CARLYLE

Resilience: The Invisible Edge

2025 SUSTAINABILITY REPORT

Murmurations are dazzling displays of synchronized movement by thousands of starlings in flight. They offer a powerful metaphor for this year's report theme 'Resilience: The Invisible Edge'.

Starlings navigate dynamic skies by responding in real time to changes in direction and speed. Their collective agility reduces exposure to threats and extends their range by leveraging shared updrafts. The result is an adaptive system that is stronger together than any one bird flying alone.

We see parallels in the resilience of business strategies that are sustainability-led. In an increasingly complex environment, we believe that businesses with integrated sustainability practices are better positioned to anticipate and adapt to evolving risks, minimize disruption, and uncover new opportunities for growth.

This year, we explore how Carlyle harnesses these drivers of resilience—adaptability, efficiency, and foresight—across our portfolio and within our investment models.

In this report, the images, text, and graphical overlay on the front and back covers and dividers are for illustrative purposes only and are not indicative of any figures, performance, targets, goals, or results.

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Acronyms

CO_2e Carbon Dioxide equivalent

EBITDA Earnings Before Interest, Taxes, Depreciation, and Amortization

EDCI ESG Data Convergence Initiative

ERG Employee Resource Group

ESG Environmental, Social, and Governance

GHG Greenhouse Gas

GP General Partner

GPE Global Private Equity

GW Gigawatts

iCI Initiative Climat International

KPI Key Performance Indicator

LP Limited Partner

MT Metric Tons

PE Private Equity

SASB Sustainability Accounting Standards Board

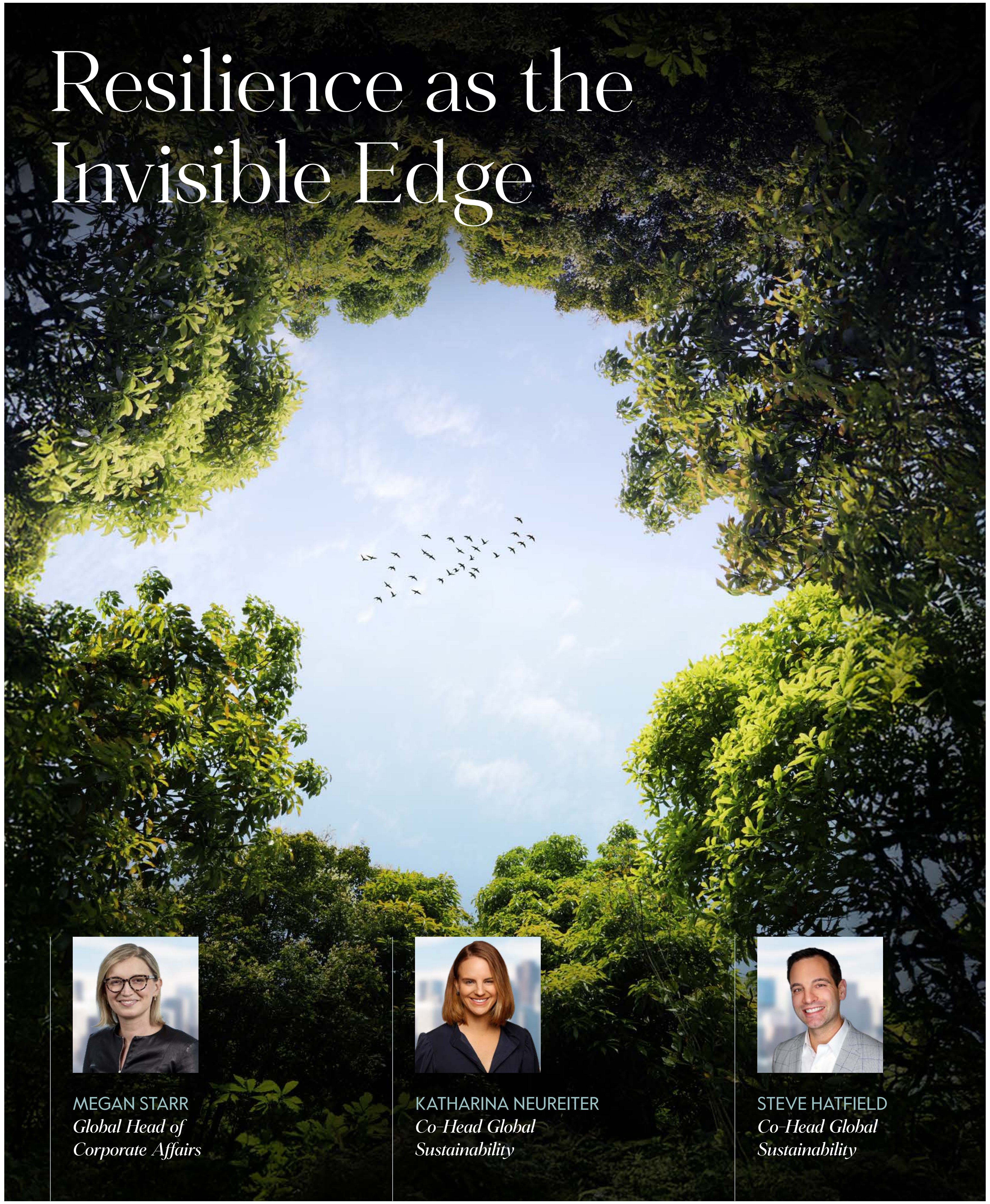
SBTi Science Based Targets initiative

SOP Standard Operating Procedure

TCFD Task Force on Climate-related Financial Disclosures

UN SDGs UN Sustainable Development Goals

01 Introduction



Resilience as the Invisible Edge

MEGAN STARR
Global Head of Corporate Affairs

KATHARINA NEUREITER
Co-Head Global Sustainability

STEVE HATFIELD
Co-Head Global Sustainability

We believe that sustainability and resilience could be two sides of the same coin. Resilience is not just about bouncing back from challenges—it's about building the flexibility and foresight to proactively navigate uncertainty while seizing growth opportunities.

With aftershocks of COVID-19 still rippling through the system and the current wave of tariff disruptions impacting end markets, pricing, and supply chains, we believe companies that are building resilient operations might be better equipped to weather volatility and build a competitive advantage. Companies that embed more sustainable practices throughout their operations may not only reduce risks, we believe they can craft an edge of resilience that can translate directly to commercial performance and enhanced EBITDA (earnings before interest, taxes, depreciation, and amortization).

While this edge may have been somewhat 'invisible,' in part due to a lack of data, we seek to make it visible—defining clear commercial pathways, collecting and strengthening the underlying data, and sharpening our understanding of where and how resilience enables companies to outperform.

This year, we explore how sustainability can serve as a strategic driver of resilience—helping enable companies to anticipate risks, capitalize on opportunities, and build long-term value.

Building the Resilient Organization

Across our global portfolio, we see examples of how resilience can translate into mitigating risk and fueling growth—whether through energy efficiency savings, protecting revenue, attracting talent, or accessing new markets.

Building on external research[1] and our own observations in the portfolio, we have identified five techniques that we believe can help build more resilient companies:

01 Proactive Risk Identification:
Resilient companies can systematically scan horizons for emerging risks, incorporating sustainability considerations into enterprise risk management. They develop early warning systems that allow them to respond to challenges before they become crises.

02 Operational Flexibility:
Resilient companies build flexibility into core operations, enabling rapid adaptation to changing market conditions including diversified supply networks, modular production capabilities, and multi-skilled workforces.

03 Innovation Systems:
Resilient companies systematically use innovation to address challenges, creating new products, services, and business models that turn potential threats into growth opportunities.

04 Stakeholder Collaboration:
Resilient companies can develop collaborative relationships with customers, suppliers, and communities to explore solutions to shared challenges.

05 Adaptive Governance:
Resilient companies typically establish governance structures and decision-making processes that enable rapid responses to changing market conditions while maintaining overall strategic direction.

1. *Boston Consulting Group. (2023). "Becoming a Resilient Company." BCG Henderson Institute and World Economic Forum. (2023). "Global Risks Report 2023." WEF Annual Publication.*

Measuring the Resilience Dividend

Traditional financial metrics can sometimes fail to capture the full business value of resilience-building initiatives. We at Carlyle understand that challenge and are expanding our ability to collect and use a variety of data that accounts for risk reduction, value creation, and enhanced adaptability. While our efforts are a work in progress, we see linkages across three broad themes:

Cost Savings and Avoided Losses

Investments in improving sustainability performance can deliver measurable risk reduction and cost savings in a variety of ways. Companies across our portfolio are pursuing certain sustainability efforts with the aim of enhancing their bottom line.

Example: Altadia, a global manufacturer of intermediate products for the production of ceramic tiles, implemented a decarbonization value creation project together with Carlyle. This resulted in cost savings of over €26 million from 2023 to 2025E through energy cost savings, new product launches with improved gross margins, and interest-rate savings.

Opportunity Capture

Across our Global Private Equity (GPE) portfolio, we are working to better understand portfolio companies' customer expectations. We developed a 'sustainability-linked revenue' metric that captures the percentage of revenue linked to customers requesting certain sustainability criteria from our portfolio companies, for example, ESG (Environmental, Social, and Governance) ratings or net zero goals. In 2024, 28%[2] of revenue in our GPE portfolio was linked to customers that have sustainability requests, demonstrating a link between sustainability programs and revenue protection.

Example: In 2024, AstraZeneca, a pharmaceutical company, instructed suppliers to meet certain sustainability requirements including setting near-term science-based greenhouse gas (GHG) reduction targets and achieving a score of at least 45 out of 100 on the EcoVadis assessment. AstraZeneca is a key customer for two of our portfolio companies: Saama and TriNetX. In response to these requests, the portfolio companies contacted the Carlyle Sustainability team for assistance to meet these criteria and protect a core revenue stream. The team conducted a sustainability strategy workshop with senior management at both companies to build a program and chart a path forward.

Adaptive Capacity

We believe a portfolio company's capacity to adapt is closely connected to innovation. For several years, we have measured the degree of innovation in a subset of our companies, including sustainability-linked product offerings or service lines, and the revenue this generated. We also gather and analyze sentiment from those companies on how their efforts might develop by asking them if they are planning to launch new services or product lines linked to sustainability. For example, the percentage of our portfolio companies in Europe that indicated an expectation to see more products with sustainability-related aspects come to market increased by 20% in the 2023 fiscal year,[3] suggesting growth in sustainable innovation activities across Europe.[4]

Example: Duravant's operating company Mespack, a global manufacturer of food processing and packaging equipment, recognized an opportunity in sustainable packaging solutions. By implementing a 6R circular economy strategy (reducing, replacing, reengineering, retrofitting, refusing, and reusing), Duravant increased its market share and saw 12% of revenue growth from sustainable packaging offerings since 2023.

Looking Ahead

At Carlyle, we seek to integrate sustainability considerations and resilience into our investment approach, driving commercial outcomes for our investors as well as creating value for management teams, employees, and other stakeholders. We seek to invest in companies that are not only prepared for change but positioned to play a leading role in it. As investors, we strive to equip our portfolio companies with the insights, capital, and strategic direction needed to help turn resilience into a competitive advantage—and we look forward to our continued work in this space.

Sincerely,

THE CARLYLE SUSTAINABILITY TEAM

June 12, 2025

2. *Percentage of revenue captured by 62 companies (44% of reporting companies) that submitted data on this KPI for 2024. More information on how this metric is calculated on* *page 19*.
3. *40% in FY 2022 to 61% in FY 2023, per data from 19 European companies in Carlyle Equity Partners IV and V.*
4. *Survey data from 19 companies in Europe (CEP IV, V, CETP IV, V) collected in FY22 and FY23. Sustainability-related product offerings may include products and services deemed by the portfolio company to have sustainability attributes.*

Portfolio Value Creation

	2025[1]	2024	2023	2022
ESG-linked financing secured to date	$31.5BN	$27.5BN	$25BN	$20MN
Cumulative investments in renewable and sustainable energy companies	$1.87BN[2]	$1.75BN	$1.53BN	$1.45BN
Total installed renewable capacity	1,372MW[3]	1,068MW	1,050MW	946MW

10
playbooks dedicated to ESG-driven value creation[4]

109
decarbonization bootcamp participants[4]

93%
of emissions covered by Paris-aligned targets[4,5]

35
sustainability workshops held[4]

602
attendees of Carlyle ESG-focused webinars for portfolio companies[4]

Industry Leadership

Leadership Awards[6]

New Private Markets (PEI)
Large Cap Firm of the Year—ESG 2024

Washington Exec
Top Climate Change Execs to Watch 2024

Private Equity News
20 Most Influential in ESG 2024

Leadership Affiliations[7]

ESG Data Convergence Initiative (EDCI)
Founding Member & Co-Chair of Steering Committee[8]

International Sustainability Standards Board (ISSB)
Investor Advisory Group Member

UN Principles for Responsible Investment (UN PRI)
Signatory & Advisory Committee Member

Initiative Climat International (icI)
Co-Chair, Natural Capital Working Group

500+
participants in EDCI as of March 2025

People & Culture

57%
of Carlyle employees globally identify as women or ethnically diverse[9,10]

80%
of Carlyle portfolio company boards have gender diversity, compared to 61% private benchmark[11]

46%
of Carlyle's Board of Directors identify as women or ethnically diverse[10]

~10pp
Carlyle portfolio companies have ~10 percentage points higher representation of women in board and c-suite roles compared to the private market benchmark[11]

As of May 2025, unless otherwise noted. The sustainability or impact goals, commitments, incentives, and initiatives outlined in this report are purely voluntary, are not binding on investment decisions and/or Carlyle's management of investments and do not constitute a guarantee, promise, or commitment regarding actual or potential positive impacts or outcomes associated with Carlyle or investments made by funds managed by Carlyle.

1. *Cumulative figures, as of May 2025.*
2. *Represents total cumulative equity invested as of December 31, 2024.*
3. *Cumulative figures as of May 2025. Data has been provided directly by the portfolio companies and has not been independently verified.*
4. *Cumulative figures, as of March 2025.*
5. *See TCFD report, included as part of this document, for additional information.*
6. *Carlyle has not provided compensation in connection with obtaining the awards. The receipt of any awards by Carlyle or the portfolio companies described herein is no assurance that Carlyle's investment objectives have been achieved or successful. Further, such awards are not, and should not be deemed to be, a recommendation or evaluation of Carlyle's investment management business. Time period for all mentioned awards relate to calendar year 2024.*
7. *There is no guarantee that Carlyle will remain a signatory, supporter, or member of or continue to report at the intended cadence or at all under or in alignment with such initiatives or other similar industry frameworks.*
8. *Term as Co-Chair ended in December 2024.*
9. *Data as of January 1, 2025.*
10. *Ethnically diverse definition: Asian, Black, Hispanic or Latinx, Native Hawaiian/Pacific Islander, American Indian/Alaskan Native, or Two or More Races. Race/ethnicity data is reported only in the United States.*
11. *Carlyle-controlled companies as of December 31, 2023, compared to the ESG Data Convergence Initiative data report released in October 2024.*

Resilience in an Era of Great Turbulence

> "Lessons of the past two decades have inculcated a spirit of resilience among our investment and management teams to navigate whatever the future holds."

JASON THOMAS
Head of Global Research & Investment Strategy

Contentment may not be resiliency's antonym, but it is its enemy.

Economists often refer to the period between the mid-1980s and 2007 as the 'Great Moderation.'[1] Relative to the thirty years that preceded it, recessions became milder and less frequent. Inflation rates plunged and remained low, encouraging households and businesses to expect that prices would remain stable going forward.

A less volatile economic backdrop made it easier for businesses to plan and manage risk, which translated into improved market pricing and performance. Long-term borrowing costs halved,[2] and measures of the stock market risk premium fell even more.[3] Thanks to some combination of globalization, technological advancement, and deregulation, the macroeconomic problems and puzzles that had bedeviled analysts and investors for decades had been solved.

Or so it may have seemed.

When reflecting on the triumphalism of that era, one cannot help but be reminded of Goethe's Faust. In the play, if Heinrich Faust ever reaches a moment of total satisfaction and feels so content that he wishes time to stop, he dies, and Mephistopheles claims his soul. It could be said a similar fate awaited investors and management teams whose contentment deprived them of the capacity to anticipate and respond to the series of crises that would soon arrive in rapid succession.

In 2008, the global financial system endured the equivalent of cardiac arrest. Jobs vanished at the fastest rate in three decades.[4] Corporate earnings fell more than at any time on record.[5] Construction projects stopped.[6] Companies operating across large swaths of the economy were at risk of failing.

Just two years later, an aftershock from this quake shook the foundation of European economic integration. With bondholders refusing to roll over one euro member state's liabilities, and yields rising rapidly on the obligations of many others, the eurozone fell into a recession that many feared would metastasize into something far worse.[7]

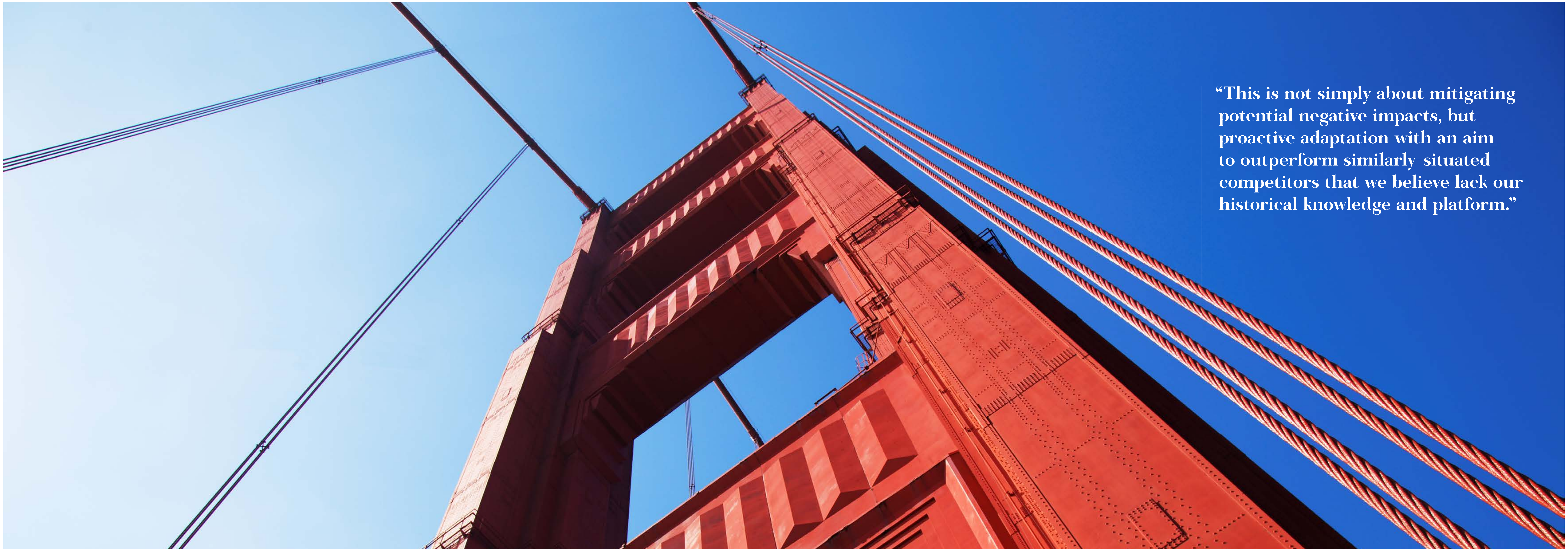
The 'Eurozone Crisis,' as it came to be known, was then followed by the 'Brexit' referendum in 2016 and years of uncertainty and contingency planning. The US presidential election later that year provided another signal to investors that global economic integration had not only peaked but could reverse.

And if any of the core assumptions that animated the Great Moderation were still intact, the pandemic arrived. As it turns out, inflation was not dead after all, and supply chains scrupulously engineered to minimize production costs can fail in ways that maximize production losses.

Will the tariff shock of 2025 be remembered as the next flashpoint in this era of 'Great Turbulence?' Will it be followed by a climate event that combines some of the worst elements of past shocks? It's impossible to know. But we believe the lessons of the past two decades have inculcated a spirit of resilience among our investment and management teams, who stand ready to leverage the durability of our funding model and breadth of our global portfolio to navigate whatever the future holds.

We believe the resilience of private markets can be observed in the durability of its funds and affiliates' liability structures. In our view, unlike public market investors, who often have no choice but to liquidate assets at inopportune times in the face of margin calls or skittish counterparties,[8] private markets feature closed-end capital and termed-out liabilities that can be better equipped to

1. *Bean Charles: "The Great Moderation, the Great Panic and the Great Contraction", Schumpeter Lecture at the Annual Congress of the European Economic Association, Barcelona, Spain, August 25, 2009.*
2. *Federal Reserve Data, accessed April 2025.*
3. *Aswath Damodaran data, New York University Stern School of Business, accessed April 2025.*
4. *Bureau of Labor Statistics, accessed April 2025.*
5. *U.S. Bureau of Economic Analysis, accessed April 2025.*
6. *Census Bureau data, accessed April 2025.*
7. *London School of Economics Impact Case Study, "Breaking the vicious circle of the Eurozone debt crisis", 2014.*
8. *Brunnermeier, M. K., & Pedersen, L. H. (2004). Predatory trading (NBER Working Paper No. 10755). National Bureau of Economic Research. https://www.nber.org/papers/w10755.*



withstand periods of heightened volatility. And unlike banks or other intermediaries that depend on active syndication markets to distribute risk,[9] private credit funds can provide a stable funding option for borrowers and can scale up exposures when risk-adjusted returns look most attractive.

We believe private portfolios have an inertial quality; exposures cannot typically be sold down during a shock but must instead be managed. And much of that management occurs before the asset is acquired. We may not know which shock is coming next, but we can seek to assess how a given asset is likely to respond to market volatility based on a number of factors, including past sensitivity to macroeconomic fluctuations, operating margins, pricing power, and susceptibility to technological disintermediation. We believe that no one 'lucks into' resilient portfolios; the range of outcomes can be circumscribed through *ex ante* asset selection and diversification.

In exchange for illiquidity, private market investors typically obtain influence and control. We believe resiliency at the asset level requires that the right managers are in place and possess the tools necessary to navigate uncertain outcomes. Knowledge of what tools managers need and when and how to deploy them comes from our experience managing thousands of assets across virtually all industries and geographies through cycles, crises, and policy shocks. This is not simply about mitigating potential negative impacts, but proactive adaptation with an aim to outperform similarly-situated competitors that we believe lack our historical knowledge and platform.

Like Faust, we must constantly strive to learn from these experiences, rigorously document what works and doesn't, and avoid allowing success to foment a sense of contentment that could ultimately prove our undoing.

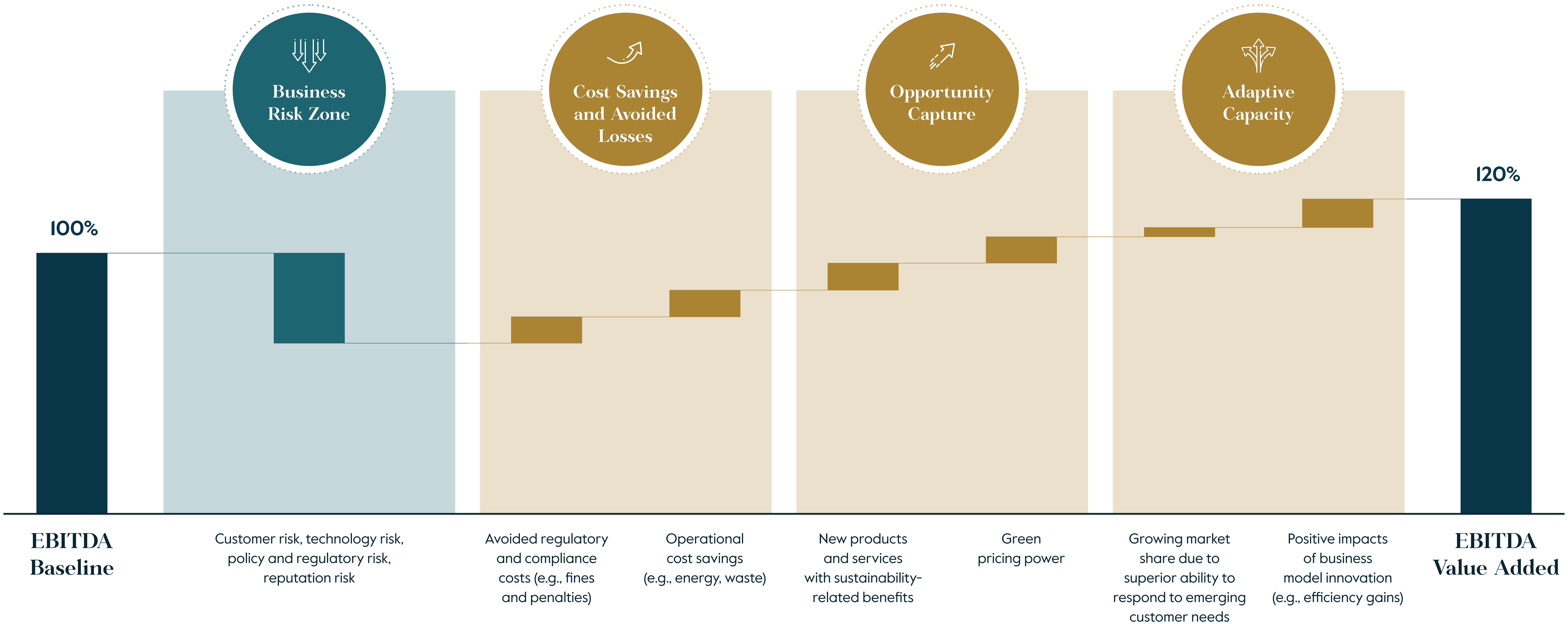
9. *Lee, Seung Jung, Dan Li, Ralf R. Meisenzahl, and Martin J. Sicilian (2019). "The U.S. Syndicated Term Loan Market: Who holds what and when?" FEDS Notes. Washington: Board of Governors of the Federal Reserve System, November 25, 2019. https://doi.org/10.17016/2380-7172.2473.*

02

Global Private Equity

The EBITDA of Resilience

In 2023, we introduced the concept of The EBITDA of ESG—which demonstrated how strong environmental, social, and governance practices drive value creation through cost savings, risk mitigation, and pricing power. This year, we are expanding on that concept by focusing on resilience. In today's environment of geopolitical and market volatility, we believe sustainability factors are not just nice-to-haves; they are core to a business's ability to withstand shocks and maintain performance.



