
THE CARLYLE GROUP

GLOBAL ALTERNATIVE ASSET MANAGEMENT



Every action has an impact. That's why we work to improve the environmental, social and governance aspects of our business and of our portfolio companies—to create a lasting impact.

corporate citizenship 2015



RESPONSIBLE INVESTING

Environmental Stewardship
Social Responsibility
Governance

Carlyle's Corporate Citizenship Program: Making a Lasting Impact

At Carlyle, being a good corporate citizen means investing responsibly and engaging in communities where we work and invest. Responsible investing means we consider the environmental, social and governance (ESG) implications of our investments. We work to identify and reduce ESG risks and seek opportunities for value creation through sustainability efforts. Through our One Community initiative, we focus on cultivating diverse teams and encourage employees to get involved in their communities through our volunteer and wealth sharing programs.



ONE COMMUNITY

Over the last year, 100% of Carlyle-controlled buyout and infrastructure companies reviewed their operations in accordance with our responsible investment guidelines.

Responsible Investment Guidelines Inform Our Decisions

Our Guidelines for Responsible Investment, adopted from the Private Equity Growth Capital Council, draw on a variety of existing internationally recognized norms and guide our investment decision-making process for controlling, corporate buyouts. Our complete guidelines can be found at www.carlyle.com/citizenship.

Once we own a company, we help management evaluate ESG issues related to their business. We also share our responsible investment guidelines with them and encourage them to review the guidelines at board meetings at least once a year.

Our Approach to Sustainability

Our approach to responsible investing starts with assessing the ESG risks associated with our controlled, corporate investments. By understanding and reducing risks, companies can become more resilient, enabling them to be better investments. That's why our deal teams assess a range of risk scenarios, including potential negative effects of low-probability, high-impact ESG risks. Experienced professionals within our External Affairs group, including our Chief Sustainability Officer, provide a unique perspective to deal teams and often bring different "intelligence" to the process.

Increasingly, we also seek to identify opportunities for sustainability to enhance value. For example, sharing best practices among companies in our portfolio helps identify value creation opportunities. This collaborative approach comes naturally to our professionals as it's part of our One Carlyle culture, which we foster through workshops, individual connections and outside resources. We also use EcoValuScreen, a tool we developed with the Environmental Defense Fund (EDF), as a framework for identifying opportunities for operational enhancements.

These efforts start early in the due diligence and investment committee approval process, and continue throughout the life of an investment. Value creation case studies provide insight into how ESG aspects may play a role in the exit of an investment. A sampling of these case studies can be found at www.carlyle.com/investor-relations/case-studies.

"At Carlyle, we support our portfolio companies in their journey to take sustainability to the next level and create value, whether a company is just beginning or well along its sustainability path."

Jackie Roberts
is Carlyle's Chief
Sustainability Officer.





RESPONSIBLE INVESTING

Where Sustainability Meets Value Creation

CUSTOMER
SATISFACTION

BRAND
EQUITY

OPERATIONAL
EFFICIENCY

WORKFORCE
STRENGTH

Value

“We view expertise in environmental, social and governance issues as another tool in the investors’ toolbox. We’re glad to see Carlyle building more internal expertise and learning how to use these tools.”

Tim Van der Weide is Advisor for Responsible Investment at PGGM.



Creating Value Comes from Looking at the World in New Ways

This year, our corporate citizenship report focuses on opportunities to build value. We encourage portfolio companies to expand their sustainability efforts so that they are both reducing risks and seizing opportunities aligned with four strategies that can be used to build value: increasing customer satisfaction, building brand equity, improving operational efficiency and strengthening the workforce. Recognizing that sustainability is a journey, we focus on and promote continuous improvement. Connecting sustainability and corporate citizenship efforts with value creation enhances the staying power of new practices and programs.

