

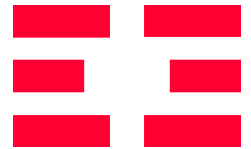


The Carlyle Group

Locations: Washington D.C. (HQ)

Industries: Diversified Financials

RISK LEVEL:



High Risk

DESCRIPTION:

The Carlyle Group scored a 100 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, The Carlyle Group (Carlyle Group) increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. Carlyle Group forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. Carlyle Group 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. The company implements ESG criteria into its business practices. Carlyle Group does not provide viewpoint protections for its employees. Carlyle Group supports the Equality Act and is a signatory of the Business Roundtable's 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism. The company is a signatory of the Institutional Limited Partners Association's Diversity in Action Initiative, committing itself to specific actions that advance DEI within the governance and policies of the organization and the private equity industry more broadly. Carlyle Group is a signatory to the CFA Institute's Diversity, Equity, and Inclusion Code, indicating its support of DEI in its recruitment, hiring, onboarding, and promotions. Furthermore, the company pledges to integrate DEI into its policies, promote DEI in the investment industry, and provide regular reporting on its DEI metrics to the CFA Institute. For these reasons, The Carlyle Group receives a High 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**

Carlyle Group received a score of 100 2023 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).

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

Carlyle Group RC CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2).

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

High Risk

Carlyle Group 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 a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). Carlyle Group (3)(4).

Corporate Governance and Public Policy

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

Carlyle Group 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. Carlyle Group signed an open letter in support of the Equality Act (3). CEO Harvey Schwartz is a member of the Business Roundtable, and former CEO Kewson Lee signed its 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism over traditional obligations to shareholders and customers (4)(56)(7)(89)(10)(11). Carlyle Group incorporates ESG criteria, net-zero goals, and DEI frameworks into its investing and ownership strategies (12)(13). These screens, accompanied by its goal of "energy transition," might exclude certain clients and industries from business. However, the Carlyle Group has not publicly fired customers, suppliers, or vendors based on political views or religious beliefs.

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

(1)(2)(3)(4). The company 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 (5)(6). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders.

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

High Risk

Carlyle Group's HRC 2023 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. Carlyle Group has not used its PAC donations or lobbying for ideological purposes (3)(4)(5).

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