Adapted from McKinsey & Company, Sustainability: Sources of value creation (2024).

The proportions shown in this chart represent illustrative impacts rather than specific metrics.

There is no guarantee that any impacts will affect all or any portfolio companies or that such impacts will result in any added value.

Measuring the Resilience Dividend

Our portfolio companies integrate sustainability considerations through a variety of approaches to enhance the resilience of their operations and pursue topline growth.

Cost Savings and Avoided Losses

Opportunity Capture

Adaptive Capacity

This year, we want to highlight a few examples from our work that we believe illustrate the concepts set out earlier of how sustainability and resilience can be two sides of the same coin and serve as an additional lever for value creation. We support companies in capturing opportunities for topline growth, increasing their adaptive capacity to withstand external dislocations or avoid losses, and saving costs through sustainability-driven value creation activities.[1]

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Creating Strategic Partnerships to Advance Sustainability-related Innovation

1. *Information as of May 2025, unless otherwise noted. Data shown has been provided directly by the portfolio company and has not been independently verified. There is no guarantee that the portfolio company will successfully implement its business plan or meet stated commercial or ESG targets. There can be no assurance that any trends described herein will continue. Past performance is not indicative of future results. Goals are subject to change and no assurance can be given that goals or targets will be achieved. Case studies are provided for illustrative purposes only and not all portfolio companies are shown. Carlyle's track record is available upon request.*

Cost Savings and Avoided Losses

Case Study

altadia

Multidimensional Resilience Strategy Through Decarbonization

Altadia developed a decarbonization program as part of Carlyle's value creation plan. Altadia's decarbonization plan demonstrates how operational changes grounded in sustainability can materially reduce costs and avoid risk. For example, between 2023 and 2025, Altadia delivered €26 million in cumulative savings from energy efficiency, product innovation, and financing optimization while also reducing emissions intensity by 21% from 2021–2025.

Altadia's decarbonization program extends beyond an environmental initiative toward a multidimensional resilience strategy. Through targeted investments in lower-carbon technologies and bold realignment of its operating footprint, the company is reducing its exposure to foreseeable future regulations, imposed carbon costs, and rising energy prices while also deepening customer relationships.

Altadia's decarbonization strategy has three value creation levers:

→ **Operational Cost Savings**

→ **Financing Cost Savings**

→ **Improved Margins on Higher Value Customer Products**

Operational Cost Savings

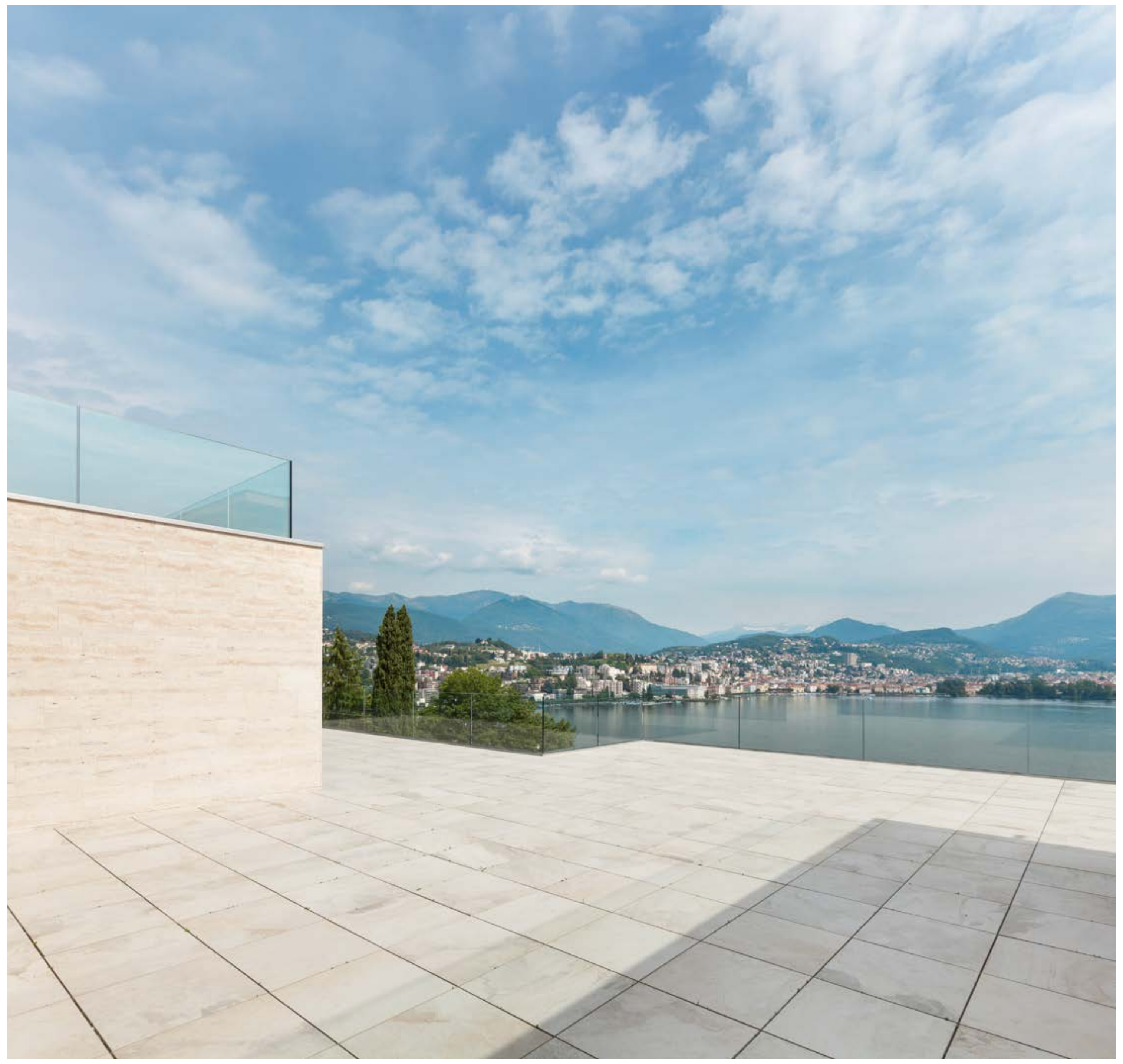
A key component of the plan involved a rethinking of the production footprint as well as using less energy, thereby enhancing resilience to future carbon pricing, regulatory shifts, and energy market volatility.

- Geographic location shifts: Closing furnaces in one location and leveraging idle, more efficient capacity in another, for example, helped to reduce emissions by 326KG CO_2 per ton of product, while preserving production volume.[1] Additionally, the company consolidated smelting capacity in locations where infrastructure supports more efficient operations and renewable energy sourcing. These location shifts also follow the principle of client proximity seeking to bring Altadia's products closer to the main worldwide ceramic clusters, thus reducing transportation costs, as well as Scope 3 emissions.
- Energy efficiency upgrades: Oxy-gas furnace conversions and smelting concentration efforts that are expected to generate cumulative savings of €11 million by 2025, alongside ~40,000 tons of CO_2 reduction, primarily in Scope 1 emissions through a reduction in gas consumption.
- Renewable energy: The company added solar PV, where possible. This is projected to yield ~€6 million in savings through reduced electricity purchasing and improved gas contracts, while cutting over 12% of Scope 2 emissions.[2]

These choices reflect a strategic approach to long-term risk mitigation—embedding flexibility into the manufacturing footprint and reducing exposure to carbon-intensive sites. Only projects with a payback of under two years were considered as part of the decarbonization program.

Financing Cost Savings

- Sustainability-linked financing: KPI (key performance indicator) linked debt agreements reduced interest rates, delivering €1.2 million in financial savings annually to the company, supporting cashflow and financial resilience.



Improved Margins on Higher Value Customer Products

- Higher margins, lower emissions product innovation: Altadia developed bespoke products, such as digital glazes, special effects, and digital grits, to enable ceramic clients to reduce tile thickness using the right equipment and technology. This 'slim body' large format product line reduces customers' firing energy needs while delivering higher gross margins for Altadia through premium pricing. Margins from slim body products are expected to increase by ~23% in 2025.

In our view, this approach:

→ **Unlocks greater resilience** against future regulatory policy shifts (e.g., carbon pricing in Europe) and energy shocks (e.g., increasing gas prices).

→ **Maintains a competitive edge** in product innovation to secure long-term customer relationships and ward off competition.

→ **Improves cashflow profile** through savings of operational and financing costs.

€26MN

cumulative savings between 2023 and 2025 from energy efficiency, product innovation and financing optimization

21%

emissions reduction intensity from 2021–2025

1. *Example relates to the closure of the furnace in Argentina in 2023 compared to carbon per ton in 2022.*
2. *This includes ~€1MN savings for PV Installations in Spain (2023–2025) and a once off impact of the sale of energy certificates in Spain (2023–2025).*

Cost Savings and Avoided Losses

45%

emissions reduction target by 2030

Net Zero

by 2050

$1.3MN

estimated annual savings by 2030 through energy efficiency projects

Case Study

StandardAero

Responding to Customer Requests Through Decarbonization

StandardAero, one of the leading aircraft engine maintenance, repair, and overhaul (MRO) services companies, became a Carlyle portfolio company in 2019. In 2021, recognizing the growing demand for a more sustainable aviation sector, StandardAero partnered with Carlyle's Sustainability team to build a program focused on integrating decarbonization into its business strategy. One of the reasons this was commercially important is because one of StandardAero's largest European customers set a requirement that any eligible bidder must have a net zero target in place. As previewed below, this collaboration supported the company's operational improvements and helped position it for a successful initial public offering (IPO) in 2024.

Building a Decarbonization Roadmap

In 2021, Carlyle and StandardAero's leadership team began collaborating closely to develop an ESG program to address rising customer demands. A dedicated Head of ESG at StandardAero was appointed to drive implementation, and a comprehensive decarbonization roadmap was developed. The roadmap included setting ambitious GHG targets to align with customer expectations, including a 45% reduction in emissions by 2030 and net zero by 2050.

Executing Carbon Reduction Initiatives to Reduce Operational Costs

StandardAero identified carbon reduction levers across its operations and prioritized projects that it believed most efficiently contributed to meeting targets and improving competitiveness with customers. Central to meeting these targets is GreenERmro™, a program StandardAero launched in 2021 to address demand-side energy consumption. The program focuses on all operations, including activities such as HVAC heat recovery, compressed air systems, and lighting controls.

Customer Lens

The company uses sustainability as a lens for product innovation, including work to support the design and maintenance of sustainable aviation fuel (SAF) engines. These achievements included identifying near-term energy efficiency projects (to 2030) with estimated payback of approximately two years and realizing $1.3 million in annual savings, which helped position StandardAero as a leader in sustainable aviation services.

In our view, this approach:

→ **Helps to respond to certain customer needs** driven by a tightening European policy environment, therefore maintaining StandardAero's global leadership and avoiding revenue loss.

→ **Increases adaptive capacity and resilience** through strengthening operational efficiency.

Opportunity Capture

Case Study

TERAPOLIS

Turning a Strict Policy/Regulatory Environment into a Business Opportunity

Terapolis, a renewable energy provider, is capturing first-mover advantage by aligning with France's energy and agricultural policy priorities. Its focus on scalable, unsubsidized agrivoltaics seeks to position the company as a leader in the energy transition.

France's national energy strategy calls for a dramatic shift: doubling the share of renewables from 19% in 2021 to 40% by 2030.[1] While this transformation presents clear challenges—grid constraints, regulatory hurdles, and land-use competition—it also creates a first-mover opportunity for companies positioned to solve for scale, resilience, and compliance.

Rather than competing in the crowded field of small, subsidized solar installations, Terapolis has prioritized large-scale, commercial projects with direct-to-grid connections. To mitigate development risk, Terapolis pre-secures grid capacity years in advance—an uncommon but critical move in a country where grid connection is a bottleneck to growth. The company has already secured 4,000 hectares of land to develop projects to hit its 2.5 gigawatt (GW) target by 2028, giving it a material head start on competitors.

Furthermore, a key differentiator in France's legislative approach is strong protections for farmers. The law[2] defines agrivoltaics projects as those that provide measurable agricultural benefits, such as enhanced crop yields or protection from weather, while producing energy. Energy generation must not interfere with the main use of the land for farming, solar installations must be reversible, and the primary purpose of the land must remain agricultural. Terapolis' strategy is distinctly positioned to benefit from this environment by offering a win/win approach for farmers.

According to Terapolis, in a standard photovoltaic project built on agricultural land, the farmer working on the land usually receives a one-time indemnity to break their farm lease and lose the benefit of the land for farming. This might lead to lower income for many farmers. Terapolis projects, on the other hand, allow farmers to continue farming. A contract between the farmer and Terapolis sets out the type of farming agreed during the project design alongside potential provisions, such as reduction of pesticides and fertilizers, crop diversification, organic farming conversion, and biodiversity-enhancing measures. We believe there are three benefits to this approach:

01 Terapolis maintains regulatory compliance and saves costs on vegetation management.

02 Farmers can continue earning revenue through farming, while the additional compensation from Terapolis supports investments into upgrading the land.

03 Communities can reap the benefits of renewable energy generation, as well as the benefits of more sustainable farming techniques to produce better quality food.

To promote farming, Terapolis adapted its products to be built higher and with a lower density than the standard photovoltaic plants, which allows crops to grow and animals to safely graze. The extra cost of those adjustments is compensated by access to larger and simpler-to-build sites, which are becoming rare in France as agricultural land is no longer accessible to non-agrivoltaics projects. We believe this makes Terapolis projects highly competitive in France.

In our view, this approach:

→ **Unlocks greater resilience** by proactively managing potential future grid bottlenecks and therefore protecting future revenue.

→ **Creates a competitive edge** in securing access to superior sites owned by farmers.

→ **Sustains revenue opportunity** in a policy environment that protects local interests and farmland.

40%

target share of renewable energy by 2030 in France's national energy strategy[1]

4,000

hectares of land secured by Terapolis to develop large-scale, commercial projects with direct-to-grid connections

1. *Enerdata: France targets 41% of renewables in its final energy mix by 2030, published 15 July 2024. https://www.enerdata.net/publications/daily-energy-news/france-targets-41-renewables-its-final-energy-mix-2030.html.*
2. *French law No. 2023-175 relating to the acceleration of renewable energy production (APER law) was adopted in March 2023.*

Opportunity Capture

Case Study

EXIGER

Prioritizing Competitive Advantages by Rapidly Responding to Customer Needs

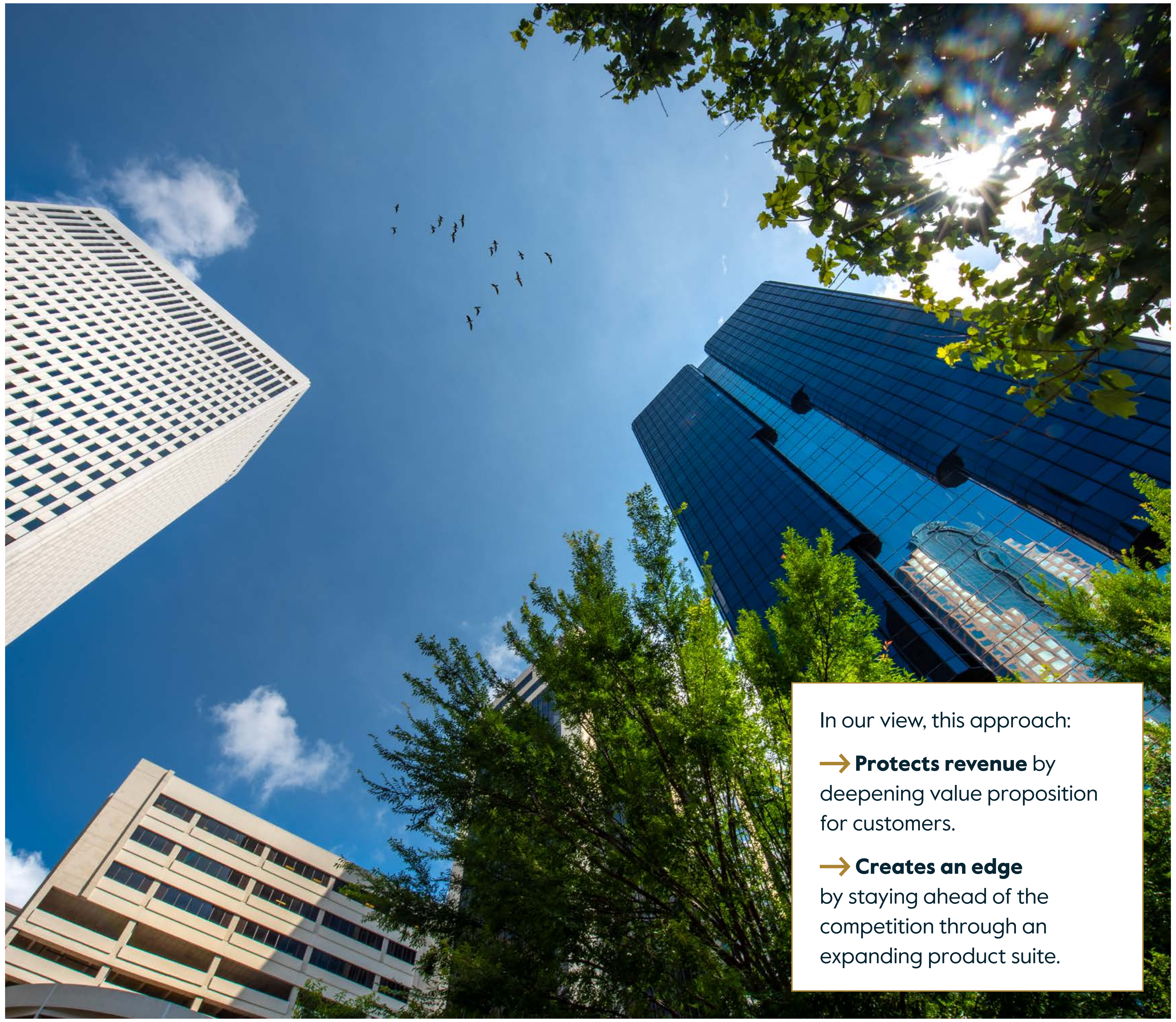
We believe gaining visibility into the deeper layers of a company's supply chain can be a strategic necessity for large enterprises. Increasing regulatory scrutiny and stakeholder expectations are driving companies to enhance transparency, particularly around relevant sustainability-related risks, like physical climate risks or labor risks. Many of these risks, once considered operational, are now surfacing as board-level concerns—compounded by geopolitical tensions and tariff shocks that can ripple across even the most resilient supply networks.

Exiger, a technology platform to assess and manage supply chain risks, has spotted this request for risk identification as an opportunity for revenue capture. Exiger's customer base is made up of some of the world's largest organizations, including 150 Fortune 500 companies and many government organizations. To stay ahead of their accelerating commercial and regulatory-driven demands, Exiger recently expanded its AI-driven 1Exiger platform beyond human rights and environmental due diligence with a suite of new sustainability-focused features:

- Scope 3 emissions mapping to trace environmental impact across deep-tier suppliers.
- Satellite-based deforestation detection aligned with EU regulatory thresholds.
- Climate scenario planning tools to assess future asset and supplier risk under transition and physical climate risks.

These tools are already helping clients to manage risks. A major financial institution used Exiger to screen its entire customer base for human trafficking and forced labor risks, uncovering hidden sanctioned entities within four weeks and acting swiftly to safeguard its reputation. A leading personal care company leveraged Exiger to map the supply chains of its most critical products, enabling real-time monitoring for human rights, environmental and climate risks.

Exiger's model is built for speed and relevance with a dedicated innovation team that rapidly develops minimum viable features in response to client feedback—often within weeks—before scaling them across sectors.



150

Fortune 500 companies and government organizations included in Exiger's customer base

OneExiger

AI-driven platform expanded with a suite of new sustainability-focused features

Adaptive Capacity

Case Study

Pivoting Business Strategy Toward Lower-Carbon Solutions

€1.2BN

investment announced in southern Europe's largest second-generation biofuels complex

220

ultrafast EV chargers deployed across Spain

20%

lower emissions in Next LAB (a detergent ingredient used by Unilever and others)

1. Company analysis.

Moeve (formerly CEPSA) is redefining what it means to be a resilient energy company. In 2022, it launched 2030 Positive Motion—a strategy to transform how it supports the way people want to live, move, and power the future. Since then, Moeve has:

- Divested 70% of its upstream oil and gas assets, signaling a permanent transition away from traditional fossil-based fuels.
- Announced a €1.2 billion investment and began construction last year on what is expected to be southern Europe's largest second-generation biofuels complex.
- Deployed more than 220 ultra-fast electric vehicle charging points at Moeve service stations across Spain, creating one of the largest ultra-fast electric charging networks in the Iberian peninsula. Moeve is simultaneously converting filling stations into multi-energy, convenience hubs for customers.
- Continued to scale low-carbon chemicals innovation, including Next LAB, a detergent ingredient with 20% lower emissions than many other products in the market, now used by Unilever and others.[1]

Moeve is also building for the long term, planning to make a final financial decision on the Andalusian Green Hydrogen Valley this year, backed by agreements with European industrial and logistics partners. Spain's Ministry for Ecological Transition and the Demographic Challenge confirmed the final allocation of €303 million to Moeve. The project also received a quarter of the total funds allocated under the government's Strategic Projects for Economic Recovery and Transformation (PERTE). The first phase of Moeve's green hydrogen initiative will involve the construction of a 400MW electrolysis plant in Palos de la Frontera (Huelva) and support approximately 10,000 direct, indirect, and induced jobs during this phase. The plant will supply green hydrogen both to Moeve's own industrial facilities and to third parties, playing a key role in the decarbonization of industry and heavy transport, including land, maritime, and air transport. The project is supported by the Spanish Government and part of its agenda for economic recovery and transformation.

Internally, Moeve has repurposed its former research and development (R&D) facilities into an innovation center focused on hydrogen, EV infrastructure, and renewable fuels. And through evaluating suppliers along certain ESG criteria, biodiversity task forces, and dedicated decarbonization teams, Moeve is working to embed sustainability across its value chain.

In our view, this approach:

→ **Increases the company's adaptive capacity** by building the skills and R&D capacity needed to obtain a competitive edge and define the future of energy.

→ **Increases resilience** by diversifying its product portfolio in response to shifting policy and consumer demands and taking a long-term and scenario-based view on the future.

Adaptive Capacity

Case Study

Nouryon

Creating Strategic Partnerships to Advance Sustainability-related Innovation

Adaptive companies help develop resilience by building ecosystems, not just products. Nouryon, a global specialty chemicals company and Carlyle portfolio company since 2018, has exemplified this approach through its strategic collaboration with E5 Incorporated, an emerging leader in more sustainable concrete technologies.

Rather than scaling research and development alone, Nouryon chose to support its customer's R&D by providing expertise and resources, accelerating time-to-market while aligning with growing demand in construction for lower-carbon concrete solutions. As a result, two breakthrough technologies improving performance and sustainability in concrete have been successfully introduced to the market.

E5 Internal Cure® is a first-of-its-kind innovation enabling internal curing of concrete by controlling water behavior within the mix—improving strength and durability while reducing the amount of cement consumed overall by extending the service life of concrete.

A second innovation developed through this partnership is E5 Liquid Fly Ash® (LFA), powered by Nouryon's nano-silica. This product enables 5 to 15%[1] less cement use per pour. As cement production accounts for more than 8% of global CO_2 emissions, reducing the amount of cement needed in construction can have a significantly positive impact on global emissions. Critically, customers report that one truckload of E5 is the equivalent of 32 to 34 truckloads of traditional fly ash, cutting both emissions and transport costs.[2]

The partnership has already demonstrated commercial viability with product sales underway. The E5 technology has been recognized with multiple awards for innovation and GHG reductions and is being relied upon by multiple state Departments of Transportation. Additionally, E5's ongoing research with Purdue University is exploring whether this technology may also capture additional atmospheric carbon over time.

For Nouryon, the collaboration with E5 reflects a strategic pivot: moving from a traditional product-supplier model to one that co-creates low-carbon solutions with ecosystem partners.

In our view, this approach:

→ **Increases the company's adaptive capacity** by deepening relationships with customers, making them partners, not just customers, and in the process unlocking new customer relationships through a unique product proposition.

→ **Increases resilience** by enhancing the downstream customer value proposition.

5–15%

less cement use per pour with liquid fly ash (LFA)[1]

32–34

truckloads of traditional fly ash replaced per one truckload of LFA

1. *Purdue University, 2021: https://engineering.purdue.edu/CCE/Media/Impact/2021-Spring/an-ecofriendly-upgrade.*
2. *http://digitaladmin.bnpmedia.com/publication/?i=699285&p=3&view=issueViewer.*

Sustainability as a Commercial Revenue Driver

"Companies that are prepared—with easy availability of quality ESG data, ESG policies, internal capacity, and coordination to stay ahead on these requests—have an easier time converting opportunities into revenue, while those that are not can lose out on business."

KATHARINA NEUREITER
Co-Head Global Sustainability

Last year, we introduced a new portfolio-wide metric—revenue linked to customer sustainability-related requests—to better understand how sustainability considerations are influencing commercial outcomes. This year, this figure sits at approximately $13 billion, reflecting the evolving role of sustainability as a sales lever across our portfolio.[1]

The metric aggregates spend data from portfolio company customers who require certain sustainability-related provisions to be in place, such as a climate commitment, and/or who request sustainability-related information on the company's performance as part of procurement.