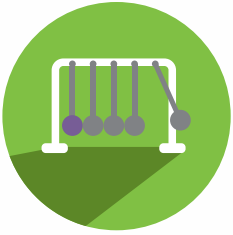
Businesses with strong sustainability practices have a competitive edge. Placing a new lens on energy and water consumption or the handling of waste materials, for example, provides a catalyst for developing ideas to improve efficiencies and reduce costs. Incorporating energy expertise when planning operational upgrades can deliver business and environmental benefits. And a business with a strong reputation is better able to attract and retain more highly qualified employees. In short, sustainability brings a fresh perspective that helps businesses innovate to create value.



A sustainability lens provides new tools for addressing customer satisfaction, building brand equity, improving operational efficiency and developing workforce strength.

“As we invest in many different sectors, we felt the most important step for us was to bring sustainability expertise in-house to support those key individuals in our portfolio companies taking the lead on these issues.”

David M. Rubenstein is a Carlyle Co-founder and Co-Chief Executive Officer.



customer satisfaction

Creating Value Starts with Satisfied Customers

Customers are increasingly demanding new or improved products and programs that address sustainability issues. When companies expand and innovate, they can often deliver greener product attributes or make products more accessible to different customers. Sustainability goals also provide a business opportunity to engage with customers, such as Park Water's efforts to educate and encourage customers to conserve water.



"I look at sustainability issues in a company because the management team's ability to successfully manage emerging environmental, social and governance issues is a sign to me of a quality company. That was certainly the case for Chesapeake and Multi Packaging Solutions."

Zeina J. Bain is a Managing Director in our Europe Buyout team.



Meeting Customer Demand for Responsibly Sourced Products

Carlyle Europe Partners III, L.P.

The 2013 merger of Multi Packaging Solutions (MPS) and Chesapeake Limited created a global provider of print-based specialty packaging. MPS places a premium on helping customers meet their environmental goals by maintaining an inventory of recycled paper and paperboard. The company also offers



Cosmetics International

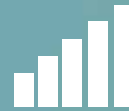
Greener Products Attract More Customers

Carlyle Europe Technology Partners II, L.P.

In 2011, Carlyle invested in ADA Cosmetics, a European supplier of premium hotel cosmetics and accessories. Increasingly, ADA's hotel customers wanted to provide their guests with sustainable products. During Carlyle's ownership, ADA responded with eco-certifications, greener product lines and packaging, and operational efficiency improvements. In 2013, the company added a fourth new product line, named Fair Trade, to its Green Collection. These changes contributed to a 19% sales increase in 2013 for the four lines in the Green Collection, making it the top-performing category. The Green Collection also generated a 21% increase in sales in 2014. ADA's approach to sustainability met customer needs, and it was an important value component when we exited our investment in the company in August 2014.



Fairtrade certified in 2013 by FLO-CERT, an official Fair Trade certification partner.



21%

Increase in Green Collection sales in 2014.



Green Globe certified in 2013, an internationally recognized seal for sustainable operations in the tourism and hotel industries.

customers the ability to source paper-based products from well-managed forests through chain of custody programs. For the merged company, all of its sites have received Chain of Custody certifications from the Forest Stewardship Council. All European sites and some North American sites have received Chain of Custody certifications from the Programme for the Endorsement of Forest Certification.

MPS has also focused on its own footprint. In 2014, aware that manufacturing processes consume about 65% of the company's energy, MPS's European facilities embarked on an ambitious project to analyze all energy procurement and usage. Using Carlyle's EcoValuScreen tool and working with external consultants, the company identified energy efficiency opportunities that have already saved \$1 million. While pursuing these opportunities, the company also plans to run a companywide behavioral change campaign to engage all employees in improving energy performance, which, if successful, would become a best practice for MPS across all sites.



DIN EN ISO 14001 certified for environmental management.

LEAN

Formalized LEAN manufacturing program reduces waste, conserves resources and promotes recycling.



Full menu of recycled and sustainable materials.

\$1 million

Contribution to EBITDA from recent energy efficiency projects.

