition to low emission process fuels.²²
- *Other specific, internal initiatives in service of water conservation, waste management, etc:*
CSL uses scrap material to feed their production stream. Recycling over 620,000 tons of scrap into their products since 1999 with 63,000 tons in 2021. CSL is one of the largest tire recyclers in the US with over 33 million tires since 2012. They also recycled 4000 tons of expanded polystyrene in 2021, 258,000 tons of single-ply roofing material since 1999, and 459 tons of office paper in 2021 they converted into 16 million sq ft of facer paper.²³

Management Integrity and Ethics

Leadership & Diversity

- *Brief profile of CEO and any other notable leaders:*
CEO, President, and Chair: D. Christian Koch has been president and CEO since January 2016. Was previously the COO of CSL from 2014 to 2016 and was also the president of Carlisle Diversified Products, Carlisle Brake & Friction, and Carlisle Asia-Pacific since he joined the company.²⁴
- Leadership Composition
 - *Executive team:*
8 people total. 2 women.²⁵
 - *Board:*
9 people total. 22% are female. 54% identify as gender, racially or ethnically diverse in 2021.²⁶
- Employee/Management Composition and Pay Equity
 - *Employees:*
31% of employees are female. 17% of employees are ethnically diverse, 15% of employees are racially diverse.²⁷

²² <https://www.carlisle.com/sustainability/Home/default.aspx>

²³ https://s22.q4cdn.com/386734942/files/doc_financials/2021/ar/Carlisle-2021-CSR-spreads.pdf pg 22

²⁴ <https://www.thetorocompany.com/board-member/d-christian-koch#:~:text=Carlisle%20Companies%20Incorporated-,D.,Executive%20Officer%20since%20January%202016.>

²⁵ <https://www.carlisle.com/who-we-are/corporate-governance/default.aspx>

²⁶ https://s22.q4cdn.com/386734942/files/doc_financials/2021/ar/Carlisle-2021-CSR-spreads.pdf

²⁷ https://s22.q4cdn.com/386734942/files/doc_financials/2021/ar/Carlisle-2021-CSR-spreads.pdf

- *Management:*
CSL has 2025 goals of 30% gender diversity and 20% racial diversity in director and above roles.²⁸
- *Pay equity:*
CSL disclosed that they “achieved pay equity across race and ethnicity in 2021, building on their achievement of gender pay equity in 2020”²⁹

Human & Labor Rights

- *Are clear policies in place on forced labor and supply chain monitoring?*
It is CSL policy to not use any form of forced labor or child labor. In 2021 there were no identified or reported cases.³⁰
- *What % of the supply chain is covered?*
0% covered, more answered below.
- *Supply chain enforcement mechanisms:*
Not found.³¹
- *Employee safety metrics:*
0.85% OSHA Incident Rate (industry leading) and has declined more than 60% since 2014³²
- *Labor relations disputes or successful agreements:*
Nothing significant was found.
- *Employee satisfaction metrics:*
3.5-4.5 star ratings on Glassdoor and Indeed across the various companies.
- *Programs requiring diverse hiring practices, professional training in underserved communities, or other equity-focused initiatives:*
CSL created a D&I council to identify organization initiatives and joined the CEO Action for Diversity & Inclusion Pledge. There is also a new recruiting process called Director+ to increase diversity in candidate pools and limit unconscious bias. They created an employee resource group for veterans and one for women.³³

Political & Charitable Activity

- *Does the company have a policy not to spend anything on lobbying or political contributions?*

²⁸ <https://www.carlisle.com/sustainability/Social/default.aspx>

²⁹ <https://www.carlisle.com/sustainability/Social/default.aspx>

³⁰ <https://esgdatacenter.carlisle.com/gri-data-center-detail/default.aspx#gri-408-1>

³¹

https://s22.q4cdn.com/386734942/files/doc_downloads/corporate_governance/disclosure-pursuant-to-california-transparency-and-supply-chains-act-of-2010-sb-657.pdf

³² <https://www.carlisle.com/sustainability/Social/default.aspx>

³³ <https://www.carlisle.com/sustainability/Social/default.aspx>

CSL has a policy as a company to not make any political contributions or use company funds for political advocacy.³⁴

- *Federal lobbying expenditures and political donations:*
CSL spent \$0 in lobbying in 2022 and individuals made \$17,190 in contributions in 2022.³⁵
- *Is lobbying data voluntarily disclosed, including state and local contributions, trade association memberships, and PACs?*
N/A
- *How much is spent annually on charitable contributions?*
Not disclosed.
- *How much volunteer time do employees give annually?*
Not disclosed.
- *Major charitable or volunteer projects with meaningful long-term impact:*
CSL focuses heavily on civility, veterans, education, and mental health services. They do so by volunteering, donating materials, and sponsoring their annual Women's golf classic.³⁶

Legal

- *Outstanding legal disputes with significant reputational and/or financial stakes (including shareholder lawsuits):*
Nothing significant was found.
- *Significant fines paid or in dispute:*
Nothing significant was found.
- *Current or recent headline controversies involving the company or its management:*
Nothing significant was found.

³⁴https://s22.q4cdn.com/386734942/files/corporate_governance/business_code_of_ethics/2020/02/Clean-Carlisle-Code-of-Business-Conduct-and-Ethics.pdf

³⁵ <https://www.opensecrets.org/orgs/carlisle-companies/summary?id=D000059046>

³⁶ <https://www.carlisle.com/sustainability/Social/default.aspx>

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