As customers increasingly embed sustainability-related criteria into procurement and supplier qualifications, our portfolio companies are responding—adapting their operations, developing new product solutions, and capturing market share. We believe this dynamic can not only support more durable revenue streams but also potentially enhance a company's ability to navigate a rapidly evolving market landscape and deepen resilience.

Recent year-over-year data[2] on revenue linked to customer sustainability-related requests highlights how regulatory, market, and customer pressures could reshape portfolio company dynamics, most notably across the United States and Europe. Survey participation rose meaningfully over the period, with a 37% increase in US companies and a 68% increase in European companies now tracking this data, indicating that fielding customer sustainability-related requests is an increasing part of the work of sales teams and sustainability professionals in our portfolio. Average revenue linked to customer sustainability-related requests per company increased by almost 20% across the portfolio with regional differences, for example, a significant increase in Asia and a slight decline in Europe. In total, we've observed that the percentage of revenue aligned with sustainability-related requests is around a third of overall revenue with wide variations between companies—some companies linking closer to 10% of annual revenue to customer sustainability-related requests, and others reporting exposure levels exceeding 50%.

Sustainability-linked Revenue Survey—Geographic Distribution of Respondents[2]

53%

based in Europe

36%

based in the US

10%

based in Asia

1. *Data based on 62 companies across our Global Private Equity portfolio covering FY24. 42 companies submitted data for FY23. Companies have been asked "In the past year, have you received any ESG-related questions in RFPs, RFQs, RFIs or other customer requests?" and "What percentage of your company's total revenue do these customers represent?"*
2. *As of December 2024. Information and data is based on portfolio company answers to such internal survey questions.*

$13BN

Revenue linked to customers with ESG-related requests for Carlyle portfolio companies in 2024

18%

of revenue was linked to ESG-focused customer requirements by one consultancy in the services sector

84%

of customer requests were linked to strict sustainability requirements for one company in the pharmaceutical sector

€15MN

revenue generated by one automotive company being able to fulfill formal sustainability requests and win 80% of their bids

$169MN

contract value tied to sustainability criteria for one company serving customers in the defense industry and government agencies

€253MN

attributed to sustainability-linked requests met by a manufacturer serving the aerospace and energy sectors

Implications for Resilience and Competitiveness

Some portfolio companies[3] are seeing a rapid increase in formal sustainability-related requirements from customers, such as a requirement for a net zero goal in an RFP (request for proposal), while others merely observe an increase in reporting requests. We have found that companies that are prepared—with easy availability of quality sustainability data, sustainability policies, internal capacity, and coordination to stay ahead on these requests—typically have an easier time converting opportunities into revenue, while those that are not can lose out on business. We had several instances where portfolio companies lost out on business opportunities or on winning RFPs when they could not meet sustainability-related customer requirements. This is an area in which the Carlyle Sustainability team actively works with companies to help identify these requests and proactively work to meet such requests.

A Spectrum of Exposure: A Sectoral View

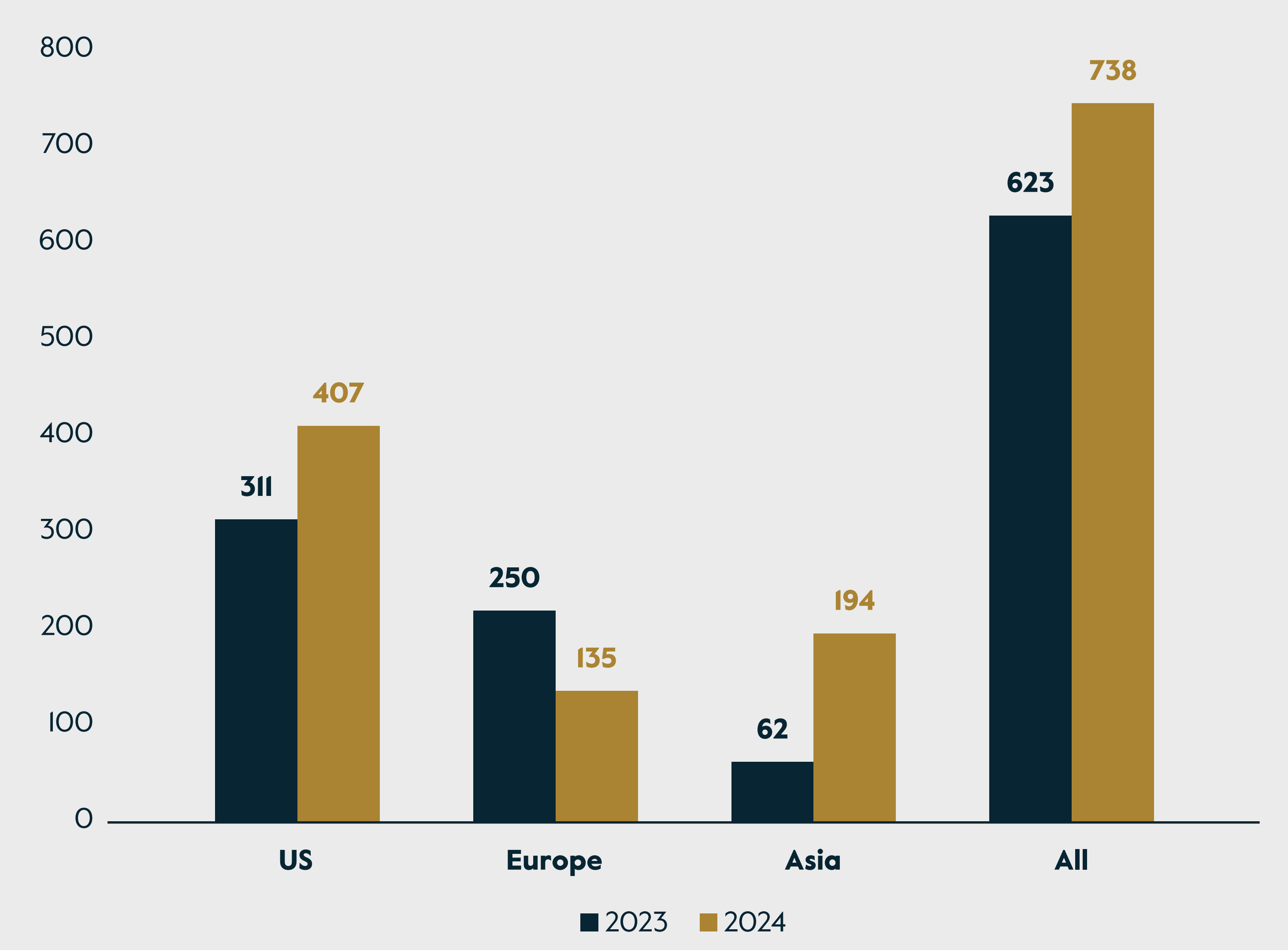
→ Formalization of sustainability requirements in automotive procurement

One automotive supplier reported that nearly 70% of customer sustainability-related requests in 2024 were formal requirements, primarily focused on environmental management systems and health and safety, with additional emphasis on community engagement and diversity and inclusion. The company reported that its ability to fully satisfy customer demands in most cases had contributed to it winning 80% of these bids, generating €15 million in revenue in 2024.

A manufacturer serving the aerospace and energy sectors attributed about 52% of its annual revenue—approximately €253 million—to customer sustainability-related requests in 2024. Although only 40% of those requests were formal requirements, we believe the company's strategic approach to sustainability enabled it to extend beyond satisfying existing clients, contributing to two new customer wins. We believe the ability to respond with detailed answers to customer's information requirements—particularly around conflict minerals, responsible sourcing, and supplier conduct—proved to be a meaningful differentiator.

Average Revenue Linked to Sustainability-related Customer Requests per Region

(million $)



3. *Six companies completed spreadsheets providing more detail to the nature of the requests, e.g., RFP requirements vs just information requests. The insights from this section have been drawn from this more detailed information.*

→ Importance of resilience and risk management in government-linked sectors

One Carlyle portfolio company serving geopolitically important global corporations in the defense industry and government agencies reported $169 million in contract value being tied to customers with sustainability-related criteria in 2024. Many of these standards are embedded in contract frameworks, covering environmental, health, and safety protocols. Notably, data protection and cybersecurity emerged as key governance priorities for this set of customers reflecting a broader trend: as customers are growing more attuned to digital risk, the need for strong governance structures in this area is becoming more visible and more critical to operational resilience.

→ Sustainability as a gate keeper to market access in pharmaceuticals and life sciences

Some companies in the life sciences and pharmaceutical sector are experiencing a growing share of sustainability-related requests. One of our portfolio companies in the pharmaceutical sector reported that 84% of customer sustainability-related requests ($558 million) in 2024 were linked to formal requirements versus expressions of preference. The company indicated that certain customers in the Benelux region that hold a dominant market share for a specific product have set sustainability-related compliance requests as part of their contract terms. In this context, sustainability readiness functions not merely as a differentiator but as a requirement for market participation for our portfolio company. Although managing to secure $510 million in revenue where it met the customer's sustainability-related requirements, the company reported $29 million overall in bids were lost in 2024 due to an inability to satisfy certain customer requests.

Another pharmaceutical manufacturer reported $525 million in revenue linked to sustainability-related customer requests in 2024, of which 22%—or $129 million—was subject to formal requirements. Nearly two-thirds of customer requests covered all three ESG pillars, including emissions disclosures, human rights, community engagement, and employee diversity. All but one customer requested emissions data, and 30% cited third-party sustainability ratings, such as EcoVadis, in their requirements. This could signal a trend that some customers prefer broad risk mitigation strategies rather than honing in on a singular sustainability area, such as climate or labor.

Sustainability as a Commercial Catalyst for the Services Sector

We have also observed that more service-based firms experience customer demand for a formal sustainability program. One consultancy reported that 18% of its revenue in 2024 was linked to sustainability-related customer requirements, concentrated among ten clients in fast-moving consumer goods and technology. These industries face reputational and regulatory pressures and in our view are often among the first to codify structured sustainability expectations. Climate goals, supplier engagement, and emissions tracking were frequent focal points, demonstrating that even if these topics might not appear financially material to the firm's operations, emissions are usually on the lower end for firms in the services sector compared to other sectors, such as industrials. When customers are requesting GHG emissions data, we believe they can realize financial benefits from having a process to collect and report the data to be able to meet these requests.

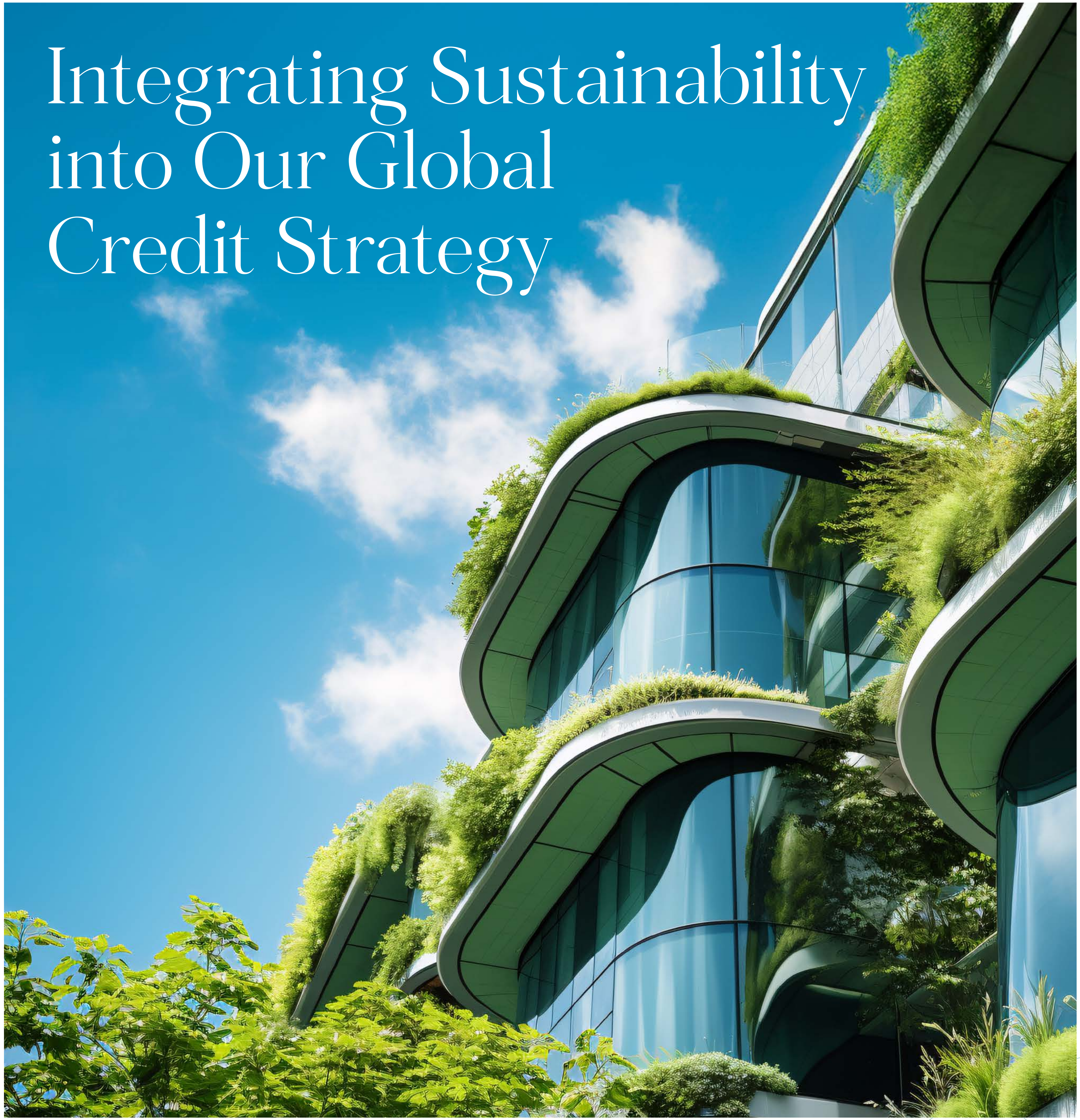
Looking Ahead

→ We see that sustainability considerations continue to influence purchasing decisions

Our portfolio companies reported that at least a third of corporate revenue was subject to sustainability-related requests over the past two years. This suggests that companies with well-developed, responsive sustainability programs may be better positioned to meet customer expectations and regulatory requirements. We believe that organizations integrating sustainability-related factors into their strategy may enhance resilience and generate competitive advantages. By embedding relevant sustainability-related considerations into core business practices and having the resources to report on them, companies can make this 'invisible edge' visible and help protect and even grow revenue.

03
Global Credit

Integrating Sustainability into Our Global Credit Strategy



At Carlyle, we seek to align our sustainability strategy with our broader Global Credit investment strategy to help protect investors, mitigate risk, and ensure appropriate compensation for the risks we undertake. This alignment supports our approach to resilience.

We believe certain sustainability risks can be inherently linked to credit risk—considerations such as climate risk, environmental liabilities or employee-related matters can affect valuations and, in some cases, contribute to default.

Within our Global Credit business, our sustainability efforts are centered on two primary objectives: mitigating risk and driving commercial outcomes. We aim to achieve these goals through a structured, consistent approach to engagement. Throughout 2024 and into 2025, we are refreshing our strategy to ensure coherence across our credit portfolios while allowing for the nuances of different asset classes and strategies. This comprises:

Risk Mitigation[1]

→ ESG Materiality Analysis and ESG Risk Ratings

We use a proprietary data analysis tool to assess the material ESG issues perceived to be most relevant to an industry, drawing on Sustainability Accounting Standards Board (SASB) standards. The tool also integrates country-level ESG risk data across certain relevant sustainability considerations, enabling us to identify risks related to corruption, anti-money laundering, and climate-related physical threats in key geographies where a company has operations or supply chains. Assets are then assigned an ESG Risk Rating—one of four levels—which guides any additional review and ongoing monitoring.

→ Data Collection and Portfolio-level Analysis

In 2025, we are calculating carbon emissions across our Global Credit portfolios, where feasible. We are also collating key data to support our limited partners (LPs) in areas such as net zero alignment, decarbonization targets, and other elements of focus for our investors that may highlight areas of risks or opportunities. Newly developed fund-level dashboards are designed to enhance transparency by enabling both investment teams and LPs to view sustainability metrics at both the portfolio and asset levels, which may support our ability to incorporate sustainability-related risks into investment decisions.

Driving Commercial Outcomes

We have identified three sustainability-linked themes we believe contribute to commercial outcomes: customer expectations, cost management, and regulatory readiness. To support borrowers and increase the resilience of our credit portfolio, our teams focus on the following areas:

→ Decarbonization-linked Financing

As supply chain disclosure grows increasingly important, many customers now require suppliers to measure and reduce carbon emissions to meet their own disclosure requirements and targets. Our decarbonization-linked financing program incentivizes borrowers to calculate their carbon emissions and set reduction targets by offering a ratchet on their interest rate. We believe portfolio companies taking advantage of the program might be better positioned to meet customer and regulatory demands and potentially reduce operational costs, benefiting our investors over time.

→ Employee Value Proposition

For companies driven by human capital rather than physical assets, the ability to attract and retain talent is critical. In our experience, companies that embrace a proactive, structured approach to human capital can improve employee engagement and retention, which in turn can alleviate costs related to recruitment and training. In 2025, we are developing an employee engagement strategy tailored to credit investments. We are already seeing borrower interest in embedding employee-related KPIs into our decarbonization-linked financing structures—a reflection of the growing awareness of the link between workforce engagement and commercial outcomes.

→ Climate Resilience

As extreme weather events increase in frequency,[2] we are committed to understanding the climate resilience of our portfolio companies and the potential impact of extreme weather on their ability to deliver commercial outcomes. In 2025, we plan to begin analyzing select portfolio companies' physical assets to identify vulnerabilities and engage management teams on risk mitigation and adaption strategies, as appropriate.

As part of our broader sustainability strategy, we are identifying companies that contribute positively to environmental and social outcomes and mapping them to the UN Sustainable Development Goals (UN SDGs). Across select funds, we have seen increased interest from investors seeking greater exposure to companies with positive externalities. While our primary investing objective remains to meet or exceed target returns, this effort enables us to more easily identify sustainability-aligned opportunities and increase transparency for our investors who so desire it.[3]

Engagement as a Tool for Resilience

Our engagement framework is designed to support both risk mitigation and value creation across our Global Credit portfolios. We aim to focus on both asset-specific and systemic sustainability risks using the following tools:

→ Data and Transparency

In 2025, we are piloting the tracking of certain sustainability-related data across select credit strategies. This helps us monitor risk trends, better understand how our risk profile evolves over time, and informs our engagement strategy. As a founding member and Co-Chair of the ESG Data Convergence Initiative,[4] Carlyle has supported EDCI's expansion into private credit and is excited to contribute data that will help build more relevant credit benchmarks which can be applied across our portfolio.

→ Decarbonization Bootcamp

In 2025, we expanded our annual Decarbonization Bootcamp to include private credit companies. This voluntary, six-month program offers structured monthly training sessions for portfolio companies, and equips them with the knowledge, tools, and resources to support their decarbonization journey and enhance financial benefits through decarbonization.

→ Prioritization Based on Sustainability Risk and Disclosure Gaps

We are enhancing our live dashboarding capabilities to improve visibility across the platform. This allows us to prioritize engagement with portfolio companies that have elevated risk ratings or limited sustainability-related disclosures, tailoring our efforts to where they can have the greatest likelihood to impact reducing potential financial risks to our investors.

1. *There is no guarantee that any risk mitigation strategies will result in lower risk.*
2. *The number of disasters has increased by a factor of five over the past 50 years, driven by climate change, more extreme weather and improved reporting. https://wmo.int/topics/extreme-weather.*
3. *The UN SDGs are aspirational in nature. The analysis involved in determining whether and how certain investments may contribute to or support the SDGs is inherently subjective and dependent on a number of factors and Carlyle makes no commitment or guarantee that it is investing in companies that have a formal commitment or plan or take specific actions to support or contribute to the SDGs. There can be no assurance that reasonable parties will agree on a decision as to whether certain investments contribute to or support a particular SDG. Accordingly, investors should not place undue reliance on Carlyle's application of the SDGs, as such application is subject to change at any time and at Carlyle's sole discretion.*
4. *Term ended December 2024.*

Case Study

Financing a More Sustainable Ride

39%

goal reduction in GHG intensity by 2030

Big Bus Tours[1] isn't just moving people—it's moving toward a cleaner, more resilient future. As the world's largest operator of hop-on/hop-off sightseeing bus tours, Big Bus Tours welcomes over five million customers annually across four continents. Its iconic buses have become an important part of many travelers' repertoires when discovering a new city.

In May 2024, Carlyle Global Credit provided Big Bus Tours Group with a comprehensive financing package designed to fuel its growth. As part of our debt, we offered the company a financial incentive to improve its operational resilience through sustainability-linked incentives. Decarbonization-linked financing incentivizes long-term decarbonization efforts by tying financial benefits—such as lower interest rates—to a borrower's progress in reducing emissions.

Driving Change

Big Bus Tours had already taken steps to reduce its carbon footprint before collaborating with Carlyle, but Carlyle's decarbonization-linked financing encouraged a more proactive and strategic approach, incentivizing forward-thinking carbon reduction plans. The company developed a roadmap focusing on comprehensive emissions measurement, transparent reporting, and a shift toward renewable energy. In our view, these initiatives not only mitigate risk but also serve as a key lever for value creation by optimizing operational efficiency and cost structures.

To optimize reducing its GHG footprint with increasing business value, Big Bus Tours analyzed various decarbonization strategies based on three factors: capital investment required, potential CO_2e (carbon dioxide equivalent) reduction, and cost-effectiveness. This analysis led to the development of five-year decarbonization plans across its operating cities, with a goal of reducing GHG intensity by approximately 39% by 2030 from a 2019 baseline. The initiatives range from replacing and converting diesel vehicles to electric, exploring alternative fuels, and implementing solar-powered infrastructure.

1. *Information as of May 2025, unless otherwise noted. Data shown has been provided directly by the portfolio company and has not been independently verified. There is no guarantee that the portfolio company will successfully implement its business plan or meet stated commercial or ESG targets. There can be no assurance that any trends described herein will continue. Past performance is not indicative of future results. Goals are subject to change and no assurance can be given that goals or targets will be achieved. Case studies are provided for illustrative purposes only and not all portfolio companies are shown. Carlyle's track record is available upon request.*

Staying Ahead of the Curve

The travel industry faces mounting pressure to reduce its environmental impact, with cities like London, Paris, and Amsterdam expanding low-emission zones. By accelerating its fleet electrification and broader sustainability efforts, Big Bus Tours is not just seeking to meet regulatory requirements—it seeks to secure its market position, strengthening relationships with local governments, and enhancing its appeal to eco-conscious travelers.

En Route to a Lower-Carbon Future

Working in collaboration with Carlyle, Big Bus Tours has embedded sustainability planning and targets into its business model—as a strategic lever for success. Its decarbonization-linked financing structure is not only an investment in lower-carbon operations; it's an investment in a more adaptable company built to thrive in a changing world.

"Our journey isn't just about reducing emissions today—it's about ensuring the long-term success of our business and the cities we serve. Sustainability is one of the foundations for long-term success, and every step we take today adds value for our customers, partners, and communities."

PAT WATERMAN
Executive Chair of Big Bus Tours

Future-proofing for the Long Haul

Big Bus Tours continually innovates to build a more resilient, future-ready business. With diesel consumption accounting for over 90% of its emissions and a significant share of operational expenses,[2] transitioning to electric vehicles was a priority, along with other initiatives that involve moving to lower-carbon alternatives, including:

→ **Paris**
Launched a pilot program in 2021 to convert two-thirds of the city's fleet to fully electric buses.[3]

→ **London**
Retrofitted 20 diesel buses, halving the cost of electrification while repurposing existing assets and reducing waste.

→ **Sydney**
Added solar panels at Sydney depots to increase share of renewable energy.

→ **Singapore**
Developed the company's first all-purpose electric vehicle.

→ **Vienna & Other Markets**
Tested biofuels to evaluate their feasibility in multiple markets.

These initiatives seek to expand Big Bus Tour's competitive advantages in an evolving market by strengthening operations, reducing costs, and helping manage risk.

2. Based on data between 2019–2024.
3. 1,000th bus deployed in Paris Region, Sustainable Bus, 11 February 2025, https://www.sustainable-bus.com/infrastructure/point-du-jour-operations-center-paris-electric-bus/.

04

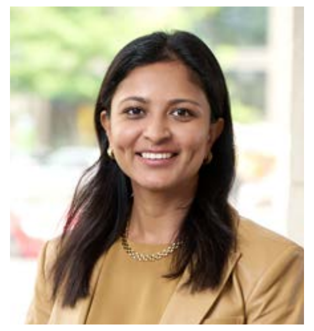
Infrastructure

Q&A

Building Resilient Infrastructure for a Changing World

An interview with:

PETE TAYLOR
Co-Head of the Carlyle Global Infrastructure Opportunity Fund



POOJA GOYAL
Chief Investment Officer of Carlyle's Infrastructure Group

We believe transforming critical infrastructure means balancing immediate needs with long-term durability across multiple dimensions—from physical resilience against extreme weather to maintaining customer relevance through decades of technological change.

At Carlyle, we aim to not just construct physical assets but invest with the environment, customers, and communities in mind, showcasing how thoughtful infrastructure investment delivers both financial returns and broader resilience.

Pete Taylor, Co-Head of the Carlyle Global Infrastructure Opportunity Fund, and Pooja Goyal, Chief Investment Officer of Carlyle's Infrastructure Group, discuss how they approach resilience across physical assets, customer needs, and supply chains to create long-term value in a volatile world.

Q: How do you define resilience in infrastructure investing, and what macro-trends are shaping this field?

Pete Taylor: I approach resilience through three interconnected lenses: customer relevance, physical durability, and supply chain resilience.