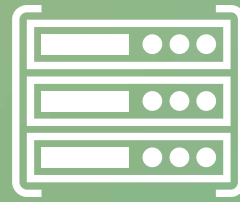
COMMSCOPE®

Developing an Innovative Solution for Customers' Evolving Needs

Carlyle Partners V, L.P. & Carlyle Europe Partners III, L.P.

CommScope created a new enterprise solution, called Data Center on Demand, which rapidly adds flexible, scalable capacity while dramatically improving how data centers disperse heat and consume energy. It enables the company's customers to achieve an outstanding power usage effectiveness (PUE) rating in the range of 1.03 to 1.06, meaning that nearly all of the energy required to power a data center is used by the hardware itself, rather than the building that houses it. By contrast, the PUE for a typical data center is a much less efficient 1.8 to 2.9.

In 2014, CommScope also reached a 49% reduction in its own overall greenhouse gas (GHG) emissions—six years ahead of schedule. In response to this success, the company adjusted its goal to target reducing GHG emissions by 65% by 2020, against its 2008 baseline.



40%

Energy savings in customer data centers.



49%

Reduction in CommScope's overall GHG emissions by early 2014.

Ortho Clinical Diagnostics

Product Innovations Increase Flexibility for Customers

Carlyle Partners VI, L.P.

Ortho Clinical Diagnostics is a provider of total solutions for screening, diagnosing, monitoring and confirming diseases. The company has developed VITROS® systems using dry slide technology for laboratory testing that requires no water, plumbing or drains. Typical non-VITROS® systems use approximately 43,000 gallons of water each year. In certain regions of the world, water quality—and even availability—is a challenge. The technology enables labs to avoid the cost, maintenance, carryover and containment risks associated with traditional water-based analyzers.



43,000

Gallons of water saved each year with VITROS® systems.



VITROS® MicroTip™ and MicroSlide™ Technology

- No water, plumbing or drains required.
- Avoids the cost, maintenance, carryover and containment risks associated with traditional water-based analyzers.



Engaging Customers in Sustainability

Carlyle Infrastructure Partners, L.P.

When your product is a resource that is limited in supply, it's important to make sure customers use it wisely, so Park Water Company conducts ongoing customer education programs on the efficient use of water. In 2014, Western Water Holdings, which does business as Park Water, took this a step further with an innovative program called "Cash for Grass" that offers customers a rebate for replacing turf with desert adaptive plantings. At one of Park Water's companies, customers have removed more than 2.5 million square feet of turf—an area equivalent to 50 football fields—producing annual water savings in excess of 138 million gallons.



In 2014, Park Water released its first sustainability report, noting that it represents the company's "first effort to formally present what we are doing to position our company for long-term, sustainable success."



2.5 million

Square feet of turf replaced with water-efficient landscaping.



138 m gallons

Annual water savings from replacing turf with water-efficient landscaping.

Syniverse®

Making Sustainability a Priority

Carlyle Partners V, L.P.

When customers ask Syniverse for sustainability attributes, the company is well prepared to respond. Syniverse has achieved an 81% improvement in its Carbon Disclosure Project (CDP) score, a key metric for many of its customers. The company has also established 10 carbon reduction goals, including reducing energy-related GHG emissions 20% below 2010 levels by 2015. Syniverse has already reduced carbon emissions associated with air travel—the company's largest category of GHG emissions—by 16.5% compared to the 2010 baseline. And Syniverse achieved these results despite an overall increase in the workforce.

"By 2015, 55% of supplier spending will go to firms with CO₂ reduction targets."

—Verizon Website



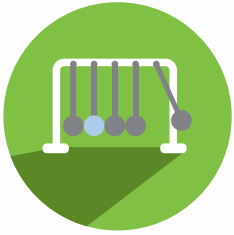
81%

Improvement in CDP score, going from 48 in 2010 to 87 in 2014, on a scale of 1 to 100. The industry average is 59.