Customer resilience means evolving to meet changing demands. Physical resilience is about preparing for increasingly volatile climate events—for example, we're designing data centers to withstand EF5 tornadoes and extreme weather conditions we never anticipated before. Supply chain resilience, including availability of labor, is important to maintaining cost structures. All three are essential to preserving long-term returns.

Pooja Goyal: Right now, we're seeing unprecedented growth in infrastructure demand, particularly for power. Ninety percent of the world's data was created in the last two years.[1] The global data center market is projected to grow from 33GW in 2023 to 100GW by 2030.[2] This creates a fascinating dynamic—infrastructure assets typically have 30+ year lifespans, yet must withstand policy shifts that can occur every four years. We believe the key is creating optionality—designing assets that can adapt to multiple future scenarios while delivering reliable performance through market cycles.

Q: We're living through a time of global volatility. How are you adapting infrastructure strategies to address emerging challenges like AI and extreme weather events?

Pete Taylor: It all comes down to being responsive to customer needs. Large technology companies such as Meta and Google are currently driving a lot of infrastructure investment with resilience in mind; for example, they require their data centers to maintain 99.999% uptime even during extreme weather events. Being able to respond to these specific customer demands shapes our investing strategy and investment selection criteria.

Meanwhile, we're seeing AI reshape demographic trends, with growth across the Sun Belt and regions with favorable power economics. Our MVP terminaling asset is a great example of this forward-thinking approach; it's designed at a specific elevation above mean sea level to withstand hurricanes without disruption. Ultimately, we believe the most successful infrastructure has the capacity for balance—combining immediate needs with long-term adaptability.

Pooja Goyal: Building on that, power has become the primary constraining factor for infrastructure growth, particularly for AI. About 50% of both the capital expenditure and operating costs of data centers is related to power. For perspective, Texas's current power load is 86GW, but by 2031 it's forecasted to reach 218GW—an increase of more than 150%.[3]

1. Source: https://www.ibm.com/case-studies/hsbc-usa.
2. Source: Citi Research, "Data Center Powerplay: The Chips Have to Go Somewhere", May 29, 2024.
3. "ERCOT: Electricity demand in Texas set to soar to 218GW by 2031 fueled by data center growth" Datacenterdynamics, from April 2025, https://www.datacenterdynamics.com/en/news/ercot-electricity-demand-in-texas-set-to-soar-to-218gw-by-2031-fueled-by-data-center-growth/.

At Carlyle, we have deep expertise in power markets. As of 2024, we have over 20GW of power generation capacity in development across renewables, battery storage, and thermal generation. We're also focusing on modernized grid infrastructure, battery storage systems, and distributed energy resources that can continue functioning even when parts of the grid are compromised. As extreme weather events become more frequent, these investments will only become more vital to our world.

Q: How does sustainability factor into creating resilient infrastructure?

Pete Taylor: We believe sustainability and resilience are fundamentally interlinked—both focus on the ability to persist over time. Ultimately, our customers are the ones who drive long-term demand, so we seek to approach sustainability through their eyes. While we see some policy volatility in 2025, we believe long-term consumer trends toward decarbonization remain intact.

We believe affordability is an important part of the sustainability equation. Long-term affordability—not short-term cost-cutting—supports the sustained capital investment needed to develop more resilient infrastructure. This becomes increasingly important as we support the rising global middle class and its increasing infrastructure demands.[4]

Pooja Goyal: We believe long-term sustainability requires balancing decarbonization with affordability. We're designing infrastructure that can thrive even as government incentives change.

A good example would be our Copia Power asset. Copia Power is constructing two of the largest renewable energy projects in the United States, which are designed to be lower cost than existing power solutions. Projects like these are designed to provide reliable, low-carbon power while positioning us favorably for future market conditions.

Q: How are you addressing workforce development to ensure infrastructure resilience?

Pete Taylor: One of our most significant challenges is ensuring access to skilled labor. We're partnering with North America's Building Trade Unions, giving them early visibility into where we see growth markets for particular skills and in particular geographies, especially in non-traditional regions. This allows them to help us manage the labor supply chain for specialty skills across the Gulf Coast and Sun Belt here in the United States.

The JFK Terminal One project is a perfect example. We're working with trade schools and high schools to develop skilled operators, creating pathways from entry-level positions like wing walkers to roles like integrated control center operators. These efforts strengthen community relationships while creating a pipeline of talent needed to operate this sophisticated infrastructure over decades.

Pooja Goyal: We began working on the JFK Terminal One project in 2018, collaborating closely with the Port Authority of New York and New Jersey, labor unions, local communities, airlines, and construction companies. When COVID-19 hit in March 2020, just as we were about to reach financial close, we remained committed to our partners, ultimately reaching financial close in 2022.

The project is now on schedule, and we expect to welcome passengers in June 2026. We believe this success stems from our sector expertise through Carlyle Airport Group Holdings, where executives with backgrounds in airports and airlines help deliver strong outcomes for investors and partners. By integrating workforce development from the beginning, we're creating jobs while preparing the infrastructure to be effectively maintained for decades.

Q: How do you see infrastructure resilience evolving over the next decade?

Pete Taylor: We believe we'll see increased integration of digital technologies to enhance infrastructure resilience. A good example is Flender, one of Carlyle's investments in Europe, which has increased maintenance predictability in wind turbine gearboxes to 97.5% through digitally enabled systems. We believe infrastructure resilience will become more holistic, addressing not just physical durability, but also cybersecurity, energy security, and community resilience simultaneously.

Pooja Goyal: From what we're seeing, infrastructure resilience will increasingly require integrating systems that have traditionally operated independently. We're particularly focused on transmission and distribution constraints, which are creating bottlenecks that require innovative solutions.

We believe climate adaptation will become a central component of infrastructure planning rather than a secondary consideration. The infrastructure winners of the next decade will be those who can balance immediate economic returns with long-term adaptability.

4. *Pandey/Brelsford/Seto: "Rising infrastructure inequalities accompany urbanization and economic development" in Nature Communications, published 30 January 2025,* https://www.nature.com/articles/s41467-025-56539-w.

Case Study

TERMINAL ONE

Developing a Broader Vision for a World-class Global Gateway

The New Terminal One (NTO) at John F. Kennedy International Airport (JFK) is an infrastructure project designed to modernize and expand one of the busiest airports in the United States.[1] This multi-billion-dollar redevelopment is part of the Port Authority of New York and New Jersey's broader JFK Vision Plan, which aims to transform the airport into a global gateway while driving economic growth in the region.

Backed by a consortium of private investors led by Carlyle, the team behind NTO brings deep experience in infrastructure, operations, and finance. They also bring a shared commitment to building something that delivers lasting benefits to travelers, businesses, and the surrounding community.

An Investment, Not Just an Expense

A key focus of NTO's sustainability efforts is the implementation of energy systems designed to enhance resilience and reduce reliance on traditional power sources. Central to this effort is a 12MW microgrid that integrates solar energy from more than 13,000 rooftop panels. We believe it will enable NTO to achieve its renewable energy target of 50% of energy consumption through the onsite microgrid.

The reduced dependence on traditional energy sources also acts as a proactive risk mitigator enabling the terminal to operate independently of the main power grid and maintain functionality during external power disruptions or extreme weather events.

When a fire at an electrical substation triggered the shutdown of London's Heathrow Airport in March of 2025, it demonstrated how crucial resilient energy systems are. The disruption impacted over 200,000 travelers, led to substantial financial losses, and exposed vulnerabilities in critical infrastructure.[2]

$9.5BN

largest private investment in a US airport terminal to date[1]

12MW

microgrid that integrates solar panels energy from more than 13,000 rooftop panels

50%

renewable energy target of energy consumption through the onsite microgrid by terminal opening

1. *Information as of May 2025, unless otherwise noted. Data shown has been provided directly by the portfolio company and has not been independently verified. There is no guarantee that the portfolio company will successfully implement its business plan or meet stated commercial or ESG targets. There can be no assurance that any trends described herein will continue. Past performance is not indicative of future results. Goals are subject to change and no assurance can be given that goals or targets will be achieved. Case studies are provided for illustrative purposes only and not all portfolio companies are shown. Carlyle's track record is available upon request.*

NTO views a strategic commitment to renewable energy systems not as a cost, but as a strategic lever in protecting the investment from financial and reputational risks, as it translates into fewer delays, lowers the risk of lost revenue, and enhances long-term reliability.

Energy-efficient Design

In addition to renewable energy, the terminal is constructed, designed, and on target to meet LEED Gold certification standards, a globally recognized green building certification system developed by the US Green Building Council (USGBC).

The terminal's energy-efficient design features include tinted glass and a central spine of skylights to help maximize natural daylight while reducing heat gain, which will decrease reliance on artificial lighting and air conditioning. Additionally, a rainwater catchment system on the roof will help decrease water consumption. These features not only reduce the terminal's carbon footprint but also contribute to lower utility costs.

NTO is also investing in all-electric ground support equipment (GSE)—a first-of-its-kind initiative in airport operations. The electric GSE fleet is expected to eliminate costly fuel expenses, reduce maintenance costs, and extend the life of these assets.

Driving Economic Growth and Community Involvement

The project's initiatives go beyond certain environmental impacts—they also strive for inclusion and fostering economic growth. From the start, the NTO team prioritized public engagement, recognizing that community involvement and buy-in would play an important role in the project's success. Teaming up with local stakeholders and maintaining these connections helped build trust, reduce opposition, and minimize costly delays and legal challenges.

The project seeks to encourage participation by local companies, including, but not limited to, minority- and women-owned business enterprises (MWBE). These goals are an opportunity to ensure that the project's economic benefit reflects the broad range of backgrounds present in the Queens community—one of the country's most diverse areas. To this end, NTO has partnered with labor unions, small business organizations, and job training programs to provide skills training, networking opportunities, and procurement assistance for small businesses.

Setting the Standard for Infrastructure Development

We believe the NTO at JFK is more than just a new terminal—it is a forward-thinking approach to infrastructure development. Carlyle recognizes responsible development that considers certain environmental and social factors in project design and implementation is important to success, supporting lasting benefits for investors and the communities we serve. By embedding material sustainability considerations, NTO seeks to create an asset with lower operating costs, improved risk mitigation, and stronger ties to the community. All of which can contribute to a more stable and profitable investment, demonstrating that integrating sustainability considerations isn't a trade-off but a strategy that can drive long-term value.

> "The project's initiatives go beyond environmental impacts—it also strives for inclusion and fostering economic growth. From the start, the NTO team prioritized public engagement, recognizing that community involvement and buy-in were crucial to the project's success."

↑ Carlyle investment professionals and LPs tour the JFK New Terminal One construction site.

2. "Disruptions at Heathrow", UK Parliament Hansard, Vol 764, debated 24 March 2025.

05

Carlyle AlpInvest

Q&A

CARLYLE ALPINVEST

Delivering Tailored Solutions for Sustainability, Transparency, and Resilience

An interview with:

MARLEEN DIJKSTRA
Managing Director, Primary Fund Investments at Carlyle AlpInvest

MAAIKE VAN DER SCHOOT
Head of Responsible Investment at Carlyle AlpInvest

As global markets contend with economic uncertainty, regulatory shifts, and heightened stakeholder expectations, investors are increasingly seeking ways to future-proof their portfolios.

For Carlyle AlpInvest, this moment underscores the importance of an investment strategy that supports investors in navigating complexity and makes portfolios more resilient—including through a broad spectrum of sustainability-integrated solutions as well as dedicated investments in impact-related themes.[1]

Marleen Dijkstra, Managing Director, Primary Fund Investments at Carlyle AlpInvest, and Maaike van der Schoot, Head of Responsible Investment at Carlyle AlpInvest, explore how the platform is evolving its offerings to support clients through greater data transparency, sustainability integration, and long-term portfolio resilience.

Q: How have investor expectations changed when it comes to responsible investment?

Maaike van der Schoot: Institutional investors' responsible investment requirements continue to evolve in response to regulatory developments, growing reporting requirements and increased understanding of climate and other sustainability risks in investment portfolios. As a result, we've seen a significant shift from sustainability being a 'check-the-box' exercise to a strategic conversation between Carlyle AlpInvest and our investors, who increasingly ask for clear frameworks, measurable outcomes, and transparency across their portfolios.

Marleen Dijkstra: In tandem, we have seen investor interest in dedicated impact strategies grow, driven by increasing confidence in impact investment quality and stakeholder demand—even as private market fundraising becomes more selective. It's often a gateway for investors to broader sustainability strategies that align with long-term investment goals and institutional mandates.

On the supply side, we actively follow the global impact landscape and have witnessed strong growth in both the number and quality of impact funds, with climate emerging as a dominant theme. We currently track over 400 impact and sustainability funds as of May 2025 and believe the opportunity set is now deep enough to offer dedicated impact programs to investors seeking positive environmental and social externalities alongside financial performance.

Q: What role does data play in supporting these efforts?

Maaike van der Schoot: Data is the foundation. Without consistent and relevant ESG data, it's difficult to evaluate exposure, measure improvement, or align with external frameworks like the ESG Data Convergence Initiative or the UN SDGs. In 2024, we collected ESG data on more than 1,500 underlying

> "Carlyle AlpInvest's responsible investment platform reflects more than a response to market trends—it's a commitment to delivering tailored solutions that help institutional investors navigate a world in transition. Through data, discipline, and deep partnerships, Carlyle AlpInvest continues to evolve its approach to meet clients where they are—and help them get where they want to go."
>
> MARLEEN DIJKSTRA
> *Managing Director, Primary Fund Investments at Carlyle AlpInvest*

1. *Includes commitments to impact and SFDR Article 9 funds, healthcare funds and co-investments in companies with a significant part of revenues from products/services that seek to contribute positively to the Sustainable Development Goals (SDGs), in each case based on AlpInvest's internal analysis. The United Nations' SDGs are aspirational in nature. The analysis involved in determining whether and how certain investments may contribute to or support the SDGs is inherently subjective and dependent on a number of factors and AlpInvest makes no commitment or guarantee that it is investing in companies that have a formal commitment or plan or take specific actions to support or contribute to the SDGs. There can be no assurance that reasonable parties will agree on a decision as to whether certain investments contribute to or support a particular SDG. Accordingly, investors should not place undue reliance on AlpInvest's application of the SDGs, as such application is subject to change at any time and at AlpInvest's sole discretion.*

> "At Carlyle AlpInvest, we've focused on creating tools and processes that turn these sustainability data points into insightful reporting for our clients. This includes portfolio-level ESG dashboards, SDG mapping, and impact KPI tracking—all designed to bring clarity to complex information."
>
> MAAIKE VAN DER SCHOOT
> *Head of Responsible Investment at Carlyle AlpInvest*

portfolio companies and have mapped our portfolio against the Sustainability Development Investment Taxonomy. At Carlyle AlpInvest, we've focused on creating tools and processes that turn these sustainability data points into insightful reporting for our clients. This includes portfolio-level ESG dashboards, SDG mapping, and impact KPI tracking—all designed to bring clarity to complex information.

Marleen Dijkstra: Initially focused on ESG and sustainability data, our approach covers our entire portfolio. For investor accounts with a dedicated allocation toward impact investments, our reporting includes case studies and impact KPI reporting. As impact data and reporting evolve, we continue to develop our capabilities to deliver meaningful insights to our investors.

Q: How is Carlyle AlpInvest evolving its investment process to embed sustainability more deeply?

Marleen Dijkstra: For investor accounts with a dedicated allocation toward impact investments, we apply our proprietary Impact Assessment Framework to help select the opportunities for our clients that align with their impact and risk/return objectives. But beyond that, we seek to embed sustainability considerations across our platform—from primary funds to secondaries and co-investments.

Maaike van der Schoot: The goal is to support investor mandates with precision—whether they require sustainability integration, sustainability reporting, climate alignment, or Article 8/9-compliant strategies. Our due diligence approach considers sustainability-related risks and opportunities, as well as the general partner's (GP) sustainability programs and alignment with our clients' objectives. We also conduct regular reviews to assess how GPs evolve over time.

Q: Can you share how Carlyle AlpInvest is supporting investors in enhancing portfolio resilience?

Marleen Dijkstra: Responsible investment is increasingly appreciated as a tool for risk mitigation and opportunity capture. Climate, healthcare, and financial inclusion are areas where structural tailwinds can support long-term growth—and these themes could also buffer against certain market shocks. In our conversations with investors, we focus on how a measured allocation to impact or ESG-driven strategies can enhance diversification and align portfolios with client sustainability focus areas.

Rather than viewing impact as a binary choice, in terms of 'impact portfolio' or 'no impact portfolio,' we see an allocation as a strategic component of a broader private equity program that can enhance resilience against long-term systemic challenges.

We believe that the underlying tailwinds supporting impact themes are structural and long-term. Despite short-term political cycles that may create headwinds, the fundamental drivers—resource scarcity, climate change, and aging populations—remain firmly in place. This can create opportunities for investors to build resilience into their portfolios while accessing attractive growth markets.

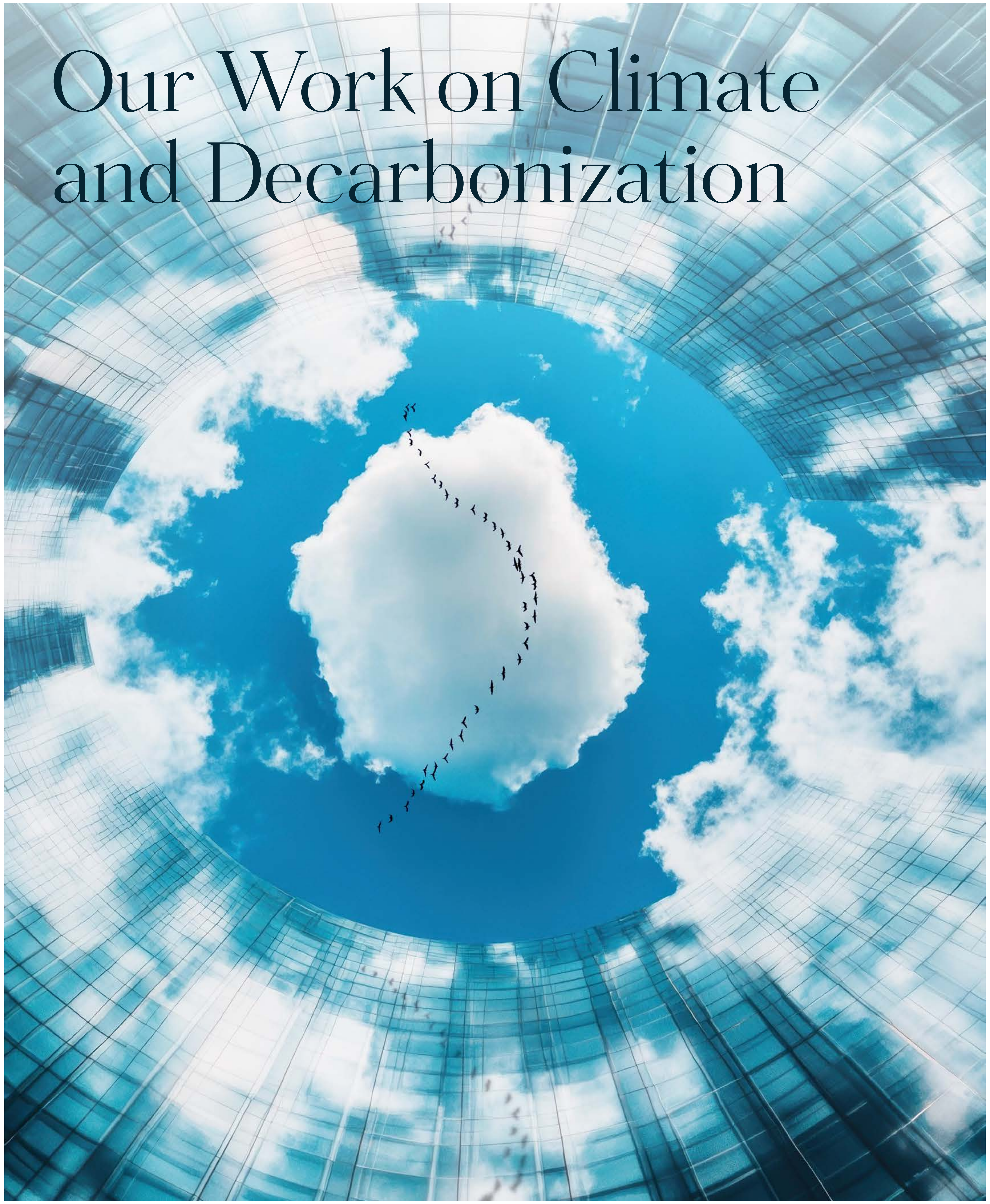
Resilience is often multi-dimensional. Beyond climate or healthcare themes, it can also include resilience to regulatory shifts, stakeholder expectations, and even tariff shocks or geopolitical disruptions. A strong responsible investment foundation can give investors confidence that their portfolios are preparing for a changing world.

Q: What's next for Carlyle AlpInvest's responsible investment platform?

Maaike van der Schoot: Transparency, innovation, and accountability. We're continuing to evolve our capabilities based on client feedback and industry developments. Last year's Sustainability Report emphasized our focus on sustainability data integration and portfolio-level insights, and we're building on that foundation with enhanced tools for reporting and portfolio engagement. Whether investors are looking to start small or scale their sustainability-related ambitions, our role is to guide them with clarity and rigor.

06

Task Force on Climate-related Financial Disclosures



Our Work on Climate and Decarbonization

As a global investment firm, we seek long-term value for our investors, companies, shareholders, employees, and communities. We believe that better understanding and managing the emerging risks and opportunities that arise from climate change are important components of delivering value to our investors. Our work on climate and decarbonization is designed to reduce risk and enhance opportunity in order to drive lasting investment performance.

Since our last Task Force on Climate-related Financial Disclosures (TCFD) report, we have invested in four areas:

→ **01 Met Carlyle's aspirational Climate Goal #1 in 2024** ahead of schedule with 93% of Carlyle's In-Scope Companies' Scope 1 and 2 emissions covered by Paris-aligned climate goals, exceeding our target of 75% by 2025.

→ **02 Continued to work with companies on setting GHG emissions reduction targets,** where they support business performance. During 2024, we have engaged with companies to set targets through the decarbonization bootcamp across our private equity and direct lending segments. This year, we have 42 participants from 27 portfolio companies.

→ **03 Advanced progress in our ability to measure GHG emissions across the portfolio.** By the end of 2024, we integrated our Global Private Equity funds into the Watershed platform, which we use to measure and track GHG emissions across our portfolio. By the end of 2025, we also intend to have Global Credit and Carlyle AlpInvest included in the platform.

→ **04 Developed an approach for more systematic screening for biodiversity and physical climate risks** during due diligence across private equity and credit through a triage framework. This also includes the roll-out of a new purpose-built tool called 'CarbonFit' to quickly understand the commercial opportunities of decarbonization across our portfolio.

Our 2025 priorities include:

- Launching our aspirational Climate Goal #2 across our Global Private Equity Portfolio.
- Driving progress in our understanding of physical climate risks affecting the portfolio and how to support companies to become more resilient by building adaptation strategies.
- Further integrating the Watershed platform to increase data quality and coverage.

Carlyle's action plan incorporates the recommendations from 'TCFD for Private Equity General Partners: A Technical Guide'. We have outlined our process corresponding to each pillar and highlighted certain corresponding actions taken by Carlyle during 2024, alongside some recent highlights from 2025.

93%

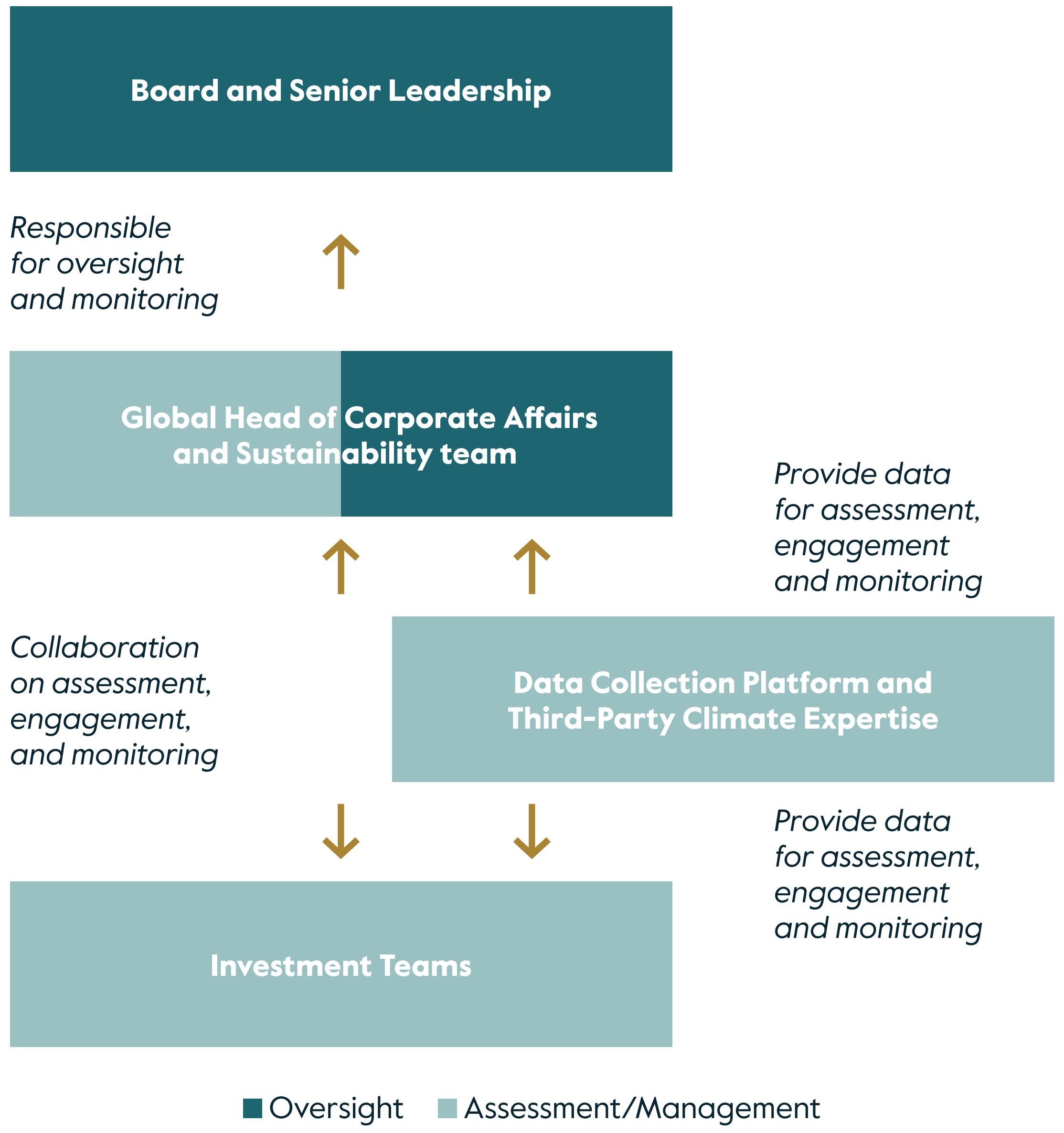
of Carlyle's In-Scope Companies Scope 1 and 2 emissions covered by Paris-aligned climate goals

Governance

In 2020, Carlyle formally established oversight for our sustainability activities, including our approach to climate risks and opportunities, through Carlyle's Board of Directors. The Board receives regular updates on the firm's sustainability strategy and investment implications, which have included Carlyle's approach to climate risk and opportunity. One of the independent members of our Board of Directors has been appointed by the Nominating and Corporate Governance Committee of the Board as the Sustainability Lead, directly responsible for oversight of the firm's work in this area. Linda H. Filler currently fulfills this role. You can view Linda's biography here.