16.5%

Reduction in carbon emissions from air travel compared with the 2010 baseline.



brand equity

Building Brand Equity Builds Value

Companies that operate transparently and sustainably often have a competitive edge—and stronger brand equity. That’s because more and more consumers are demanding responsibly sourced products. These companies not only develop innovative products that reduce a customer’s environmental footprint, but also disclose details about raw materials and work to ensure ethical practices throughout the supply chain. By making sustainability a priority, they build brand loyalty and can deliver greater value.



Securing Conflict-Free Supply of Raw Materials

Carlyle Europe Partners II, L.P.

H.C. Starck, a producer of specialty metals and advanced ceramics, is one of the few companies to pass a third consecutive audit under the Conflict-Free Smelter Validation Program introduced in 2010. To be declared conflict-free, H.C. Starck had to prove that it had documented a conflict minerals policy that is integrated into business operations, deploys a system for tracing finished goods back to its mine of origin, and documents that all purchased materials are from non-conflict sources.

3

Consecutive audits passed by H.C. Starck under the Conflict-Free Smelter Validation Program.



Supporting Transparent Supply Chains

Carlyle U.S. Equity Opportunity Fund, L.P. & Carlyle Sub-Saharan Africa Fund

Traxys markets, sources and transports metals and minerals. Traxys has a comprehensive conflict minerals policy and processes for verifying that minerals from the conflict region do not enter its supply chain. The company recognizes the importance of transparent mineral supply chains for customers and business partners and the avoidance of any conflict that could occur from non-ethical practices. Meeting best practices for conflict minerals management supports a strong Traxys brand.



A Quality Experience While Saving Energy

Carlyle Infrastructure Partners, L.P.

As part of Carlyle Infrastructure Partners' 35-year public-private partnership with the state of Connecticut, we're redeveloping, operating and maintaining the state's 23 highway service plazas. The new service centers reduce energy use by 21% compared to buildings of similar construction. Drought-resistant plants and programmable water heaters reduce water use significantly. More visible improvements include solar panels. In addition to producing 12.5% of the service plaza's energy, the solar panels reflect a forward-leaning company that offers customers a quality and efficient rest stop experience.



12.5%

Solar panels produce 12.5% of a service plaza's energy.



30%

Savings on hot water consumption by using programmable hot water heater timers.

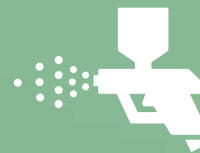


Sustainability Efforts Boost a Strong Brand

Carlyle Partners V, L.P. & Carlyle Europe Partners III, L.P.

For global manufacturer Axalta Coating Systems, sustainability is integral to virtually every aspect of its value chain. Its coatings are found on products that range from cars and trucks to pipelines. In 2014, Axalta extended the reach of its new Monocoat 2-Wet paint system for car manufacturers. The system cuts steps in the painting process while increasing productivity and customer satisfaction by reducing energy use. The Monocoat system is a finalist in the 2015 *Automotive News* PACE (Premier Automotive Suppliers' Contribution to Excellence) Awards.

Axalta has maintained its commitment to operational efficiency across key metrics at its 35 manufacturing facilities around the world. Environmental, health and safety performance continues to improve on an already strong, multi-year track record. Achievements such as a reduction of more than six tons of volatile organic compound (VOC) emissions per year at its Guarulhos operations in Brazil typify Axalta's commitment to the environment.



6 tons

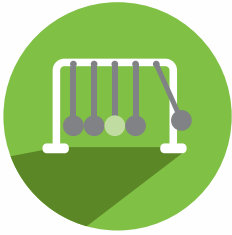
Reduction in VOC emissions at operations in Guarulhos, Brazil.



Axalta's Monocoat 2-Wet paint system is a finalist in the 2015 *Automotive News* PACE Awards.



Axalta's inaugural sustainability report issued in 2014 received the Bronze Award in the 28th International ARC Awards annual report competition.



operational efficiency

Improving Operational Efficiency Boosts Performance

Operational efficiencies that provide energy, water and waste savings continue to be great opportunities for Carlyle portfolio companies and key focus areas. The EcoValuScreen framework can be applied in the due diligence process, during the first 100 days or later in our term of ownership. Because operational efficiency improvements often require new expertise or an infusion of capital, Carlyle works to bring both to our portfolio companies.