Carlyle's Sustainability team reports into Carlyle's Global Head of Corporate Affairs, with ultimate oversight from the firm's Chief Operating Officer.

Please see the below graphic, which details our climate governance.



Strategy

Carlyle's climate strategy reflects an evolving approach to assessing and managing climate-related risks and opportunities, with a focus on our investment portfolios in line with our fiduciary duty.

Firm-Level

01 Climate Risk Assessment and Strategic Integration: We continue to evaluate how climate-related risks and opportunities may affect our business, with a focus on investment activities and portfolio performance. Where appropriate, we develop strategy-specific tools and frameworks to support this analysis.

02 Governance and Resourcing: We are advancing internal capabilities to respond to climate-related regulatory requirements and investor expectations, for example, through partnering with Watershed seeking to calculate GHG emissions for Global Private Equity, the global credit platform and Carlyle AlpInvest by the end of 2025.

03 Transparency and Disclosure: Since 2020, Carlyle has issued an annual TCFD report, which outlines our approach to identifying, managing, and monitoring climate-related issues, and provides updates on our progress. Starting in 2025, through our partnership with Watershed, we are also able to provide investors in most of our funds access to the GHG emissions of their holdings.

04 Raising awareness of climate-related risks and opportunities throughout our organization: For example, we held targeted educational and training sessions for investment teams across Carlyle, such as a workshop for ~25 Real Estate investment professionals covering physical climate risk processes, TCFD reporting, net zero carbon targets, and decarbonization levers for real estate.

Risk definitions

In assessing the potential risks from climate change, we look to the definitions established by the TCFD, as set forth below. Given the average hold period of our typical investment, we focus most on potential material acute physical risks, policy and legal, technology, market, and reputation transition risks. The broader set of risks are important components of longer-term strategy.

→ **Physical risks** resulting from climate change:

- Acute risks: event-driven exposures, including the increased severity of extreme weather events (cyclones, hurricanes, floods, etc.).
- Chronic risks: longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea-level rise or chronic heat waves, for example.

→ **Transition risks** resulting from the transition to a lower-carbon economy:

- Policy and legal risks: the evolution of regulations and potential litigation or legal risk.
- Technology risks: technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system.
- Market risks: the effects of climate change on supply and demand.
- Reputation risks: changing customer or community perceptions related to climate considerations.

In 2023, we developed a partnership with Jupiter Intelligence, which offers analytics to help companies improve their climate resilience. We piloted the tool across a subset of our US Real Estate properties.

Portfolio-Level

01 Diligence and Materiality Assessment: During investment evaluation, we assess the materiality of climate-related risks and opportunities for select strategies. Where relevant, we undertake deeper diligence, often incorporating external expertise to support more robust assessments.

02 Decarbonization and Value Creation: For portfolio companies where climate is identified as a financially relevant factor, we support the development and implementation of decarbonization strategies as part of broader value creation and risk management plans.

03 GHG Emissions Tracking: We collect GHG emissions data annually over the investment hold period for the majority of our strategies. This effort supports our ability to monitor trends, engage with companies, and identify areas for potential improvement.

04 Engagement and Collaboration: We work with select portfolio companies to develop tailored action plans focused on decarbonization, adaptation, and resilience.[1] For example, we:

- Grew our decarbonization-linked financing program across segments of our Global Credit platform, providing an electable incentive for borrowers to reduce GHG emissions or achieve other climate-related targets.
- Continued the Carlyle Decarbonization Bootcamp for portfolio companies, a set of structured monthly training sessions designed to equip companies with the knowledge, tools, and resources to help their businesses develop and roll out a decarbonization strategy.
- Shared over 130 Responsible Investment scorecards between 2022 and 2024 with GPs in Carlyle AlpInvest's portfolio, which provide practical tools and suggestions on how to improve performance on climate issues, and other ESG practices.

1. For more information, see our section on GHG emissions reduction goals on page 39, which outlines how we determine relevance.

05 Sustainable Investment Activity: As of December 31, 2024, Carlyle has invested over $1.87 billion[2] in renewable and sustainable energy through our Global Infrastructure platform.

06 Third-Party Manager Engagement: Within Carlyle Alpinvest and certain credit strategies, we seek to understand how third-party fund managers consider climate-related risks and opportunities in their investment processes and disclosures.

External Strategy

01 Raise awareness in the broader field about climate-related risks and our work: For example, we hosted a sustainability breakfast for LPs attending our Europe Investor Conference to discuss the wider challenges associated with ESG data collection and demonstrate how Carlyle is improving and streamlining its approach to collection and reporting.

02 We continued membership in the iCI, a global, practitioner-led community of investors that seeks to better understand and manage the risks associated with climate change. In 2024, we co-chaired the iCI working group on nature-based investing, which authored guidance for iCI members on participating in the voluntary carbon markets, culminating in a launch event in January 2025. We participated as a member of the One Planet Initiative, a group of private investment firms focused on integrating climate change into investment stewardship.

Carlyle AlpInvest

01 In 2024, Carlyle AlpInvest (formerly Global Investment Solutions) took a significant step forward by launching a dedicated climate strategy. At the heart of Carlyle AlpInvest's climate strategy is our mission to deliver attractive financial performance, support our clients' goals, and build long-term value. We believe this includes reflecting the positive and measurable environmental impact of our investments, considering material climate risks and opportunities in our investment decisions, and building strategic relationships, while harnessing our unique data set. To achieve this, we are taking steps to develop advanced climate data capabilities to empower our general partners and build strategic client partnerships.

02 One of the core pillars of this strategy is advancing climate data capabilities to reflect measurable environmental and climate impact in addition to financial returns. This will help us meet increasing reporting requirements from our investors and also allow for climate risk analysis in our portfolio. We are actively expanding our data set, and in 2024, more than 1,500 portfolio companies in our portfolio have reported EDCI metrics—doubling from the previous year. Furthermore, Scope 1, 2, and 3 emissions estimates are accessible for approximately 90% of the portfolio, providing a more comprehensive understanding of the environmental footprint of investments.

03 A second pillar is empowering GPs by equipping them with data, intelligence, and resources to help navigate climate challenges that can create risks and opportunities to investment portfolios. In the last year, Carlyle AlpInvest organized a carbon reporting webinar and a decarbonization workshop for US-based GPs. These events provided practical guidance on how GPs could meet climate disclosure requirements and identify pockets of climate-related value creation in their portfolios.

04 A third pillar centers around building strategic client partnerships. The firm collaborates with investors who have a climate focus in their strategies, offering access to investment opportunities that seek to generate both financial returns and positive environmental outcomes. As part of this commitment, Carlyle AlpInvest has introduced innovative investment products, including a dedicated impact separately managed account (SMA) centered on climate investments.

Risk Management[3]

Carlyle has developed a set of risk management processes which cover the following areas:

01 Identifying and assessing climate-related risks: In 2023, we conducted a top-down materiality analysis on a subset of current portfolio holdings to identify climate risk exposure. Since then, we have been expanding our approach to cover more parts of the portfolio. In 2024, for example, we conducted physical climate risk assessment for US Real Estate funds and select assets in the Europe Real Estate portfolio. This approach enables us to prioritize resources, tailor engagement with portfolio companies, and align with evolving regulatory expectations and stakeholder interest.

02 Managing climate-related risks: We track certain ESG KPIs that we believe are relevant across diverse geographies and assets for our Global Private Equity and select Global Credit investments. These KPIs may include a dedicated GHG emissions module and several climate-related questions, such as if a company purchases renewable energy and/or has a target for purchasing renewable energy, if a company monitors energy usage and/or GHG emissions and reports on their footprint, if a company purchases carbon credits, and if a company has set energy efficiency or GHG emissions reduction targets.

Additionally, for a subset of investments made by our Renewable and Sustainable Energy funds, in which climate metrics are closely linked to the core businesses of the portfolio companies, we perform a qualitative and quantitative analysis[4] of the abatement potential of each investment as part of our due diligence process, which is included in our Investment Committee memos. This quantitative approach helps us refine our investment analysis and evaluation and more effectively underwrite our renewable and sustainable energy investments. These calculations are tracked and aggregated annually at the portfolio company and strategy levels.

03 Integrating climate considerations within the investment process:

→ **Global Private Equity:** Carlyle developed a climate risk triage and materiality analysis, which we began integrating into diligence in 2021. This risk-based approach looks at investment type, sector, location/geography, exposure to carbon-related regulations, intended hold duration, and likelihood of climate-related considerations to determine potential impact. Where a potential investment triggers issues with respect to two or more of these categories, we recommend additional climate risk and opportunity reviews, in some cases leveraging third-party expertise. We have also integrated biodiversity considerations into the triage since 2023. In 2024, we have partnered with sustainability consulting firm (and portfolio company) Anthesis Group to build a CarbonFIT tool to conduct desktop analysis during diligence to understand the financial implication and return on investment of a decarbonization pathway.

→ **Global Credit:** Our Global Credit platform rolled out a proprietary ESG Materiality Analysis tool at the beginning of 2021, which is now used to evaluate select investments, as applicable.[5] The tool focuses on climate change in three ways. First, it draws on the SASB framework to focus on relevant climate change-related risks for a given sector and industry; second, it suggests some targeted engagement questions to use in any conversations with management on potentially material ESG risks, including climate change, where relevant; and third, it incorporates a third-party data set that highlights the potential physical risks of climate change based on the geography of the borrower's operations and/or supply chain. A summary of the ESG Materiality Analysis is included in the investment committee memo for relevant strategies. In certain instances, relevant climate change-related risks have been a contributing factor in our decision to decline a potential investment. In 2024, we have started to use AI to improve the quality of our analysis and aggregate data to draw decision-relevant conclusions to help de-risk investments and support investors in investment and portfolio allocation decision making. This work will be a strong focus for 2025.

2. *Represents total cumulative equity invested as of December 31, 2024.*
3. *There is no guarantee that any risk mitigation strategies will result in lower risk.*
4. *In certain instances, we are unable to perform a quantitative climate impact analysis where credible factors, estimates, or abatement models do not exist.*
5. *In certain circumstances, this tool may not be applicable and as a result may not be used. For example, our Aviation Finance team does not use this tool, given the bespoke nature of that investment strategy. We are happy to share our approach to ESG/climate risks and opportunities for our Aviation Finance strategy separately.*

Metrics and Targets

Our objective is not only to better understand our own Scope 1 and 2 GHG footprint but to equip our portfolio holdings (our Scope 3) with tools to deepen their understanding of GHG data:

We believe GHG footprinting can help companies better understand their climate impact, exposure, and resilience, prepare for potential climate-related policy changes, comply with GHG emissions reduction and reporting requirements from customers and regulators, understand risks, and better position themselves for growth. Extreme weather events are increasingly disrupting supply chains and business operations. Therefore, understanding climate risks in the supply chain via a Scope 3 mapping exercise supports resilience and business continuity.

In 2024, we increased our ability to measure and report GHG emissions across our portfolio. Coverage now extends to all Carlyle Global Private Equity funds as well as Carlyle AlpInvest. In 2025, we plan to extend coverage to the entire credit platform. The work was accomplished through a partnership with Watershed, consulting support, and our dedicated Sustainability team. In cases where we were unable to collect the GHG footprint directly from the company, we used estimations to calculate a GHG footprint, for example by using revenue, square footage, location, and activity data.[6]

Our portfolio GHG footprinting methodology is consistent with the Greenhouse Gas Protocol's Corporate Accounting and Reporting Standard and Scope 2 Guidance developed by the World Resources Institute. It includes the portfolio company Scope 1 emissions from owned or controlled sources, as well as portfolio company Scope 2 emissions associated with purchased energy for the 2023 reporting year and value chain emissions (Scope 3), expressed in MT (metric tons) CO_2e.

Progress Toward Our Climate Goals

In February 2022, Carlyle announced its Long-Term Climate Goal to achieve Net Zero GHG emissions by 2050 or sooner across direct investments, along with a set of Near-Term Climate Goals. We are committed to supporting real emissions reductions within certain portfolio companies to help position them competitively—in a global economy that is increasingly decarbonizing—to achieve better financial outcomes for our investors. We strive to be transparent and therefore seek to publicly report on progress toward our GHG emissions reduction goals and our work to achieve them.

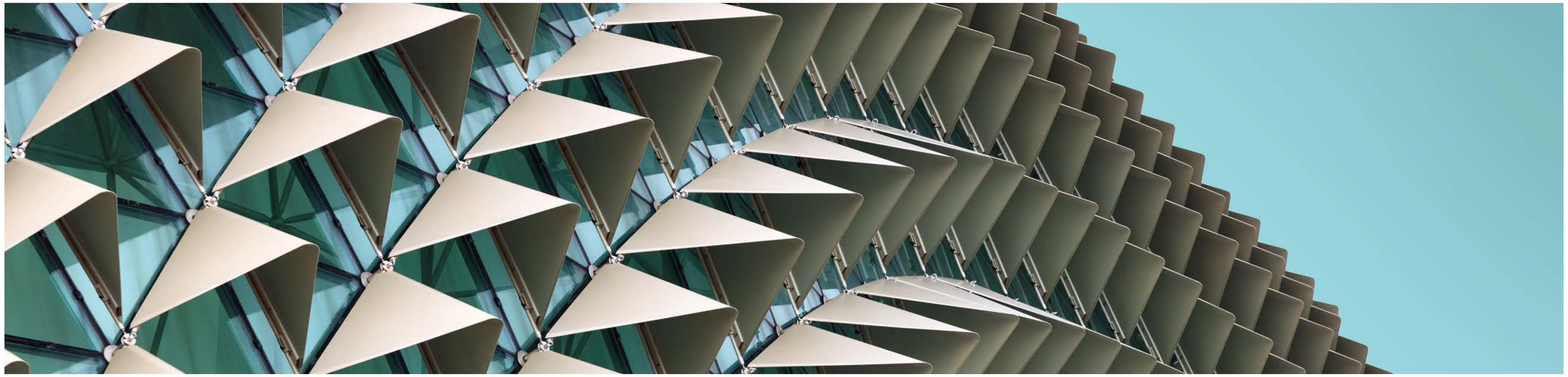
→ **Our first Near-Term goal** (herein known as Goal #1) is for 75% of Carlyle's In-Scope portfolio companies' aggregated Scopes 1 and 2 emissions to be covered by Paris-aligned climate goals by 2025. The scope of Goal #1 is Carlyle's majority-owned corporate private equity, power, and energy portfolio companies (companies defined as 'In-Scope Companies'), set as of December 31, 2021. In partnership with these portfolio companies, we are pleased to report that we have achieved Goal #1 as of June 2024 and will therefore sunset tracking and reporting against Goal #1 in order to focus on our next target. We believe that this short-term initial target was instrumental in helping us learn a pragmatic and commercial approach to GHG emission reductions and net zero goals that focuses on risk management and commercial outcomes in line with our fiduciary duty.

→ **Our second short-term climate goal** (herein known as Goal #2) commenced as of January 1, 2025. The goal states that beginning in 2025, our aspiration is that all newly acquired direct, majority-owned Corporate Private Equity, Energy, and Power portfolio companies will set Paris-aligned climate goals within two years of ownership, where we find it could be financially relevant. A potentially in-scope company is evaluated during due diligence to determine if setting a GHG reduction target is financially relevant. Areas we evaluate include: (1) energy expenditures (e.g., electricity, natural gas, fuel), (2) revenue linked to customers with GHG reduction requirements, (3) regulations, and (4) whether the company may have revenue opportunities from low-carbon products or climate-related service lines. We may also take sector, geography, and other business factors into account. If the company does not meet the scoping requirement, it is re-evaluated at its first and second post-close anniversary date to determine if it has come into scope.

As part of Goal #1, Carlyle has created guidelines for what a 'Paris-aligned trajectory' (herein known as Paris-aligned) entails. Specifically, Carlyle has developed an internal standard operating procedure (SOP) document that outlines the scope, definitions, calculation methods, documentation, data quality guidance and verification, governance responsibilities, and reporting protocol for our portfolio companies' climate goals. These procedures were informed by leading standards[7] and independently reviewed by two Big Four accounting firms. We are building on our experience and have built out our approach to tracking and implementing Goal #2.

We have partnered with sustainability consulting firm (and portfolio company) Anthesis Group to build a CarbonFIT tool to conduct desktop analysis during diligence to understand the financial implication and return on investment of a decarbonization pathway. While we believe it is not feasible to fully decarbonize most businesses during our hold period, we believe our role can be a catalyst for setting qualifying portfolio companies on the path toward decarbonization using a science-based approach, as we think this will lead to stronger long-term competitive positioning for our portfolio companies.

While there is more work to be done, we believe our proactive engagement and collaboration with portfolio companies will continue to enable forward progress and help mitigate risk to Carlyle's portfolio and support stronger long-term investment outcomes.



6. *Carlyle recommends portfolio companies calculate their emissions via a third-party tool using primary data. While primary data is preferred, it is recognized this is not always possible to collect and reasonable estimates using proxy figures or extrapolation (e.g., building area) are accepted. Where a company does not calculate its emissions, Carlyle partners with a third-party provider to estimate emissions.*
7. *Including: The Greenhouse Gas Protocol—A Corporate Accounting and Reporting Standard ('GHG Protocol'), Partnership for Carbon Accounting Financials ('PCAF') Global GHG Accounting and Reporting Standard for the Financial Industry, Institutional Investors Group on Climate Change ('IIGCC'), and iCI guidance on GHG Accounting for Private Equity.*

Looking Ahead

We recognize that this is a work in progress. We focus our work on the companies where we believe we have the strongest potential to contribute to financial outcomes and create a business that is more resilient, adaptive, and carries less risk, in order to drive investment value. Future progress entails building out plans for executing on our Net Zero goals across our other investment strategies, including credit, and advancing our approach to physical climate risk and adaptation. As we continue on this journey, we welcome feedback and engagement with stakeholders and seek to continually improve our approach.

Corporate Sustainability

We seek to evolve and improve sustainability efforts across the firm that we believe are financially material and resonate with Carlyle employees. A key element of our corporate sustainability work is to address and reduce our corporate carbon footprint. We strive to minimize our own impact by increasing our share of renewable energy in our operations as well as contribute to climate change mitigation through the voluntary carbon market (VCM). We have purchased carbon credits in the VCM to compensate for our Scope 1, Scope 2, and select Scope 3 business travel emissions since 2018. We believe this complements our portfolio decarbonization efforts, while also driving progress in global climate adaption and mitigation efforts.

Our operational emissions for 2021–2024 are detailed in the table below. In line with 2023, we mitigate our Scope 2 emissions through the purchase of Renewable Energy Certificates (RECs) matched to the amount of emissions incurred in our major operating countries. We have focused on high-quality carbon credits for the remainder of our Scope 1 and select Scope 3 (business travel) emissions.

We purchased our RECs and carbon offsets through Anthesis Group. Before selecting the providers and projects, we conducted thorough diligence using the carbon quality framework that we developed in 2023. The framework was used to inform industry best practices through our leadership in the iCI Working Group on Voluntary Carbon Offsets in Private Equity. Based on this framework, we selected a portfolio of projects with a mix of avoidance and removal credits generated from nature-based solutions.[8]

Category (t/CO_2e)	2024	2023
Scope 1	975	1,139
Scope 2 (market-based)	3,474	2,756[9]
Scope 2 (location-based)	23,350	2,719
Scope 3	129,511[10]	20,568[11]
Total Emissions	**153,836**[12]	**24,426**[12]

8. Project codes selected: VCS 1566 and VCS 142.

9. For 2023 with respect to our London office, Q4 electricity consumption was proxy calculated using 2022 figures as utility bills are not yet available.

10. The 2023 Scope 3 emissions disclosure includes only Category 6: Business Travel.

11. For 2024, the Scope 3 boundary has been expanded to include the following categories in accordance with the GHG Protocol: 3.1 Purchased Goods and Services, 3.2 Capital Goods, 3.3 Fuel- and Energy-Related Activities (not included in Scope 1 or 2), 3.5 Waste Generated in Operations, 3.6 Business Travel, 3.7 Employee Commuting, and 3.8 Upstream Leased Assets.

12. Scope 2 location-based emissions were used to calculate total emissions.

07

Our People & Culture

Perspectives and Performance

At Carlyle, we believe that resilient organizations benefit from the foresight of inclusive leadership. A growing body of data,[1] including from our own portfolio, shows us that a broad range of perspectives and backgrounds are better equipped to navigate complexity, drive innovation, and deliver stronger outcomes.

63%

of US employees identify as women or ethnically diverse

49%

of Asia employees identify as women

46%

of Europe employees identify as women

97%

retention rate among participants in leadership development programs

41%

of employees participate in at least one employee resource group (ERG)[2]

611

employees participating in a mentorship program

Data as of January 1, 2025.

Ethnically diverse definition: Asian, Black, Hispanic or Latinx, Native Hawaiian/Pacific Islander, American Indian/Alaskan Native, or Two or More Races.

1. *Research published: Thomas, Khizgilov and Helander (2023). 'Diversity as Excellence in Risk Management.'*
2. *All ERGs are open to all employees.*

People & Culture Highlights

Throughout our spheres of influence—across our firm, our portfolio, and the communities we touch—we've further embedded inclusion as a long-term strategy to build resilient talent pipelines and responsive leadership, drive operational and organizational performance, and generate sustainable value for all stakeholders.

Our Firm

We seek to foster a culture where all of our employees feel that they belong and everyone can excel.

→ **500+ people managers** have attended an inclusive leadership session focused on strengthening communication, decision-making, and strategic thinking skills to drive positive change and grow our competitive advantage.

→ **Launched 4 new ERGs in Asia** driven by employee-led feedback and momentum.

Our Portfolio

We collaborate on governance and leadership strategies that we believe support sustainable growth and strong performance.

→ **600+ attendees** engaged through D&I Leadership Network events—a coalition of our global portfolio company CEOs who are committed to fair and inclusive workplaces.

→ **Explored topics** with our portfolio company leadership such as Women and Ambition, Radical Candor, and Radical Respect through our Expert Series.

Our Communities

We seek to drive positive change in the communities in which we operate and invest, including by supporting several organizations around the world, which expand opportunity and access to our industry.

→ **$300 million** of available balance sheet cash invested into two money market share classes, delivering a dual benefit: to inject new sources of capital into neighborhoods that lack access to financing and further diversify Carlyle assets.

→ **200+ early-career** professionals provided with exposure to our industry through a variety of programs targeting college and university students.

Information as of January 1, 2025.

08

Corporate Disclosures

Materiality Assessment Methodology

This year's report has been prepared with reference to the Global Reporting Initiative (GRI) Standards, which provides an internationally recognized framework to communicate our material sustainability issues as a firm to our stakeholders with improved disclosure and transparency. In 2021, we began reporting according to the World Economic Forum's (WEF) ESG metrics. The WEF metrics were developed in an effort to identify a core set of material ESG metrics that can be reported on a consistent basis across industries, sectors, and countries.

In our 2020 Impact Review, we developed a materiality assessment that we continue to employ. As part of our initial materiality assessment, we took into account the expectations and requirements of our stakeholders, the knowledge and experience of our in-house Sustainability team members, and the SASB Asset Management & Custody Activities Standards. These inputs helped us identify the material topics to be covered in this report, while also taking into account the degree to which Carlyle has control over each issue. We also included topics that are important to Carlyle. Details of the material issues we identified for our firm can be found on the right.