“We see underinvestment of capital in many companies today. Over the past two years, seven of the 10 investments made by Carlyle’s U.S. buyout funds have had a significant business spending component to the investment thesis. We helped expand and improve existing plants, acquire new equipment and develop new products. Across Carlyle, our investments can result in more efficiency for a company and measurable environmental improvements.”

Peter J. Clare is Deputy Chief Investment Officer of Corporate Private Equity and Co-Head of our U.S. Buyout team.



Launching a More Efficient Cargo Fleet

Carlyle Strategic Partners III, L.P.

Carlyle Strategic Partners financed the creation of a company in 2014 to acquire and manage dry bulk cargo vessels, all currently in operation. The current fleet stands at over 10 vessels, of which two were acquired by the new company upon completion of construction. The portfolio consists exclusively of younger vessels built in the highest-quality shipyards, which are up to 5%–10% more fuel efficient than prior models and 20% more fuel efficient than vessels of similar vintage at lower-quality shipyards.

20%

More fuel efficient than vessels of similar vintage.

5%–10%

More fuel efficient than prior vessel models.



Reducing Costs on the Road and in the Office

Carlyle Europe Partners III, L.P.

RAC, the second-largest roadside assistance provider in the United Kingdom, has encouraged greener driving in a number of ways, including participating in our EcoValuScreen program, rolling out speed limiters across its fleet, and using satellite navigation and intelligent deployment systems to reduce fuel consumption.

In 2014, the company also found ways to save energy at its three office sites, resulting in significant cost savings. Using EcoValuScreen, RAC identified opportunities to reduce energy costs by 19%, which would produce savings of £120,334 per year. The company's own energy data shows that RAC actually realized 34% in energy savings from 2011 to 2013.



10%

Reduction in fuel usage per service breakdown from fleet initiatives introduced in 2013.



34%

Energy savings at RAC's three offices from 2011 to 2013.

£120,334

Annual amount of potential energy savings identified by EcoValuScreen.



Meeting Customer Demand with Fuel-Efficient Vessels

Carlyle U.S. Equity Opportunity Fund, L.P.

Interlink Maritime owns a fleet of modern eco-designed dry bulk vessels. Customers lease the vessels, considered the workhorses of the dry bulk sector, to carry a wide variety of dry cargo, including rice, wheat, fertilizer, soybeans, wood, iron and steel.

Carlyle acquired Interlink in 2013, enabling the company to execute contracts for 28 additional vessels that will start delivering in 2015. Most of the new vessels are rated to be approximately 25% more efficient than the Energy Efficiency Design Index. A 25% decrease in fuel consumption should allow Interlink to charge a premium for its vessels, since charterers are the ones who pay for fuel.



25%

Interlink's newest eco-designed vessels will use 25% less energy than the Energy Efficiency Design Index.

28

New eco-designed vessels begin delivering in 2015.

12%

Interlink's Tier 2 engines are 12% more energy efficient than the mandated index.



Generating Results through Operational Improvements

Carlyle Europe Partners III, L.P.

Since Carlyle acquired Marelli Motori in September 2013, the company has completed several operational improvement projects, including upgrading all of the lighting in its production areas, saving 387,500 kilowatt hours of energy and reducing GHG emissions by 279 tons. Marelli also replaced water pumps at its facility, resulting in annual savings of two million liters of water, which is taken directly from an artesian well.



387,500 kWh

Energy saved from lighting upgrades.

279 tons

GHG emissions reduced from lighting upgrades.



2 million

Liters of water saved annually from replacing water pumps.



Learning by Doing

Carlyle Partners VI, L.P.