Economic

Economic issues are core to our business. As a global investment firm, we work together to create long-term value for our investors, companies, shareholders, people, and communities. Economic factors have the potential to impact both our own operations, as well as our investment portfolio. Stewarding capital is a key aspect creating both opportunities and risks. We therefore believe that the following GRI 'economic topics' are the most material for our organization:

01 Direct economic value generated and distributed.

02 Infrastructure investments and services supported.

03 Communication and training about anti-corruption policies and procedures.

Environmental

As a global investment firm, the majority of our direct operations are office-based; hence we are keenly aware that our environmental impacts as a firm are relatively small. However, as referenced in the Climate Resilience section of this report and in our TCFD report, Carlyle believes that climate change is one of the most pressing issues of our time, creating unprecedented risks and opportunities for businesses across all industries. To respond to this challenge and to provide greater transparency on our direct environmental impacts, we believe the following GRI 'environmental topics' are the most material for our organization:

01 Energy consumption within the organization.

02 Energy intensity.

03 Direct (Scope 1) GHG emissions.

04 Energy indirect (Scope 2) GHG emissions.

05 Other indirect (Scope 3) GHG emissions.

06 Non-compliance with environmental laws and regulations.

Social

We aim to ensure that every colleague feels that they matter, are valued, and have access to high-quality benefits and opportunities for learning and development—so we can all contribute. We believe that the continued development of our employees at every level in our organization, as well as our focus on enhancing diversity and inclusivity, are areas of competitive strength at Carlyle. We therefore consider that the following GRI 'social topics' are the most material for our organization:

01 Benefits provided to full-time employees that are not provided to temporary or part-time employees.

02 Programs for upgrading employee skills and transition assistance programs.

03 Percentage of employees receiving regular performance and career development reviews.

04 Diversity of governance bodies and employees.

05 Incidents of non-compliance concerning marketing communications.

Stakeholder Engagement

The chart on the right illustrates our key stakeholders, as well as our channels for directly engaging with each of those stakeholders on ESG-related matters. Our direct stakeholders are increasingly interested in understanding more about the broader environmental and social impacts of our business and our portfolio companies, and seeing Carlyle leadership on key global challenges such as climate change, and diversity and inclusion. Our progress on these topics is highlighted in this report.

Disclosures

→ GRI 102

General Disclosure is used to report contextual information about an organization and its sustainability reporting practices. This includes information about an organization's profile, strategy, ethics and integrity, governance, stakeholder engagement practices, and reporting process.

→ GRI 103

Management Approach is used to report information about how an organization manages a material topic. It is designed to be used for each material topic in a sustainability report, including those covered by the topic specific GRI Standards (series 200, 300, and 400) and other material topics.

→ Topic-specific Standards 200 series (Economic topics) and 300 series (Environmental topics), and 400 series (Social topics)

The 200, 300, and 400 series include numerous topic-specific Standards. These are used to report information on an organization's impacts related to economic, environmental, and social topics (e.g., Indirect Economic Impacts, Water, or Employment).

Carlyle's Stakeholders and Respective Channels of Engagement

→ Shareholders

- Annual ESG Report.
- GRI reporting and ESG data.
- Public filings and one-to-one conversations.
- Investor Day.

→ Broader Public

- Annual ESG Report.
- Regulatory compliance and audits.
- Engagement with industry and issue groups.
- Investor Day.

→ Employees

- Sustainability training across functional teams.
- Centralized sustainability resources on firm's intranet.
- Dedicated internal personnel on sustainability, diversity and inclusion, human capital, cyber security, and more.
- Ongoing mentoring and employee engagement programs (detailed in GRI Standard 404-2).
- ESG-linked compensation.

→ Limited Partners

- LP meetings and engagements.
- Updates via our LP Connect portal.
- Sustainability research publications.
- Investor conferences.
- Quarterly and ad-hoc reporting.

→ Portfolio Companies

- Annual Sustainability Workshop.
- ESG data collection and analysis.
- One-to-one engagement with Sustainability team.
- ESG Action Plan and value creation support.
- Quarterly sustainability updates via newsletter.
- Thematic webinars.

General Disclosures

Disclosure Number	Disclosure Title	Description	Location/Relevant Information
102-1	Name of the organization	The reporting organization shall report the following information: **01** Name of the organization.	The Carlyle Group Inc.
102-2	Activities, brands, products, and services	The reporting organization shall report the following information: **01** A description of the organization's activities. **02** Primary brands, products, and services, including an explanation of any products or services that are banned in certain markets.	Please see pages 7–11 of Carlyle's 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg20241231l0-k.pdf.
102-3	Location of headquarters	The reporting organization shall report the following information: **01** Location of the organization's headquarters.	Washington, D.C.
102-4	Location of operations	The reporting organization shall report the following information: **01** Number of countries where the organization operates, and the names of countries where it has significant operations and/or that are relevant to the topics covered in the report.	Please see page 7 of Carlyle's 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg20241231l0-k.pdf, and a list of our global offices here: https://www.carlyle.com/contact-us.
102-5	Ownership and legal form	The reporting organization shall report the following information: **01** Nature of ownership and legal form.	Please see page 15 of Carlyle's 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg20241231l0-k.pdf, and page 76 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-6	Markets served	The reporting organization shall report the following information: **01** Markets served, including: I. Geographic locations where products and services are offered. II. Sectors served. III. Types of customers and beneficiaries.	Please see pages 7–29 of Carlyle's 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg20241231l0-k.pdf.
102-7	Scale of the organization	The reporting organization shall report the following information: **01** Scale of the organization, including: I. Total number of employees. II. Total number of operations. III. Net sales (for private sector organizations) or net revenues (for public sector organizations). IV. Total capitalization (for private sector organizations) broken down in terms of debt and equity. V. Quantity of products or services provided.	Please see pages 7–29 and the audited financial statements included in Carlyle's 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg20241231l0-k.pdf.
102-8	Information on employees and other workers	The reporting organization shall report the following information: **01** Total number of employees by employment contract (permanent and temporary), by gender. **02** Total number of employees by employment contract (permanent and temporary), by region. **03** Total number of employees by employment type (full-time and part-time), by gender. **04** Whether a significant portion of the organization's activities are performed by workers who are not employees. If applicable, a description of the nature and scale of work performed by workers who are not employees. **05** Any significant variations in the numbers reported in Disclosures 102-8-a, 102-8-b, and 102-8-c (such as seasonal variations in the tourism or agricultural industries). **06** An explanation of how the data have been compiled, including any assumptions made.	Carlyle may discuss certain information relating to this topic upon request.
102-9	Supply chain	The reporting organization shall report the following information: **01** A description of the organization's supply chain, including its main elements as they relate to the organization's activities, primary brands, products, and services.	As a global investment firm, Carlyle works with a number of third party service providers that support its day-to-day business operations. Please see our Supplier Code of Conduct: https://www.carlyle.com/sites/default/files/2022-04/Carlyle%20Supplier%20Code%20of%20Conduct.pdf. In addition, in our dealings with third party vendors, Carlyle applies the principles, values, standards, and norms of behavior as summarized in our Code of Conduct: https://ir.carlyle.com/static-files/8132f9b6-c813-4834-ba03-7771deb2a6c2. Our Form ADV also provides additional information: https://adviserinfo.sec.gov/firm/summary/111128.

General Disclosures (Continued)

Disclosure Number	Disclosure Title	Description	Location/Relevant Information
102-10	Significant changes to the organization and its supply chain	The reporting organization shall report the following information: **01** Significant changes to the organization's size, structure, ownership, or supply chain, including: I. Changes in the location of, or changes in, operations, including facility openings, closings, and expansions. II. Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations). III. Changes in the location of suppliers, the structure of the supply chain, or relationships with suppliers, including selection and termination.	As a global investment firm, we have a small operational footprint and, as a result, supply chain. Please see pages 7–14, 100, and 165 of Carlyle's 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg2024123110-k.pdf.
102-12	External initiatives	The reporting organization shall report the following information: **01** A list of externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes, or which it endorses.	Alternative Investment Management Association, American Investment Council, British Private Equity and Venture Capital Association, Business for Social Responsibility, Business Roundtable, ESG Data Convergence Initiative, European Leveraged Finance Association, Focusing Capital on the Long-Term, German Private Equity and Venture Capital Association, Global Private Capital Association (founded as EMPEA), Initiativ Climat Internacional Europe, Institutional Limited Partners Association (ILPA)—Diversity in Action Initiative, International Sustainability Standards Board—Investor Advisory Group, InvestEurope, Loan Syndications and Trading Association, One Planet Private Equity Funds Initiative, Renewable Energy Buyers Association, Sustainability Accounting Standards Board, Task Force on Climate-related Financial Disclosures, UN Principles for Responsible Investment (UNPRI), UNPRI Private Equity Advisory Committee.
102-13	Membership of associations	The reporting organization shall report the following information: **01** A list of the main memberships of industry or other associations, and national or international advocacy organizations.	Please see our response to 102-12.
102-14	Statement from senior decision-maker	The reporting organization shall report the following information: **01** A statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and its strategy for addressing sustainability.	Please see page 5 of this report.
102-15	Key impacts, risks, and opportunities	The reporting organization shall report the following information: **01** A description of key impacts, risks, and opportunities.	Please see pages 30–95 of Carlyle's 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg2024123110-k.pdf. Please also see pages 18–21 of our 2025 Proxy Statement for additional information on impacts and risks: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-16	Values, principles, standards, and norms of behavior	The reporting organization shall report the following information: **01** A description of the organization's values, principles, standards, and norms of behavior.	Carlyle's Global Code of Conduct is available to all employees and all fund Investors: https://ir.carlyle.com/static-files/8132f9b6-c813-4834-ba03-7771deb2a6c2. We train both full-time and part-time employees on the Code of Conduct. In addition, please see our Environmental, Social & Governance Statement: https://www.carlyle.com/sites/default/files/Carlyle-ESG-Policy.pdf.
102-17	Mechanisms for advice and concerns about ethics	The reporting organization shall report the following information: **01** A description of internal and external mechanisms for: I. Seeking advice about ethical and lawful behavior, and organizational integrity. II. Reporting concerns about unethical or unlawful behavior, and organizational integrity.	The mechanisms for advice and reporting concerns are summarized in our Code of Conduct: https://ir.carlyle.com/static-files/8132f9b6-c813-4834-ba03-7771deb2a6c2, and our Process for Reporting of Concerns Regarding Accounting and Other Matters: https://ir.carlyle.com/static-files/d63f7142-e03e-4084-a118-57bc0ca506b8#:~:text=Employees%20may%20make%20a%20report,Committee%2C%20as%20promptly%20as%20practicable.&text=The%20firm%20strictly%20prohibits%20any,law%2C%20ethics%20or%20firm%20policy. Our Whistleblower Policy is published internally for employees to review. The policy is included as part of training during onboarding. In addition, an Ethics and Compliance hotline is available to all employees. The requirements for reporting of known or suspected violations of Carlyle's Code of Conduct or illegal or unethical behavior are detailed below. Reporting of Known or Suspected Violations or Illegal or Unethical Behavior Employees must either (1) promptly contact Carlyle's Office of the General Counsel or Chief Compliance Officer or (2) submit an anonymous report using one of the alternative reporting options outlined in the Carlyle Whistleblower Policy if they are concerned that a Covered Party (as defined in the Code) may have violated the Code or that other illegal or unethical conduct by a Covered Party has occurred or may occur. Carlyle will take measures to protect the confidentiality of any report made, subject to applicable law, regulation, or legal proceedings. Carlyle will not permit or tolerate retaliation of any kind by or on behalf of Carlyle and its personnel against employees who make good faith reports or complaints regarding violations of the Code or other illegal or unethical behavior.

General Disclosures (Continued)

Disclosure Number	Disclosure Title	Description	Location/Relevant Information
102-18	Governance structure	The reporting organization shall report the following information: **01** Governance structure of the organization, including committees of the highest governance body. **02** Committees responsible for decision-making on economic, environmental, and social topics.	Carlyle's Board of Directors oversees the business and affairs of Carlyle, and has three standing committees: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee. See pages 21–23 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. Carlyle's Co-Heads of Global Sustainability report into our Global Head of Corporate Affairs, with ultimate oversight from the firm's Chief Operating Officer. The team provides regular updates to Carlyle's Board of Directors. Carlyle's Board maintains oversight of sustainability activities. Carlyle has designated an independent Board lead on sustainability, Linda Filler: https://www.carlyle.com/about-carlyle/team/linda-h-filler. See page 21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-19	Delegating authority	The reporting organization shall report the following information: **01** Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees.	Carlyle's Board of Directors receives information about material sustainability issues for the firm. The members of the Board are publicly available: https://ir.carlyle.com/corporate-governance/board-of-directors. In April 2022, Linda Filler was appointed to serve as the sustainability lead to enhance the Board's oversight of sustainability efforts. See page 21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. Carlyle's Co-Heads of Global Sustainability report into our Global Head of Corporate Affairs, with ultimate oversight from the firm's Chief Operating Officer. The team provides regular updates to Carlyle's Board of Directors. ESG topics are covered in at least one Board meeting annually, with written updates on sustainability provided to the Board more frequently. In addition, Carlyle's Sustainability team provides regular updates on the firm's sustainability work to the firm's Chief Executive Officer. See page 21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. There also is a firmwide ESG Review Committee focused on ESG risks that is comprised of the Chief Operating Officer, the Chief Risk Officer, and the Global Head of Corporate Affairs, and the Head of Government Affairs.
102-20	Executive-level responsibility for economic, environmental, and social topics	The reporting organization shall report the following information: **01** Whether the organization has appointed an executive level position or positions with responsibility for economic, environmental, and social topics. **02** Whether post holders report directly to the highest governance body.	Please see our response to 102-19.
102-21	Consulting stakeholders on economic, environmental, and social topics	The reporting organization shall report the following information: **01** Processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics. **02** If consultation is delegated, describe to whom it is delegated and how the resulting feedback is provided to the highest governance body	Please see our response to 102-19.
102-22	Composition of the highest governance body and its committees	The reporting organization shall report the following information: **01** Composition of the highest governance body and its committees by: I. Executive or non-executive. II. Independence. III. Tenure on the governance body. IV. Number of each individual's other significant positions and commitments, and the nature of the commitments. V. Gender. VI. Membership of under-represented social groups. VII. Competencies relating to economic, environmental, and social topics. VIII. Stakeholder representation.	Carlyle's Board of Directors oversees our business and affairs. The Company's Board is majority independent, and the committees of the Board are entirely independent. Please see pages 6–17 of our 2025 Proxy Statement for additional information: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. Two of our founding partners, David M. Rubenstein and William E. Conway, Jr., currently serve as nonexecutive Co-Chairmen of the Board, and another founding partner, Daniel A. D'Aniello, serves as Chairman Emeritus and as a member of the Board. Our Chief Executive Officer, Harvey M. Schwartz, also serves as a member of the Board. Mark S. Ordan serves as our Lead Independent Director as of March 10, 2025 and was appointed to the Nominating and Corporate Governance Committee on April 7, 2025. Previously, Lawton W. Fitt served as our Lead Independent Director since October 2015. The Lead Independent Director presides at executive sessions of the independent directors and engages with them between Board and Committee meetings. In addition, the Lead Independent Director works closely with the independent directors to provide objective oversight of our business and facilitates communications with the Board, the identification of matters for consideration by the Board and management, and the formulation of appropriate guidance to be provided by the independent directors. The Lead Independent Director also routinely engages with our largest shareholders and other stakeholders and, along with the other independent directors and the fully independent Committees, as appropriate, provides input on the composition and design of the Board, and the leadership team's approach to risk management. Carlyle representatives from across the organization, including those who sit on the highest governance body, routinely talk to shareholders, limited partners, NGOs, and government bodies on economic, environmental, and social topics.

General Disclosures (Continued)

Disclosure Number	Disclosure Title	Description	Location/Relevant Information
102-23	Chair of the highest governance body	The reporting organization shall report the following information: **01** Whether the chair of the highest governance body is also an executive officer in the organization. **02** If the chair is also an executive officer, describe his or her function within the organization's management and the reasons for this arrangement.	The Co-Chairmen of Carlyle's Board of Directors, David M. Rubenstein and William E. Conway, Jr., are not executive officers. See page 21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-24	Nominating and selecting the highest governance body	The reporting organization shall report the following information: **01** Nomination and selection processes for the highest governance body and its committees. **02** Criteria used for nominating and selecting highest governance body members, including whether and how: I. Stakeholders (including shareholders) are involved. II. Diversity is considered. III. Independence is considered. IV. Expertise and experience relating to economic, environmental, and social topics are considered.	The Board's Nominating and Corporate Governance Committee is responsible for reviewing the qualifications of potential director candidates and recommending to the Board those candidates to be nominated for election to the Board. Please see pages pages 4, 6–17 of Carlyle's 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. The Nominating and Corporate Governance committee considers certain sustainability factors as part of its analysis of potential candidates. See pages 15–17 of Carlyle's 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf, for the skills, qualifications, and traits considered by the Nominating and Corporate Governance Committee.
102-25	Conflicts of interest	The reporting organization shall report the following information: **01** Processes for the highest governance body to ensure conflicts of interest are avoided and managed. **02** Whether conflicts of interest are disclosed to stakeholders, including, as a minimum: I. Cross-board membership. II. Cross-shareholding with suppliers and other stakeholders. III. Existence of controlling shareholder. IV. Related party disclosures.	Carlyle is a publicly traded company and is subject to the SEC's standards in terms of identifying, mitigating, and disclosing conflicts of interest. In addition, the funds we manage are advised by investment advisers registered with the SEC as registered investment advisers (RIAs). As such, these RIAs are also subject to high standards in terms of identifying, mitigating, and disclosing conflicts of interest. The other boards on which the members of our Board of Directors serve (if any) are disclosed on pages 7–14 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. Effective in August 2021, we ceased to be a controlled company. For more information regarding the ownership of our significant shareholders, see page 76 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. For information regarding related parties and related transactions, see pages 74–75 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-26	Role of highest governance body in setting purpose, values, and strategy	The reporting organization shall report the following information: **01** Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics.	Carlyle's dedicated Sustainability team is responsible for developing and updating Carlyle's ESG policy and approach to sustainability and ESG issues, in conjunction with senior executives across the firm. Any material updates or changes to Carlyle's approach to sustainability are reviewed and approved by Carlyle's Chief Executive Officer, and in some cases, Carlyle's Board of Directors. Our Environmental, Social & Governance Statement can be found here: https://www.carlyle.com/sites/default/files/2021-02/2020_Carlyle_ESG-Policy.pdf. Carlyle's Board of Directors is responsible for the development, approval, and updating of the organization's purpose, value, or mission statements, strategies, policies, and goals related to economic, environmental, and social topics. The Board has oversight of the firm's approach to sustainability. The Board receives an overview of the firm's approach to sustainability issues at least annually and annually reviews the firm's ESG report. See pages 18–21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf, and pages 21–22 of our 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg2024123110-k.pdf.
102-27	Collective knowledge of highest governance body	The reporting organization shall report the following information: **01** Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental, and social topics.	Carlyle's Board of Directors receives updates on material issues for the firm and education on emerging topics, including on certain economic, environmental, and social issues, cybersecurity, and more. Carlyle's Board of Directors receives an overview of the firm's approach to sustainability issues on at least an annual basis. This overview includes information on how Carlyle is actively managing the most material sustainability and ESG issues for itself as a corporation, as well as how Carlyle seeks to integrate ESG across its investment processes in order to drive long-term, sustainable value in its investments. Carlyle's Board also receives education on emerging sustainability and ESG issues of importance to the firm at least annually. The Board annually reviews the firm's ESG report and has oversight of the firm's approach to sustainability. See pages 18–21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf, and pages 21–22 of our 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg2024123110-k.pdf.

General Disclosures (Continued)

Disclosure Number	Disclosure Title	Description	Location/Relevant Information
102-28	Evaluating the highest governance body's performance	The reporting organization shall report the following information: **01** Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics. **02** Whether such evaluation is independent or not, and its frequency. **03** Whether such evaluation is a self-assessment. **04** Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.	Each year, Carlyle's Board of Directors and its Committees conduct an assessment of their performance, including against the requirements of their charter documents. As part of this assessment, the Board considers its strengths and areas for improvement. Among other topics, the Board considers whether it has the right mix of skills and experience on the Board. The Nominating and Corporate Governance Committee considers sustainability as part of its analysis of potential new director candidates.
102-29	Identifying and managing economic, environmental, and social impacts	The reporting organization shall report the following information: **01** Processes for evaluating the highest governance body's performance with respect to governance of economic, environmental, and social topics. **02** Whether such evaluation is independent or not, and its frequency. **03** Whether such evaluation is a self-assessment. **04** Actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental, and social topics, including, as a minimum, changes in membership and organizational practice.	Carlyle's Board of Directors oversees Carlyle's sustainability strategy. At least annually, the Sustainability team presents developments in ESG integration and sustainability strategy strategy and process to Carlyle's Board. See pages 18–21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf, and pages 21–22 of our 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg2024123110-k.pdf.
102-30	Effectiveness of risk management processes	The reporting organization shall report the following information: **01** Highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental, and social topics.	Please see page 18–21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-31	Review of economic, environmental, and social topics	The reporting organization shall report the following information: **01** Frequency of the highest governance body's review of economic, environmental, and social topics and their impacts, risks, and opportunities.	Carlyle's Co-Heads of Global Sustainability report into Carlyle's Global Head of Corporate Affairs, with ultimate oversight from the firm's Chief Operating Officer and also provide direct updates to Carlyle's Board of Directors. Sustainability topics are covered in at least one Board meeting annually, with written updates on sustainability provided to the Board more frequently. In addition, Carlyle's Sustainability team provides regular updates on the firm's sustainability work to Carlyle's Chief Executive Officer. See pages 18–21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf, and pages 21–22 of our 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg2024123110-k.pdf.
102-32	Highest governance body's role in sustainability reporting	The reporting organization shall report the following information: **01** The highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material topics are covered.	Carlyle's ESG report is reviewed by multiple senior stakeholders in the firm. The report is ultimately reviewed by Carlyle's Chief Executive Officer, who is also a member of the Board of Directors. The Board has oversight of the firm's approach to sustainability. See pages 18–21 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf, and pages 21–22 of our 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg2024123110-k.pdf.
102-33	Communicating critical concerns	The reporting organization shall report the following information: **01** Process for communicating critical concerns to the highest governance body.	Carlyle has an Ethics and Compliance hotline that is available to all employees, and has other processes for submitting concerns anonymously. The General Counsel reports on any whistleblower activity at least quarterly to the Audit Committee of the Board of Directors. The Audit Committee has procedures in place for the anonymous submission of employee complaints on accounting, internal accounting controls, or auditing matters.

General Disclosures (Continued)

Disclosure Number	Disclosure Title	Description	Location/Relevant Information
102-35	Remuneration policies	The reporting organization shall report the following information: **01** Remuneration policies for the highest governance body and senior executives for the following types of remuneration: I. Fixed pay and variable pay, including performance-based pay, equity-based pay, bonuses, and deferred or vested shares. II. Sign-on bonuses or recruitment incentive payments. III. Termination payments. IV. Clawbacks. V. Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees. **02** How performance criteria in the remuneration policies relate to the highest governance body's and senior executives' objectives for economic, environmental, and social topics.	Please see pages 30–72 of Carlyle's 2025 Proxy Statement for information on Carlyle remuneration policies for senior executives and Board members: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. We seek to foster a culture where all of our employees feel that they belong and everyone can excel. Inclusive leadership is one of our core leadership competencies, and all employees nominated for promotion to Managing Director and Partner in 2024 were evaluated on their inclusive leadership and management skills. We also facilitate a global mentorship program designed to foster professional growth by pairing less experienced employees with seasoned mentors.
102-36	Process for determining remuneration	The reporting organization shall report the following information: **01** Process for determining remuneration. **02** Whether remuneration consultants are involved in determining remuneration and whether they are independent of management. **03** Any other relationships that the remuneration consultants have with the organization.	Carlyle believes quality compensation and incentive programs are critical to hiring and retaining highly qualified individuals. Please see GRI disclosure 102-35 in this report for information on how ESG impacts remuneration decisions. Please see pages 30–72 of Carlyle's 2025 Proxy Statement for information on Carlyle remuneration policies for senior executives and Board members: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. The Compensation Committee engages a compensation consultant, Pay Governance, and the Compensation Committee considered the independence of such compensation consultant and determined that its work during 2024 did not raise any conflicts of interest. Please see page 36 of Carlyle's 2025 Proxy Statement for information on the Compensation Committee's engagement of a compensation consultant: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. The Company has implemented Executive Stock Ownership Guidelines as well as an Incentive Compensation Clawback Policy and Dodd-Frank Incentive Compensation Clawback Policy. Please see pages 51–52 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-37	Stakeholders' involvement in remuneration	The reporting organization shall report the following information: **01** How stakeholders' views are sought and taken into account regarding remuneration. **02** If applicable, the results of votes on remuneration policies and proposals.	Carlyle's approach to stakeholder engagement is described on pages 24 and 34 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf. The results of the say-on-pay vote for the 2024 Annual Meeting of Shareholders are reported on a Current Report on Form 8-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716624000054/cg-20240529.htm.
102-38	Annual total compensation ratio	The reporting organization shall report the following information: **01** Ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest paid individual) in the same country.	For 2024, the total compensation for Mr. Schwartz, our principal executive officer as of December 31, 2024, was $29,590,176. For 2024, our median employee's annual total compensation was $269,443. Based on the aggregate principal executive officer total compensation, our CEO Pay Ratio for 2024 was 110:1. See page 66 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-40	List of stakeholder groups	The reporting organization shall report the following information: **01** A list of stakeholder groups engaged by the organization.	Please see the materiality assessment methodology on page 45 of this report. Carlyle's approach to stakeholder engagement is described on pages 24 and 34 of our 2025 Proxy Statement: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000032/def14a.pdf.
102-41	Collective bargaining agreements	The reporting organization shall report the following information: **01** Percentage of total employees covered by collective bargaining agreements.	There is a de minimis number of employees covered by collective bargaining agreements.
102-42	Identifying and selecting stakeholders	The reporting organization shall report the following information: **01** The basis for identifying and selecting stakeholders with whom to engage.	Please see our response to 102-40.
102-43	Approach to stakeholder engagement	The reporting organization shall report the following information: **01** The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.	Please see our response to 102-40.