Signode Industrial Group is a global supplier of industrial packaging products with 7,000 associates and 88 facilities worldwide. To reduce its manufacturing footprint and increase efficiencies, Signode is piloting numerous energy, water and materials efficiency projects, with a dedicated leader responsible for culling out the best ideas and making sure they are disseminated throughout the company. Just a few examples of successes to date include: lighting upgrades at the Danville, Virginia plant that are 75% more efficient; increased use of recycled PET for strapping at the Florence, Kentucky plant; a 60% reduction in water use in the past two years at a plant in Salisbury, North Carolina; and reduced CO₂ emissions from using less electricity and natural gas in the Dinslaken, Germany plant.

75%

Estimated energy savings from a lighting upgrade project began in 2014 in the Danville, Virginia plant.



5,000 miles

The length of industrial strapping made from recycled PET each day at the Florence, Kentucky facility.

60%

Reduction in water usage since 2012 at the facility in Salisbury, North Carolina.



30 metric tons

CO₂ emissions reduced by decreasing electricity and natural gas usage in the Dinslaken, Germany plant in 2013.

EDF Climate Corps Fellow Provides Energy-Saving Ideas

Carlyle U.S. Equity Opportunity Fund, L.P. & Carlyle Energy Mezzanine Opportunities Fund, L.P.

In 2014, Philadelphia Energy Solutions hired Eren Guzelaydin, an Environmental Defense Fund Climate Corps Fellow, to help accelerate energy conservation measures for the plant. The fellow developed five promising initiatives with strong payback and potential savings of at least several million dollars per year. Implementation is already underway for projects focused on steam leaks, air leaks and furnace efficiency. All have the potential to provide significant energy savings and offer environmental benefits, such as lowering air emissions.

Carlyle's IT Conservation Efforts

In Carlyle's data centers, we are continuing to reduce power consumption by moving from physical to virtual servers and by consolidating and retiring old servers. We also plan to retire servers in our offices in Europe and Asia, which will significantly lower cooling and power costs in those regions. We have eliminated the use of CRT displays in favor of LCD technology, which consumes half to two-thirds of the energy used by CRTs.

The U.S. Real Estate Team: Driving Best Practices

Our U.S. real estate team completed its first-ever survey of ESG programs, surveying over 70 operating partners and receiving more than 50 responses. The survey changed the conversation with operating partners and managers and, at a practical level, enabled the team to expand and update our internal Sustainability Best Practices List. Examples of such practices include:

- Promoting mass transit options with tenants and residents, such as ride sharing, bike sharing, bus and rail schedules, and HOV benefits
- Installing ENERGY STAR-certified programmable thermostats, energy-efficient light bulbs and low-flow water fixtures
- Offering electric vehicle recharging stations where feasible

While our team also met our 2014 goal of piloting WegoWise and Retroficiency, two software tools aimed at identifying energy efficiency opportunities, with select investments, this effort was not as successful as expected because these online tools were not as scalable as anticipated.

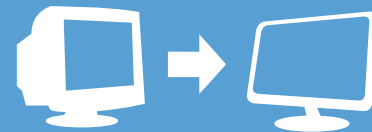
EDF CLIMATE CORPS

5 Number of energy-saving initiatives that have the potential to save several million dollars each year.



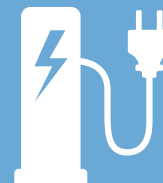
\$166,000

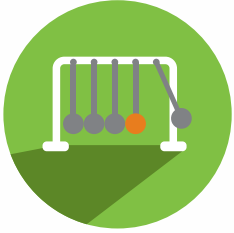
Estimated annual savings from steam and air leak improvements.



+50%

Reduction in energy use by replacing CRT monitors with LCD displays.





workforce

It Takes a Team to Cultivate a Strong Workforce

Our investments in more than 200 portfolio companies have a meaningful impact on more than 650,000 employees and their communities. Our portfolio companies continue to expand their efforts to evaluate and actively engage with stakeholders on issues relating to the workforce—from employee benefits to workplace health and safety to labor concerns.

Carlyle Sustainability Workshop: Sharing Expertise

Seventeen portfolio companies participated in the Carlyle Sustainability Workshop, held in Washington, DC, in October 2014. At the two-day workshop, Carlyle senior leaders and industry experts shared their views on sustainability, best practices, and current challenges and solutions. The workshop covered topics such as goal setting, energy management, supply chain risks and conflict minerals. Working sessions provided an opportunity for companies to share strategies and tools and even recommend vendors to one another.

“Sustainability was integral to the revitalization of GM when I was there. I’ve tried to bring that perspective to Carlyle’s work with different companies, as well as ensuring that the companies we invest in know that we value their sustainability work. I’ve said it before and I’ll say it again: We can do good and we can do well—all at the same time.”

Daniel F. Akerson is Carlyle’s Vice Chairman and Special Advisor to the Board, and former CEO and Chairman of General Motors.





An Award-Winning Culture of Safety

Carlyle U.S. Equity Opportunity Fund, L.P. & Carlyle Energy Mezzanine Opportunities Fund, L.P.

On February 1, 2014, Philadelphia Energy Solutions (PES) achieved three million consecutive work hours without experiencing an OSHA recordable injury. CEO Philip Rinaldi addressed employees by stating, "Accomplishing three million consecutive safe work hours is no small feat. This accomplishment set a facility record, underscores our strong safety culture, and demonstrates all that can be accomplished with a dedicated group of people like the employees at Philadelphia Energy Solutions."

In June 2014, PES hosted a celebratory event and was presented with a special commendation award from the Pennsylvania Secretary of the Department of Labor and Industry, Julia Hearthway. All employees were invited to attend a barbecue lunch event at the refining complex to celebrate the achievement and to witness the certificate presented to Philip Rinaldi.



3 million hours

Consecutive work hours without experiencing an OSHA recordable injury.



Engaged Employees Win the Heart of the Customer

Carlyle Partners V, L.P. & Carlyle Europe Partners III, L.P.

Not only is NBTY's De Tuinen brand rated 31st in the top 50 Employers of the Year, but it was also named runner-up Best Retail Employer 2014 in the Netherlands. The jury noted that De Tuinen, a chain of health food stores, has a significant level of passionate and engaged employees and praised the company for keeping its family-like culture despite impressive growth. De Tuinen's "Win the heart of the customer" program has enhanced the company's emphasis on teamwork.



86.1%

Percentage of passionate and engaged employees at De Tuinen.



\$1.7 million

Amount donated by Vitamin World and Puritan's Pride to reduce child mortality worldwide through their Vitamin Angels program.



Runner-up

De Tuinen named runner-up Best Retail Employer 2014.



ONE COMMUNITY

Our One Community program encourages Carlyle professionals to volunteer at national or global organizations, or select a significant project in their local community. This year our colleagues shared their time, talent and resources in a variety of charitable activities—working to improve the communities where they live and invest across the globe.

Global Volunteer Month and Spring Volunteering

Employees from all over the globe volunteered with 13 different organizations during Carlyle's third annual Global Volunteer Month.

Washington, DC and Rosslyn, Virginia. Volunteers served meals and cleaned facilities at So Others Might Eat (SOME), a local organization that cares for the homeless; worked with Goodwill to tutor and mentor high school students; and prepared meals for families living at Ronald McDonald Houses in Washington and Northern Virginia.

Thirty-one employees volunteered for a fifth consecutive year with Junior Achievement's "JA in a Day" program to teach financial literacy to kindergarten through fifth-grade classes in a Washington, DC elementary school.

New York. Colleagues spent a day at Randall's Island, weeding and planting flowers and shrubbery at the waterfront garden. Employees also volunteered to clean the local Ronald McDonald House.

Beijing, Hong Kong and Seoul. Volunteers accompanied 17 visually impaired orphans from Beijing City Life School for the Blind to the China Aviation Museum. Seoul volunteers weeded the east gardens of the Gyeongbokgung Palace. And colleagues in Hong Kong volunteered with elderly citizens at St. James' Settlement.