General Disclosures (Continued)

Disclosure Number	Disclosure Title	Description	Location/Relevant Information
102-44	Key topics and concerns raised	The reporting organization shall report the following information: **01** Key topics and concerns that have been raised through stakeholder engagement, including: I. How the organization has responded to those key topics and concerns, including through its reporting. II. The stakeholder groups that raised each of the key topics and concerns.	Please see our response to 102-40.
102-45	Entities included in the consolidated financial statements	The reporting organization shall report the following information: **01** A list of all entities included in the organization's consolidated financial statements or equivalent documents. **02** Whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by the report.	Please see pages 156–164 of Carlyle's 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg2024123110-k.pdf.
102-46	Defining report content and topic Boundaries	The reporting organization shall report the following information: **01** An explanation of the process for defining the report content and the topic Boundaries. **02** An explanation of how the organization has implemented the Reporting Principles for defining report content.	Please see our response to 102-40.
102-47	List of material topics	The reporting organization shall report the following information: **01** A list of the material topics identified in the process for defining report content.	Please see our response to 102-40.
102-48	Restatements of information	The reporting organization shall report the following information: **01** The effect of any restatements of information given in previous reports, and the reasons for such restatements.	There have been no significant restatements of our Corporate Sustainability reporting compared to the previous reporting period.
102-49	Changes in reporting	The reporting organization shall report the following information: **01** Significant changes from previous reporting periods in the list of material topics and topic Boundaries.	No significant changes.
102-50	Reporting period	The reporting organization shall report the following information: **01** Reporting period for the information provided.	Except as otherwise indicated, the reporting period is January 1, 2024 through December 31, 2024.
102-51	Date of most recent report	The reporting organization shall report the following information: **01** If applicable, the date of the most recent previous report.	June 26, 2024.
102-52	Reporting cycle	The reporting organization shall report the following information: **01** Reporting cycle.	Carlyle has produced an annual sustainability report since 2010. Previous reports can be found here: https://www.carlyle.com/esg-report-archive.
102-53	Contact point for questions regarding the report	The reporting organization shall report the following information: **01** The contact point for questions regarding the report or its contents.	Please contact Katharina Neureiter, Co-Head of Global Sustainability, at katharina.neureiter@carlyle.com.
102-54	Claims of reporting in accordance with the GRI Standards	The reporting organization shall report the following information: **01** The claim made by the organization, if it has prepared a report in accordance with the GRI Standards, either: I. 'This report has been prepared in accordance with the GRI Standards: Core option'. II. 'This report has been prepared in accordance with the GRI Standards: Comprehensive option'.	This report has been prepared in accordance with the GRI Standards: Core option.

General Disclosures (Continued)

Disclosure Number	Disclosure Title	Description	Location/Relevant Information
102-55	GRI content index	The reporting organization shall report the following information: **01** The GRI content index, which specifies each of the GRI Standards used and lists all disclosures included in the report. **02** For each disclosure, the content index shall include: I. The number of the disclosure (for disclosures covered by the GRI Standards). II. The page number(s) or URL(s) where the information can be found, either within the report or in other published materials. III. If applicable, and where permitted, the reason(s) for omission when a required disclosure cannot be made.	The GRI content index (this report) is in accordance with the GRI Standards.
102-56	External assurance	The reporting organization shall report the following information: **01** A description of the organization's policy and current practice with regard to seeking external assurance for the report. **02** If the report has been externally assured: I. A reference to the external assurance report, statements, or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process. II. The relationship between the organization and the assurance provider. III. Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.	At this time, Carlyle does not seek external assurance for its ESG report. The report is reviewed by Carlyle's Chief Executive Officer, Chief Operating Officer, Chief Risk Officer, Legal and Compliance, and our Global Head of Corporate Affairs, in addition to our Co-Heads of Global Sustainability. Carlyle's consolidated financial statements are externally audited by Ernst and Young LLP.

Economic Disclosures

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 201	Economic Performance	201-1	Direct economic value generated and distributed	The reporting organization shall report the following information: **01** Direct economic value generated and distributed (EVG&D) on an accruals basis, including the basic components for the organization's global operations as listed below. If data are presented on a cash basis, report the justification for this decision in addition to reporting the following basic components: I. Direct economic value generated: revenues. II. Economic value distributed: operating costs, employee wages and benefits, payments to providers of capital, payments to government by country, and community investments. III. Economic value retained: 'direct economic value generated' less 'economic value distributed'. **02** Where significant, report EVG&D separately at country, regional, or market levels, and the criteria used for defining significance.	Please see pages 165–176 in our 2024 Annual Report on Form 10-K: https://www.sec.gov/Archives/edgar/data/1527166/000152716625000006/cg-20241231.htm#if38e0d0cf7674bed9b4b29b3a0a42480_151.
GRI 201	Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	The reporting organization shall report the following information: **01** Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure, including: I. A description of the risk or opportunity and its classification as either physical, regulatory, or other. II. A description of the impact associated with the risk or opportunity. III. The financial implications of the risk or opportunity before action is taken. IV. The methods used to manage the risk or opportunity. V. The costs of actions taken to manage the risk or opportunity.	We are committed to understanding and addressing material climate risks and opportunities, including climate change.
GRI 203	Indirect Economic Impacts	203-1	Infrastructure investments and services supported	The reporting organization shall report the following information: **01** Extent of development of significant infrastructure investments and services supported. **02** Current or expected impacts on communities and local economies, including positive and negative impacts where relevant. **03** Whether these investments and services are commercial, in-kind, or pro bono engagements.	Please see our infrastructure website: https://www.carlyle.com/our-firm/global-private-equity/global-infrastructure.
GRI 205	Anticorruption	205-2	Communication and training about anticorruption policies and procedures	The reporting organization shall report the following information: **01** Total number and percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to, broken down by region. **02** Total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to, broken down by employee category and region. **03** Total number and percentage of business partners that the organization's anti-corruption policies and procedures have been communicated to, broken down by type of business partner and region. Describe if the organization's anti-corruption policies and procedures have been communicated to any other persons or organizations. **04** Total number and percentage of governance body members that have received training on anti-corruption, broken down by region. **05** Total number and percentage of employees that have received training on anti-corruption, broken down by employee category and region.	Our Anti-Bribery and Anti-Corruption (ABC) Policy is shared with all employees globally. In addition, training is provided to all Carlyle employees globally on ABC. An internal audit function also carries out periodic monitoring activity. We do not routinely share our ABC Policy with our business partners. However, we do require certain business partners to certify that they are in compliance with ABC minimum standards set forth in our commercial contracts.

Environmental Disclosures

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 302	Energy	302-1	Energy consumption within the organization	The reporting organization shall report the following information: **01** Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. **02** Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used. **03** In joules, watt-hours or multiples, the total: I. Electricity consumption. II. Heating consumption. III. Cooling consumption. IV. Steam consumption. **04** In joules, watt-hours or multiples, the total: I. Electricity sold. II. Heating sold. III. Cooling sold. IV. Steam sold. **05** Total energy consumption within the organization, in joules or multiples. **06** Standards, methodologies, assumptions, and/or calculation tools used. **07** Source of the conversion factors used.	(**01, 02**) Carlyle has no direct fuel consumption as a part of its operations. (**03**) Total estimated electricity and heating consumption: 2023: 55,016MWh, 2024: 123,742MWh.[1] (**04**) Zero energy sold for 2022. (**05**) 2023: 55,016MWh, 2024: 123,742MWh.[1] (**06, 07**) Sources: US DoE "eGrid," International Energy Agency, US EPA. Procedures align with WRI GHG Protocol, reviewed by Watershed. We offset our emissions by purchasing EACs and carbon offsets as detailed in our TCFD report. Additional information on our approach to climate change and the energy transition within our investment portfolios can be found in our most recent TCFD report, which is included as part of this report.
GRI 302	Energy	302-3	Energy intensity	The reporting organization shall report the following information: **01** Energy intensity ratio for the organization. **02** Organization-specific metric (the denominator) chosen to calculate the ratio. **03** Types of energy included in the intensity ratio; whether fuel, electricity, heating, cooling, steam, or all. **04** Whether the ratio uses energy consumption within the organization, outside of it, or both.	(**01**) 2023: 24.86MWh per employee of energy use, 2024: 53.22MWh per employee of energy use. (**02**) Employee headcount. (**03**) All energy types included. (**04**)2023: inside, 2024: both.
GRI 303	Water and Effluents	303-5	Water consumption	The reporting organization shall report the following information: **01** Total water consumption from all areas in megaliters. **02** Total water consumption from all areas with water stress in megaliters. **03** Change in water storage in megaliters, if water storage has been identified as having a significant water-related impact. **04** Any contextual information necessary to understand how the data have been compiled, such as any standards, methodologies, and assumptions used, including whether the information is calculated, estimated, modelled, or sourced from direct measurements, and the approach taken for this, such as the use of any sector-specific factors.	We believe our water consumption is de minimis as we lease our office spaces. The majority of our buildings are outfitted with water efficiency measures such as low-flow toilets. As tenants, we are unable to obtain the data to undertake a comprehensive analysis of our water consumption across our global offices.

1. Includes both energy inside and outside the organization. Excludes energy consumption related to employee commuting (3.7) and fuel and energy related activities (3.3).

Environmental Disclosures (Continued)

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 305	Emissions	305-1	Direct (Scope 1) GHG emissions	The reporting organization shall report the following information: **01** Gross direct (Scope 1) GHG emissions in metric tons of CO_2 equivalent. **02** Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, or all. **03** Biogenic CO_2 emissions in metric tons of CO_2 equivalent. **04** Base year for the calculation, if applicable, including: I. The rationale for choosing it. II. Emissions in the base year. III. The context for any significant changes in emissions that triggered recalculations of base year emissions. **05** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. **06** Consolidation approach for emissions; whether equity share, financial control, or operational control. **07** Standards, methodologies, assumptions, and/or calculation tools used.	(**01**) 2023: 1,139MT CO_2e, 2024: 975MT CO_2e. (**02**) N/A. (**03**) All included. (**04**) First year of GHG accounting was 2017. Current reporting covers 2023 and 2024 emission years. (**05**) As above, sources include US DoE eGrid, International Energy Agency (IEA) emissions factors. (**06**) Operational control. (**07**) WRI GHG Protocol. Reviewed by Watershed.
GRI 305	Emissions	305-2	Energy indirect (Scope 2) GHG emissions	The reporting organization shall report the following information: **01** Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO_2 equivalent. **02** If applicable, gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO_2 equivalent. **03** If available, the gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, or all. **04** Base year for the calculation, if applicable, including: I. The rationale for choosing it. II. Emissions in the base year. III. The context for any significant changes in emissions that triggered recalculations of base year emissions. **05** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. **06** Consolidation approach for emissions; whether equity share, financial control, or operational control. **07** Standards, methodologies, assumptions, and/or calculation tools used.	(**01**) 2023: 2,719MT CO_2e (location-based), 2024: 23,350MT CO_2e (location-based). (**02**) 2023: 2,756MT CO_2e (market-based), 2024: 3,474MT CO_2e (market-based). (**03**) All included. (**04**) First year of GHG accounting was 2017. Current reporting covers the 2023 and 2024 emission years. (**05**) As above, sources include US DoE eGrid, International Energy Agency (IEA) emissions factors. (**06**) Operational control. (**07**) WRI GHG Protocol. Reviewed by Watershed. This figure represents the gross emissions amount; however, the net emissions are effectively zero due to Carlyle's purchase of EACs.

Environmental Disclosures (Continued)

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 305	Emissions	305-3	Other indirect (Scope 3) GHG emissions	The reporting organization shall report the following information: **01** Gross other indirect (Scope 3) GHG emissions in metric tons of CO_2 equivalent. **02** If available, the gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, or all. **03** Biogenic CO_2 emissions in metric tons of CO_2 equivalent. **04** Other indirect (Scope 3) GHG emissions categories and activities included in the calculation. **05** Base year for the calculation, if applicable, including: I. The rationale for choosing it. II. Emissions in the base year. III. The context for any significant changes in emissions that triggered recalculations of base year emissions. **06** Source of the emission factors and the global warming potential (GWP) rates used, or a reference to the GWP source. **07** Standards, methodologies, assumptions, and/or calculation tools used.	(**01**) 2023: 20,568MT CO_2e, 2024: 129,511MT CO_2e. (**02**) All included. (**03**) N/A. (**04**) The 2023 Scope 3 emissions disclosure includes only Category 6: Business Travel. For 2024, the Scope 3 boundary has been expanded to include the following categories in accordance with the GHG Protocol: 3.1 Purchased Goods and Services, 3.2 Capital Goods, 3.3 Fuel- and Energy-Related Activities (not included in Scope 1 or 2), 3.5 Waste Generated in Operations, 3.6 Business Travel, 3.7 Employee Commuting, and 3.8 Upstream Leased Assets. (**05**) First year of GHG accounting was 2017. Current reporting covers the 2023 and 2024 emission years. (**06**) WRI GHG Protocol. Reviewed by Watershed. (**07**) As above, sources include US DoE eGrid, International Energy Agency (IEA) emissions factors. Operational control. Location-based.
GRI 305	Emissions	305-4	GHG emissions intensity	The reporting organization shall report the following information: **01** GHG emissions intensity ratio for the organization. **02** Organization-specific metric (the denominator) chosen to calculate the ratio. **03** Types of GHG emissions included in the intensity ratio; whether direct (Scope 1), energy indirect (Scope 2), and/or other indirect (Scope 3). **04** Gases included in the calculation; whether CO_2, CH_4, N_2O, HFCs, PFCs, SF6, NF3, or all.	(**01**) 2023: 11.0375, 2024: 56.7445. (**02**) Number of employees: 2,325. (**03**) In 2023, Carlyle reported Scope 1 and Scope 2 emissions, along with Scope 3 emissions limited to Category 3.6: Business Travel. In 2024, the Scope 3 reporting boundary was significantly expanded in alignment with the GHG Protocol to include the following additional categories: 3.1 Purchased Goods and Services, 3.2 Capital Goods, 3.3 Fuel- and Energy-Related Activities (not included in Scope 1 or 2), 3.5 Waste Generated in Operations, 3.7 Employee Commuting, and 3.8 Upstream Leased Assets, in addition to 3.6 Business Travel. (Market-based). (**04**) All included.

Environmental Disclosures (Continued)

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 306	Effluents and Waste	306-2	Waste by type and disposal method	The reporting organization shall report the following information: **01** Total weight of hazardous waste, with a breakdown by the following disposal methods where applicable: I. Reuse. II. Recycling. III. Composting. IV. Recovery, including energy recovery. V. Incineration (mass burn). VI. Deep well injection. VII. Landfill. VIII. On-site storage. IX. Other (to be specified by the organization). **02** Total weight of non-hazardous waste, with a breakdown by the following disposal methods where applicable: I. Reuse. II. Recycling. III. Composting. IV. Recovery, including energy recovery. V. Incineration (mass burn). VI. Deep well injection. VII. Landfill. VIII. On-site storage. IX. Other (to be specified by the organization). **03** How the waste disposal method has been determined: I. Disposed of directly by the organization, or otherwise directly confirmed. II. Information provided by the waste disposal contractor. III. Organizational defaults of the waste disposal contractor.	As a global investment firm, we do not generate hazardous waste directly beyond the disposal of computing systems, which we strive to dispose of in a responsible way and recycle.
GRI 306	Effluents and Waste	306-3	Significant spills	The reporting organization shall report the following information: **01** Total number and total volume of recorded significant spills. **02** The following additional information for each spill that was reported in the organization's financial statements: I. Location of spill. II. Volume of spill. III. Material of spill, categorized by: oil spills (soil or water surfaces), fuel spills (soil or water surfaces), spills of wastes (soil or water surfaces), spills of chemicals (mostly soil or water surfaces), and other (to be specified by the organization). **03** Impacts of significant spills.	We have had no significant spills as a result of our direct operations during the reporting period.

Environmental Disclosures (Continued)

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 306	Effluents and Waste	306-4	Transport of hazardous waste	The reporting organization shall report the following information: **01** Total weight for each of the following: I. Hazardous waste transported. II. Hazardous waste imported. III. Hazardous waste exported. IV. Hazardous waste treated. **02** Percentage of hazardous waste shipped internationally. **03** Standards, methodologies, and assumptions used.	As a global investment firm, we do not transport hazardous waste directly.
GRI 307	Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	The reporting organization shall report the following information: **01** Significant fines and non-monetary sanctions for non-compliance with environmental laws and/or regulations in terms of: I. Total monetary value of significant fines. II. Total number of non-monetary sanctions. III. Cases brought through dispute resolution mechanisms. **02** If the organization has not identified any non-compliance with environmental laws and/or regulations, a brief statement of this fact is sufficient.	We are not aware of any material fines for non-compliance with environmental laws or regulations within our operations.

Social Disclosures

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 401	Employment	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	The reporting organization shall report the following information: **01** Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees, by significant locations of operation. These include, as a minimum: I. Life insurance. II. Health care. III. Disability and invalidity coverage. IV. Parental leave. V. Retirement provision. VI. Stock ownership. VII. Others. **02** The definition used for 'significant locations of operation'.	Globally, dependent on eligibility and geographic location, Carlyle may offer the following benefits to full and/or part-time employees. Generally, in its U.S. offices, Carlyle provides the following benefits to its full-time employees: • Life insurance. • Health care. • Mental health/behavioral health. • Disability and invalidity coverage. • Parental leave. • Retirement provision. • Stock ownership (for certain grades). • Tuition reimbursement. • Commuter allowance. • Childcare backup. • Dental care insurance. • Healthcare advocacy service. • International business travel medical and concierge services. In the United States, part-time employees (which generally include employees working less than 30 hours per week), typically are only eligible for retirement benefits, which are the same across full-time and part-time employees. Almost 100% of Carlyle's full-time employees are eligible for coverage on the benefit and leave plans offered in their respective geographies. An Employee Assistance Program (EAP) has been implemented across all Carlyle locations. In the United States, the EAP includes a virtual platform and a new network of mental health providers. This network was also added to the U.S. medical plan as an in-network resource for more mental health provider options.
GRI 401	Employment	401-3	Parental leave	The reporting organization shall report the following information: **01** Total number of employees that were entitled to parental leave, by gender. **02** Total number of employees that took parental leave, by gender. **03** Total number of employees that returned to work in the reporting period after parental leave ended, by gender. **04** Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender. **05** Return to work and retention rates of employees that took parental leave, by gender.	100% of full-time employees are eligible for parental leave. We offer parental leave to employees of all genders. In 2022, Carlyle implemented minimum global standards for fully-paid maternity and paternity caregiver leave, which are 20 weeks and 4 weeks of leave, respectively. Generally, this was an increase in leave for most Carlyle offices. Local customizations to account for local needs were also taken into consideration. For example, in the United States, birth mothers are eligible for up to 26–28 weeks of fully-paid leave.

Social Disclosures (Continued)

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 403	Occupational Health and Safety	403-6	Promotion of worker health	The reporting organization shall report the following information for employees and for workers who are not employees but whose work and/or workplace is controlled by the organization: **01** An explanation of how the organization facilitates workers' access to non-occupational medical and healthcare services, and the scope of access provided. **02** A description of any voluntary health promotion services and programs offered to workers to address major non-work-related health risks, including the specific health risks addressed, and how the organization facilitates workers' access to these services and programs.	At Carlyle, keeping our employees healthy is front of mind. We have invested in developing a comprehensive global wellbeing plan, supported at the highest levels of the firm. This includes a strong focus on mental health, with resources and support available to all employees. Our initiatives feature expert-led webinars on topics such as health, nutrition, resilience, and life longevity, as well as movement programs and challenges. We also provide tools to help employees feel safe, supported, and productive in a hybrid working environment. In the United States, we provide access to a membership for full-time employees and their families to One Medical, which is a Carlyle portfolio company. One Medical is a primary care practice that is focused on patient comfort and convenience. Importantly, One Medical provides 24/7 virtual care via video, phone, and email, as well as online appointment booking and prescription renewals via the app or web. Carlyle considered equity and inclusivity as we worked to redesign certain aspects of our employee benefits. In January 2020, we partnered with Progyny, a leading fertility benefits provider, to offer inclusive family building benefits and support to our employees and their partners, including single parents by choice and LGBTQ individuals and couples. Brought forth by the LGBTQ and Working Parents employee resource groups in partnership with our Human Capital Management team, this benefit is available to all (versus traditional benefits that require evidence of infertility). The benefit provides access to a large network of fertility specialists, and support for adoption or surrogacy options, as well as coverage for family planning processes. This benefit is available to all participants of the Carlyle medical plan who work 30+ hours a week. In September 2024, we launched ClassPass to all Carlyle locations except Luxembourg, Milan, and Seoul. ClassPass is a flexible, subscription-based wellness platform that gives employees access to thousands of fitness classes and wellness experiences—including yoga, pilates, HIIT, meditation, massages, and more—across a wide network of studios and gyms. Employees can use monthly credits to book in-person or on-demand sessions through the app, allowing them to explore a variety of activities that support both physical and mental wellbeing. Employees in Luxembourg, Milan, and Seoul receive an annual stipend to be used for their wellbeing purposes. In addition to the benefits outlined above, we were particularly focused on employee satisfaction and mental health during the pandemic. Global manager trainings were implemented to train managers to recognize burnout versus stress in themselves and their staff with subsequent training on how to respond in a motivating and inspiring way. Moreover, we understand that it is more difficult to disconnect while working from home, so we have made the decision, similar to prior years, to close our offices globally for a week in August 2024 in order for Carlyle employees to fully disconnect. The week-long closing will not count towards employees' regularly allotted vacation days. Similarly, we had a week-long closing at the end of December 2024 to allow employees to disconnect. This decision was made, in part, in response to the results of our annual employee engagement survey. The survey is an integral part of our Human Capital Management development strategy. An overview of the results of the employee engagement survey are shared with all global employees. The focus on worker health extends to our physical offices as well. All of our DC and New York, NY offices have motorized standing desks.
GRI 404	Training and Education	404-1	Average hours of training per year per employee	The reporting organization shall report the following information: **01** Average hours of training that the organization's employees have undertaken during the reporting period, by: I. Gender. II. Employee category.	In 2021, we implemented a new learning management system called EMPOWER, which has equipped us to track hours and cost for a portion of our internal training programs offered by the Carlyle Learning and Development team. Globally, employees completed an average of ~8 hours of training in 2024. Not all external trainings are captured in the reported hours. Carlyle is committed to ensuring that its employees have the relevant knowledge, skills, and expertise to perform their work at high standards and achieve their full potential. Global employees can access training and learning resources by visiting EMPOWER.

Social Disclosures (Continued)

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 404	Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	The reporting organization shall report the following information: **01** Type and scope of programs implemented and assistance provided to upgrade employee skills. **02** Transition assistance programs provided to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.	Carlyle provides a range of programs to assist employees to upgrade their skills. These programs include: **01** Instructor-led Training Delivery/Facilitation: • Full curriculum of scheduled training with CPE (Corporate Private Equity) credits available – these trainings are typically focused on professional and leadership skills. • Technical Training (offered as needed). **02** eLearning Programs from Top Vendors: • eLearning programs are offered to both full-time and part-time Carlyle employees. • LinkedIn Learning provides an extensive online library of high-quality instructional videos on professional and leadership skills. Videos and courses are taught by industry experts and designed to keep viewers engaged. • Blue Ocean Brain provides short articles, tips, and brain performance challenges that elevate one's critical thinking skills and build brain-healthy habits. This is an interactive application that offers brand new, daily experiences. **03** Onboarding: • Monthly Global Employee Orientation sessions providing overviews of different areas of the firm. **04** Annual training programs: • Finance Training Day: A day of training specifically for those in support functions in the US (for example finance or technology). CPE credit is offered for the majority of the sessions. Recordings are typically available for EMEA and APAC employees as well. **05** Leadership Programs: • Better Managers Program: Focuses on building core, foundational management behaviors and skills. Topics include: increasing self-awareness, transitioning to management, setting goals, giving and receiving feedback, having difficult conversations, harnessing presence and gravitas. • Better Leaders Program: 2-day in person program focusing on more advanced management behaviors and skills. Topics include: effectively delegating, inspiring followership, managing conflict, relationship building and presentation skills. Participants complete MBTI assessments: • Leadership Principles program: 3-day residential experience to network and build relationships. Sessions focus on: building resilience, strategic networking, delegating, decision making, strategic communications. • Future Leaders Academy: Recent promotions to Managing Director receive hands-on executive coaching and an opportunity to collaborate on a project. • Our Career Strategies Initiative (CSI) program provides professional development for high-performing professionals at the Vice President and Principal levels. CSI hones the skills of participants as well as their managers and sponsors. • Quarterly Learning Sessions for People Managers: Provides open-enrollment sessions to all people managers globally in the form of two-hour virtual learning sessions that offer the latest best practices research and interactive exercises that will provide participants with opportunities to learn and practice using concepts, tools and techniques. **06** Formal Mentorship Program: Mentoring is a career development method whereby less experienced employees are matched with more experienced colleagues for guidance in order to gain knowledge, skills, experience, information, and advice. Mentorship is extremely important at Carlyle. **07** Training Tuition Reimbursement Program: Carlyle reimburses employees for a portion of the cost of external training programs, including: undergraduate coursework, graduate coursework, various professional certifications, standardized test preparation, or academic seminars.