London, Luxembourg and Paris. London colleagues prepared meals for Streetlytes, a local homeless shelter; and 22 employees from London and Luxembourg ran in the JP Morgan Corporate Challenge, benefiting WaterAid. Paris employees collected books, clothes, toys and school supplies for Les Apprentis d'Auteuil (Foundation for the Children).

Season of Giving

Each November and December, Carlyle employees across the globe participate in a wide variety of volunteer events during the holiday season.

Washington, DC and Rosslyn, Virginia. Employees packed food at the Capital Area Food Bank; served meals at SOME, Martha's Table and Ronald McDonald House; and donated toys to the Children's National Medical Center.

New York. Colleagues prepared dinner for 500 at the Food Bank of New York and read to fifth graders as part of the Pajama Program. They also donated toys and winter clothing to the NY Cares Coat Drive and two elementary schools.

Paris. Employees donated clothing to the Vetaher Association, serving families in need.

Mumbai. More than half of the office participated in a national campaign called "Swachh Bharat Abhiyan," or "Clean India Mission," which promotes the cleaning of the country's streets and infrastructure.

“The spirit of One Carlyle is founded in the value we place on diversity. The idea of selfless collaboration highlights our commitment to the diversity of backgrounds, perspectives and experiences that ultimately create value for our investors.”

David M. Rubenstein is a Carlyle Co-founder and Co-Chief Executive Officer.

Diversity in the Workplace

We have a vested interest in the success and advancement of traditionally underrepresented groups. We mentor and provide career opportunities and access to the private equity industry by working alongside nonprofits, such as Toigo, INROADS, Out 4 Undergrad, Virginia Values Veterans, Year Up, Women in Technology and SEO. This year, women represented 58% of all senior level promotions at Carlyle, and our investment professional associate class is 47% diverse by gender or race.

Carlyle has created a number of Employee Resource Groups (ERGs) that provide the opportunity for individuals to share ideas, successes and concerns; offer an environment for professional development; and provide networking opportunities within the firm. Carlyle’s current ERGs include African Americans, LGBTs, women, veterans, young professionals and working parents.

At the end of 2014, we were honored to receive the CIO Industry Innovation Award for Diversity in recognition of our efforts. At the start of 2015, we promoted more women in the firm than any other group, and welcomed Georgette Kiser to serve as our new Chief Information Officer. Ms. Kiser has the distinction of being the first woman and first African American to hold this position within the private equity industry.

A Commitment to Sharing Wealth

Our Wealth Sharing Program supports Carlyle employees in their charitable giving by matching on a dollar-for-dollar basis to educational and humanitarian organizations. In the United States, Carlyle matches up to \$2,000 per year per employee. In 2014, Carlyle matched more than \$230,000 in employee gifts. A similar matching program in the United Kingdom raised \$23,700 in 2014—a 35% increase from 2013.



KaBOOM!

Nearly 100 Carlyle volunteers worked with Booz Allen Hamilton, Howard University students, PricewaterhouseCoopers and KaBOOM! to build a playground for students at a local Washington, DC charter school. Carlyle employees personally contributed \$80,000 to create a safe play space for the school, which previously had no play equipment.

Robert Toigo Foundation: Fostering Development of Minority Professionals

In 2009, Carlyle and the Robert Toigo Foundation launched the Toigo Private Equity MBA Graduate Fellowship, an industry initiative aimed at attracting minority MBA graduates to the sector. Carlyle’s second fellow, Ryan Ashley, was promoted to Vice President this year, and our latest fellow, Christopher Eldridge, has accepted a full-time position with the Carlyle U.S. Equity Opportunity Fund. Carlyle’s David Marchick serves as Chairman of the Board of the Robert Toigo Foundation.

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The Power of *One Carlyle*

Carlyle professionals collaborate seamlessly and selflessly across funds, industries and geographies to deliver the expertise, knowledge and resources required to invest wisely and create value.

Our collaborative approach defines our culture and drives our performance. It also provides a strong foundation to grow and share our corporate citizenship efforts across the globe.

THE CARLYLE GROUP

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