Social Disclosures (Continued)

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 404	Training and Education	404-3	Percentage of employees receiving regular performance and career development reviews	The reporting organization shall report the following information: **01** Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period.	Carlyle's annual performance management processes seek to optimize the firm's most valuable asset—our talent. Our performance management philosophy is designed to foster continuous growth and innovation. Through frequent, actionable feedback, we help employees unlock their potential, elevate team performance, and accelerate both firm success and individual development. Q1: Goal Setting Discussion. Employees are encouraged to have a goal setting discussion with their managers to help define and communicate clear priorities that align with department and segment goals—keeping teams focused, coordinated, and moving toward shared outcomes. June: The Mid-Year discussion is an employee-led opportunity to reflect on progress, recognize achievements, and gather manager feedback to surface strengths and identify areas for continued growth. Ongoing: Throughout the year informal gathering of stakeholder feedback and manager discussions take place to confirm strengths and solicit candid feedback. In 2024, the senior-level promotion process was enhanced with a new framework that evaluates contributions, leadership, and alignment with Carlyle's values. A dedicated promotion committee now reinforces our culture of excellence by recognizing top performers and deepening senior leadership's understanding of global talent. This shared perspective is helping unlock cross-business mobility, support firmwide goals, and ensure each candidate receives meaningful feedback to guide continued growth. Business leaders meet regularly to discuss how the firm's growth objectives may create opportunities for each team member to grow and advance over time. These discussions ensure we are identifying and investing in future leaders and building a strong leadership bench across Carlyle. Managers share insights and outputs from these discussions with their respective team members.
GRI 405	Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	The reporting organization shall report the following information: **01** Percentage of individuals within the organization's governance bodies in each of the following diversity categories: I. Gender. II. Age group: under 30 years old, 30–50 years old, over 50 years old. III. Other indicators of diversity where relevant (such as minority or vulnerable groups). **02** Percentage of employees per employee category in each of the following diversity categories: I. Gender. II. Age group: under 30 years old, 30–50 years old, over 50 years old. III. Other indicators of diversity where relevant (such as minority or vulnerable groups).	Our Board of Directors oversees our business and affairs and consists of 13 directors. We have a majority independent Board. Two of our co-founders, David M. Rubenstein and William E. Conway, Jr., currently serve as Co-Chairmen of the Board. Our Chief Executive Officer, Harvey M. Schwartz, also serves as a director. The Nominating and Corporate Governance Committee of the Board, which takes a leadership role in shaping our corporate governance, including our sustainability strategy, has appointed Linda H. Filler as the Board's Sustainability Lead, responsible for oversight of the firm's work in this area. Mark S. Ordan serves as our Lead Independent Director as of March 10, 2025. He presides at executive sessions of the independent directors and engages with them between Board and Committee meetings. Mr. Ordan works closely with the independent directors to provide objective oversight of our business. He facilitates communications with the Board, the identification of matters for consideration by the Board and management, and the formulation of appropriate guidance to be provided by the independent directors. In addition, Mr. Ordan routinely engages with our largest shareholders and other stakeholders and, along with the other independent directors and the fully independent Committees, as appropriate, provides input on the composition and design of the Board and the leadership team's approach to risk management. The Board monitors the mix of specific experience, qualifications, and skills of its directors in order to assure that the Board, as a whole, has the necessary tools to perform its oversight function effectively in light of the Company's business and structure. Although we have no formal policy regarding board diversity, the Board believes that a broad range of perspectives is an important component of a board, which includes such factors as background, skills, experience, and expertise. Moreover, the Board does not discriminate on the basis of race, color, national origin, gender, religion, disability, or sexual orientation in selecting director candidates.

Social Disclosures (Continued)

GRI Number	GRI Title	Disclosure Number	Disclosure Title	Description	Location/Relevant Information
GRI 413	Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	The reporting organization shall report the following information: **01** Percentage of operations with implemented local community engagement, impact assessments, and/or development programs, including the use of: I. Social impact assessments, including gender impact assessments, based on participatory processes. II. Environmental impact assessments and ongoing monitoring. III. Public disclosure of results of environmental and social impact assessments. IV. Local community development programs based on local communities' needs. V. Stakeholder engagement plans based on stakeholder mapping. VI. Broad based local community consultation committees and processes that include vulnerable groups. VII. Works councils, occupational health and safety committees and other worker representation bodies to deal with impacts. VIII. Formal local community grievance processes.	Carlyle offers a gift match program. The firm will match employee donations to approved charitable organizations up to $2,000 per year per employee. Employees receive two paid days off per calendar year to arrange group volunteer activities that foster One Community goals by working together with colleagues across disciplines and teams and to participate in volunteer opportunities coordinated by their local office.
GRI 417	Marketing and Labelling	417-3	Incidents of non-compliance concerning marketing communications	The reporting organization shall report the following information: **01** Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by: I. Incidents of non-compliance with regulations resulting in a fine or penalty. II. Incidents of non-compliance with regulations resulting in a warning. III. Incidents of non-compliance with voluntary codes. **02** If the organization has not identified any non-compliance with regulations and/or voluntary codes, a brief statement of this fact is sufficient.	No instances of non-compliance with regulations and/or voluntary codes concerning marketing activities resulting in fines or non-monetary sanctions from competent authorities were identified during the reporting period.

World Economic Forum Disclosures

Sub-Themes, Core Metrics & Disclosures	Location/Relevant Information
Setting Purpose Whether the company has a stated purpose linked to societal benefit and their core business.	An important component of Carlyle's mission statement is to be responsible and respected members of the global community. As stated on our firm's landing page, as a global investment firm, we work together to create long-term value for our investors, companies, shareholders, people and communities: https://www.carlyle.com. In addition, we are a signatory to the Business Roundtable's Statement on the Purpose of a Corporation in 2019, reaffirming our commitment to all of our stakeholders. The Statement on the Purpose of a Corporation is focused on a commitment to: Deliver value to customers; Invest in employees through fair compensation and provision of benefits; Deal fairly and ethically with suppliers; Provide support to the communities in which a company operates; and Generate long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. This includes transparency and effective engagement with shareholders. The full Statement on the Purpose of a Corporation can be found here: https://www.businessroundtable.org/ourcommitment.
Board Composition Composition of the highest governance body and its committees by: executive or non-executive; independence; tenure on the governance body; number of each individual's other significant positions and commitments, and the nature of the commitments; gender; membership of under-represented social groups; competencies relating to economic, environmental and social topics; stakeholder representation.	Please see our response to GRI 102-22.
Impact of material issues on stakeholders A list of the material topics identified in the process of defining report content and how they impact stakeholders.	Please see our Materiality Assessment Methodology on page 45 of this report.
Anti-corruption **01** Total percentage of governance body members, employees and business partners who have received training on the organization's anti-corruption policies and procedures, broken down by region. **02** Total number and nature of incidents of corruption confirmed during the current year but related to previous years. **03** Total number and nature of incidents of corruption confirmed during the current year, related to this year.	All of Carlyle's employees receive training on the organization's anti-corruption policies and procedures. Our Anti-Bribery and Anti-Corruption (ABC) Policy is shared with all employees globally. An internal audit function also carries out periodic monitoring activity. We do not routinely share our ABC Policy with our business partners. However, we do require certain business partners to certify that they are in compliance with ABC minimum standards set forth in our commercial contracts.
Protected ethics advice and reporting mechanisms A description of internal and external mechanisms for: **01** Seeking advice about ethical and lawful behavior, and organizational integrity. **02** Reporting concerns about unethical or unlawful behavior, and organizational integrity.	Please see our response to GRI 102-17, which details our Code of Conduct, Whistleblower Policy, and Ethics and Compliance Hotline.
Integrating risk and opportunity into business process Company risk factor disclosures clearly identify the principal risks facing the company specifically (as opposed to generic sector risks), the Board appetite in respect of these risks, how these risks have moved over time and the response to those changes. These should include discussion of data security and other emerging principal risks and should disclose the number of data breaches in the reporting period.	Please see our response to GRI 102-15.
Greenhouse Gas (GHG) emissions Report GHG Protocol Scope 1 and 2 emissions in tons of carbon dioxide equivalent (tCO_2e) and estimate and report upstream and downstream (GHG Protocol Scope 3) emissions where material.	2023: Scope 1 emissions: 1,139MT CO_2e, Scope 2 emissions: 2,719MT CO_2e (location-based), 2,756MT CO_2e (market-based), Scope 3 emissions: 20,568MT CO_2e.[1] 2024: Scope 1 emissions: 975MT CO_2e, Scope 2 emissions: 23,350MT CO_2e (location-based), 3,474MT CO_2e (market-based), Scope 3 emissions: 129,511MT CO_2e.[1]
TCFD-aligned reporting on material climate risks and opportunities TCFD-aligned reporting on governance and risk management for all. If climate change is material in short, medium or long term, disclose strategy and metrics/targets as well, including whether the company has committed to set a science-based target in line with net zero by 2050.	Climate change is material in the short, medium, and long term. In 2022, we announced our firmwide climate strategy and corresponding near- and long-term goals: https://www.carlyle.com/media-room/news-release-archive/carlyle-sets-net-zero-2050-and-near-term-climate-goals. Our strategy to addressing climate risks and opportunities is publicly available in our TCFD report, which is included as part of this report.
Diversity and inclusion (%) Percentage of employees per employee category, by age group, gender and other indicators of diversity.	Carlyle may discuss certain information relating to this topic upon request.
Training provided (#) **01** Average hours of training per person that the organization's employees have undertaken during the reporting period, by gender and employee category (total number of trainings provided to employees divided by the number of employees). **02** The average training and development expenditure per full-time employee.	Please see our response to GRI 404-1.

1. Employee business travel does not include data booked outside the Concur Travel and Expense platform. For 2023 with respect to our London office, Q4 electricity consumption was proxy calculated using 2022 figures as utility bills are not yet available.

World Economic Forum Disclosures (Continued)

Sub-Themes, Core Metrics & Disclosures	Location/Relevant Information
Net Economic Contribution **01** Direct economic value generated and distributed (EVG&D) – on an accruals basis, covering the basic components for the organization's global operations, including revenues, operating costs, employee wages and benefits, payments to providers of capital, payments to government. **02** Financial assistance received from the government (e.g., tax breaks, subsidies, investment grants etc.). **03** Net Economic Contribution = (EVG&D) minus (Financial assistance received from the government).	Please see our response to GRI 201-1.
Community investment (%) A percentage breakdown of community investment, including monetary contributions such as charitable gifts and community partnerships; time contributions such as staff volunteering in paid time; in-kind contributions from services or equipment; and management costs, normalized as a percentage of pre-tax profit.	In 2024, Carlyle matched over 490 donations to over 220 charitable organizations. In total, $747,257.20 was donated. Additionally, we engaged in a number of donation drives, volunteer events and fundraising initiatives. Select examples include: • Amsterdam canal clean-up: Over 60 employees helped clean up waste from Amsterdam's famously picturesque canals in collaboration with Plastic Whale. They collected 27 bags of waste material. • Partnered with Capital Area Food Bank (CAFB) to provide an essential first step in getting food flowing into the community for those who need it most; volunteers helped pack 15,000 pounds of food to support senior citizens. • Launched an ongoing partnership with Computers4People focused on reducing e-waste and increasing digital access to communities in need through refurbished technology donations. • Community of Hope backpack drive for underserved students and holiday gift drive and volunteer event to support families in need. • Employees donated and assembled Welcome Kits for survivors entering emergency housing at Womankind. • Held donation drives across offices in Asia in support of charities that promote recycling, sharing donated items with those in need, and positive change in local communities.
Country by country tax reporting **01** All tax jurisdictions where the entities included in the organization's audited consolidated financial statements, or in the financial information filed on public record, are resident for tax purposes. **02** For each tax jurisdiction reported in Disclosure 207-4-a: • Names of the resident entities. • Primary activities of the organization. • Number of employees and the basis of calculation of this number. • Revenues from third-party sales. • Revenues from intra-group transactions with other tax jurisdictions. • Profit/loss before tax. • Tangible assets other than cash and cash equivalents. • Corporate income tax paid on a cash basis. • Corporate income tax accrued on profit/loss. • Reasons for the difference between corporate income tax accrued on profit/loss and the tax due if the statutory tax rate is applied to profit/loss before tax. **03** The time period covered by the information reported in Disclosure 207-4.	Please see Carlyle's 2024 Annual Report on Form 10-K.

Notice to Recipients

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The information provided herein is for informational purposes only and is not and may not be relied on in any manner as advice or as an offer to sell or a solicitation of an offer to buy interests in any fund or other product sponsored or managed by Carlyle. Any such offer or solicitation shall only be made pursuant to a final confidential private placement memorandum (as amended and/or restated from time to time) and the applicable fund's subscription documents, which will be furnished to qualified investors on a confidential basis at their request for their consideration in connection with such offering. Private equity funds and investment strategies are intended for qualified investors only. They are typically speculative, provide limited liquidity, involve a high degree of risk, including a total loss of capital, and they may engage in the use of leverage, short sales, and derivatives. This report is not and shall not be construed as an "advertisement" for purposes of the Investment Advisers Act of 1940, as amended. Further, nothing contained herein constitutes investment, legal, tax, or other advice nor is it to be relied on in making an investment or other decision. The information in this report is only as current as the date indicated and may be superseded by subsequent market events or for other reasons, and Carlyle and its affiliates assume no obligation to update the information herein. Please see Carlyle's public filings for the definition of "Assets under Management" or "AUM."

References to portfolio companies, including within any case studies, are intended to illustrate the application of Carlyle's investment, sustainability, or ESG process only and should not be viewed as a recommendation of any particular security or portfolio company. The information provided about these portfolio companies is intended to be illustrative, and is not intended to be used as an indication of the current or future performance of Carlyle's portfolio companies. The investments described in the selected case studies were not made by any single fund or other product and do not represent all of the investments purchased or sold by any fund or other product. It should not be assumed that investments made in the future will be comparable in quality or performance to the investments described herein. Past performance is not necessarily indicative of future results. Descriptions of any ESG, sustainability, or impact achievements or improved practices or outcomes are not necessarily intended to indicate that Carlyle has substantially contributed to such achievements, practices, or outcomes. For instance, Carlyle's ESG or sustainability efforts may have been one of many factors—including such other factors as engagement by portfolio company management, advisors, and other third parties—contributing to the success described in each of the selected case studies. Further, the receipt of any awards by Carlyle or the portfolio companies described herein is no assurance that Carlyle's investment objectives have been achieved or successful. Further, such awards are not, and should not be deemed to be, a recommendation or evaluation of Carlyle's investment management business.

Goals, targets, and commitments, including Carlyle's ESG or sustainability goals and related timelines, are aspirational, subject to change, and not guarantees or promises that any or all goals, targets, and commitments will be met. Such goals, targets and commitments are not binding on investment decisions and/or Carlyle's management of investments and any reference herein to environmental or social considerations is not intended to qualify our intent to maximize risk-adjusted returns. Relatedly, any figures or data on emission reduction targets and/or progress, as well as any cost savings associated with emissions reductions, have not been independently verified by auditors or third-party assurance providers. The analysis involved in determining whether and how certain initiatives may contribute to such goals is inherently subjective and dependent on a number of factors. There can be no assurance that reasonable parties will agree as to whether certain projects or investments contribute to a particular goal, target, or commitment. Carlyle makes no commitment or guarantee that it is investing in companies that have a formal commitment or plan or take specific actions to support or contribute to any goal, target or commitment.

Similarly, there can be no assurance that Carlyle's ESG policies and procedures as described in this report, including policies and procedures related to responsible investment or the application of ESG or sustainability-related criteria or reviews to the investment process, will be successfully implemented or continue; such policies and procedures could change, even materially, or may not be applied to a particular investment. Carlyle's sustainability activities are subject to Carlyle's fiduciary and other duties and applicable legal, regulatory, and contractual requirements. Further, Carlyle is permitted to determine in its discretion that it is not feasible or practical to implement or complete certain of its ESG goals, initiatives, policies, and procedures based on cost, timing, or other considerations. No assurance can be given that Carlyle will remain a signatory, supporter, or member of any ESG or sustainability-related initiative or other similar industry frameworks. Statements about ESG initiatives or practices related to portfolio companies do not apply in every instance and depend on factors including, but not limited to, the relevance or implementation status of an ESG initiative to or within the portfolio company; the nature and/or extent of investment in, ownership of or, control or influence exercised by Carlyle with respect to the portfolio company; and other factors as determined by investment teams, corporate groups, asset management teams, portfolio operations teams, companies, investments, and/or businesses on a case-by-case basis.

ESG factors are only some of the many factors Carlyle considers in making an investment, and there is no guarantee that Carlyle's consideration of ESG factors will enhance long-term value and financial returns for investors. To the extent Carlyle engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the long-term value of the investment. In addition, the act of selecting and evaluating material ESG factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by Carlyle will reflect the views, internal policies or preferred practices of investors, other asset managers or with market trends. There can be no assurance that the operations and/or processes of Carlyle as described herein will continue, and such processes and operations may change, even materially. The actual investment process used for any or all of Carlyle's investments may differ materially from the process described herein. Investors should read this 2025 Sustainability Report in conjunction with investment fund quarterly reports, financial statements and other disclosures regarding the valuations and performance of the specific investments listed herein.

Investors should also review Carlyle's annual, quarterly, and other reports filed with the U.S. Securities and Exchange Commission (SEC). Certain of the information contained in this 2025 Sustainability Report represents or is based upon forward-looking statements or information. Any statements that are not statements of historical facts may be deemed to be forward-looking statements. When used in this 2025 ESG Report, the words "may," "could," "anticipate," "target," "plan," "continue," "goal," "commit," "achieve," "project," "impact," "intend," "estimate," "believe," "expect," "potential," "will," "should," "seeks" and similar expressions (or the negatives thereof) are intended to identify forward-looking statements, although not all forward-looking statements contain such words. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations or anticipated results. These risks and uncertainties include, but are not limited to those described under "Risk Factors" in Carlyle's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC, as such factors may be updated from time to time in its periodic filings, which are accessible on the SEC's website at www. sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this 2025 Sustainability Report and Carlyle's other periodic filings with the SEC. Therefore, undue reliance should not be placed on such statements or the conclusions drawn therefrom, which in no event shall be construed as a guarantee of future performance, results or courses of action. Any forward-looking statement speaks only as of the date on which such statement is made, and Carlyle expressly disclaims any obligation or undertaking to update or revise any such forward-looking statements, except as required by applicable law. Additionally, terms such "ESG," "impact," "green," "transition," "energy transition," "low carbon," "decarbonization," and "sustainability" can be subjective in nature, and there is no representation or guarantee that these terms, as used by Carlyle, or judgment exercised by Carlyle Partner or its affiliates or advisors in the application of these terms, will reflect the beliefs or values, policies, principles, frameworks or preferred practices of any particular investor or other third-party or reflect market trends. There is additionally no guarantee that any of the ESG, sustainability, or decarbonization-linked loans noted herein align with the Sustainability Linked Loan Principles developed by the Loan Market Association, Loan Syndications and Trading Association, and the Asia Pacific Loan Market Association. Moreover, there is no universal consensus on the meaning of "transition" or "energy transition" in relation to investments such as those that will be made by the Fund, and there is no guarantee that the criteria utilized or judgment exercised by the Carlyle will reflect the requirements, policies or preferred practices of any particular regulator, investor, other asset managers or align with market trends.

In this report, we are not using such terms as "material" or "materiality" as they are used under the securities or other laws of the US or any other jurisdiction, or as they are used in the context of financial statements and financial reporting. Materiality, for purposes of this report should not, therefore, be read as equating to any use of the word in other Carlyle reporting or statements.

California's Voluntary Carbon Market Disclosures Act ("AB 1305") recently went into effect and it is uncertain whether and how it applies to Carlyle. By providing any information required to be disclosed under AB 1305, Carlyle is not conceding that any specific item is required to be disclosed or waiving any arguments about the interpretation of AB 1305. Carlyle's approach to providing information in response to AB 1305 could change over time. Additional information may be available in other reports and/or public disclosures.

Statistics and metrics relating to ESG or sustainability matters are estimates and may be based on assumptions or estimates (which may provide to be inaccurate) or developing standards (including Carlyle's internal standards and policies). Certain information contained herein has been obtained from third parties, and in certain cases have not been updated through the date hereof. While these third party sources are believed to be reliable, Carlyle makes no representation or warranty, express or implied, with respect to the accuracy, fairness, reasonableness or completeness of any of the information contained herein, and expressly disclaims any responsibility or liability therefor. Actual results may differ materially from any forward-looking statements. Except where opinions and views are expressly attributed to individuals, general discussions contained within this report regarding the market or market conditions represent the view of either the source cited or the assessment and interpretation of Carlyle based on the information available to it as of the date indicated.

Nothing contained herein is intended to predict the performance of any investment. There can be no assurance that actual outcomes will match the assumptions or that actual returns will match any expected returns. Please note that this 2025 Sustainability Report is not a marketing document and is provided for information purposes only. There is no guarantee that any ESG or sustainability (including decarbonization) measures, targets, programs, commitments, incentives, initiatives, or benefits will be implemented or applicable to the assets held by funds advised or managed by Carlyle and any implementation of such ESG or sustainability measures, targets, programs, commitments, incentives, initiatives, or benefits may be overridden or ignored at the sole discretion of Carlyle at any time and in accordance with relevant sectoral legislation unless otherwise specified in the relevant fund documentation or regulatory disclosures made pursuant to Regulation (EU) 2019/2088 ("SFDR").

The information and/or data required to discharge the TCFD disclosure requirements may not be available in every instance, and/or may be partially or fully incomplete due to a number of factors such as methodological challenges affecting the ability to collect and/or calculate certain data, or where data is sourced from third-party sources. Responses given in sections of this 2025 Sustainability Report may be based on estimated data, and Carlyle gives no representation or assurance as to the accuracy, completeness and/or reliability of such estimates. Carlyle does not independently verify data obtained from third-party sources, or estimated data, and no representation, warranty or undertaking, express or implied, is made as to the accuracy or completeness of such data. Responses in sections of this 2025 Sustainability Report may refer to internal systems and/or processes which are under development, evolution and review, and Carlyle gives no guarantee that these systems and processes with be implemented as described herein.

For purposes of the non-financial operating and statistical data included herein, foreign currencies have been converted to U.S. dollars at the spot rate as of the last trading day of the reporting period when presenting period end balances, and the average rate for the period has been utilized when presenting activity during such period.

Please note that this report does not include energy funds that are (i) legacy funds jointly advised with Riverstone Holdings LLC or its affiliates ("Riverstone") or (ii) managed by NGP Management Company, L.L.C. or its affiliates ("NGP"). Carlyle does not control or manage Riverstone or NGP. Affiliates of both Carlyle and Riverstone act as joint investment advisers to three legacy energy funds with vintages from 2003–2007. Carlyle's representation on the investment and/or management committees of the jointly sponsored legacy funds varies and after the last of these co-branded funds Carlyle does not have any interest in Riverstone's management or funds. Moreover, Carlyle does not operate NGP's business, have representation on NGP's board or serve as an investment advisor to any investment fund sponsored by NGP, nor does Carlyle direct the operations of any of NGP portfolio companies. While Carlyle has consent rights over certain major actions by NGP outside of the ordinary course of NGP's business (including, for example, consent rights over items such as amendments to the organizational documents of the entity in which Carlyle is invested, changes to the management fee streams earned by NGP under its fund agreements, or the incurrence of certain debt by NGP and other similar items), Carlyle has no voting rights or consent rights on any NGP investment committee that selects investments to be made by NGP funds. None of the firm-level metrics included herein incorporate Riverstone or NGP.

Glossary

Biodiversity

Defined by the Convention on Biological Diversity as the variability among living organisms from all sources, including terrestrial, marine, and other aquatic ecosystems, and the ecological complexes of which they are a part.

Carlyle's Near-Term Climate Goals

In 2022, Carlyle set two near-term goals:

01 75% of Carlyle's In-Scope Companies' Scopes 1 and 2 emissions will be covered by Paris-Aligned Climate Goals by 2025; and

02 Beginning in 2025 all new direct, majority-owned Corporate Private Equity, Energy and Power portfolio companies will set Paris-Aligned Climate Goals within two years of ownership where we find it could be financially relevant.

Carlyle's Net Zero Goal or 'Long-Term Climate Goal'

In 2022, Carlyle announced a goal to achieve Net Zero GHG emissions by 2050 or sooner across direct Global Private Equity and Global Credit investments.

Direct Investments

'Direct' herein refers to investments made by funds advised exclusively by Carlyle, as determined at the time of the initial investment. For the avoidance of doubt, direct investments do not include (i) investments into funds managed by other private equity sponsors, including investments into or by Riverstone Holdings LLC or NGP Management Company, L.L.C.[1] or (ii) investments made through Carlyle's Global Investment Solutions group.

'In-Scope Companies'

In-Scope Companies include Corporate Private Equity, Energy and Power funds' direct, majority-owned portfolio companies in the following 2021 and earlier vintage funds: Carlyle Asia Growth Partners (CAGP) IV, Carlyle Asia Partners Growth (CAPG) I, CAPG II, Carlyle Asia Partners (CAP) III, CAP IV, CAP V, Carlyle Japan Partners (CJP) III, CJP IV, Carlyle Europe Partners (CEP) II, CEP III, CEP IV, CEP V, Carlyle Europe Technology Partners (CETP) III, CETP IV, Carlyle Partners (CP) V, CP VI, CP VII, CP VIII, CP Growth I, Carlyle Global Financial Services Partners (CGFSP) III, Carlyle Equity Opportunities Fund (CEOF) I, CEOF II, Carlyle Global Partners (CGP) I, CGP II, Carlyle International Energy Partners (CIEP) I, CIEP II, and Carlyle Power Partners (CPP) II.

Majority-owned

'Majority-owned' herein refers to investments by Carlyle's Global Private Equity group in which a Carlyle-managed fund has a majority ownership stake and control, as determined at the time of the initial investment.

Net Zero

Net Zero is generally defined scientifically as achieving a balance between anthropogenic greenhouse gas emissions into the atmosphere and anthropogenic greenhouse gas removals from it over a specific period.[2]

'Paris-Aligned Climate Goal'

The Paris Agreement aims to limit global warming to well below 2 degrees Celsius and pursue efforts to limit the temperature increase to 1.5 degrees Celsius, compared to pre-industrial levels. Carlyle defines having a Paris-Aligned Climate Goal as a portfolio company that has achieved the following three steps during the Carlyle hold period:

01 Baseline: Calculate a baseline GHG footprint;

02 Targets: Set clearly defined short- and long-term GHG reduction targets aligned with the Paris Agreement;

03 Reporting: Publicly report on progress.

In certain instances, companies may take a different approach to one or more of these steps; Carlyle may still choose to accept the company's climate goal as counting toward Carlyle's Goal #1 at its discretion.

1. *For more information on our relationship, please see 'Notice to Recipients' page of this report.*
2. *It is important to note that methodologies and pathways to Net Zero GHG emissions by 2050 or sooner for investment managers are still evolving, particularly for asset classes such as private credit. Carlyle will continue to monitor and engage with market-leading frameworks and methodologies and expect to adapt and evolve our approach over time. In setting our initial approach, we drew on components of the SBTi PE Sector Guidance (November 2021) and the IIGCC PAII Net Zero Framework Consultation on Proposed Components for PE (February 2022). Carlyle has not fully accepted the principles of either framework.*


CARLYLE