Risk Factors Comparison 2024-02-22 to 2023-02-09 Form: 10-K

Legend: New Text ~~Removed Text~~ Unchanged Text Moved Text Section

Risks Related to Our Company • Adverse economic and market conditions and other events or conditions throughout the world could negatively impact our business in many ways, including by reducing the value or performance of the investments made by our investment funds and reducing the ability of our investment funds to raise capital, any of which could materially reduce our revenue, earnings **,** and cash flow and adversely affect our financial prospects and condition. ~~• The global pandemic of the novel coronavirus, or COVID- 19, caused severe disruptions in the U. S. and global economies and has impacted, and may continue to impact, our performance and results of operations. •~~ Our use of leverage may expose us to substantial risks. ~~•~~ Our revenue, earnings **, net income,** and cash flow ~~are variable~~ **can all vary materially** , which **may** ~~makes~~ - **make** it difficult for us to achieve steady earnings growth on a quarterly basis. ~~•~~ Given our focus on achieving superior investment performance and maintaining and strengthening investor relations, we may reduce our AUM, restrain its growth, reduce our fees **,** or otherwise alter the terms under which we do business when we deem it in the best interest of our investors — even in circumstances where such actions might be contrary to the near- term interests of **our** stockholders. ~~•~~ We depend on our senior Carlyle professionals, including our ~~new~~ Chief Executive Officer, and the loss of their services or investor confidence in such personnel could have a material adverse effect on our business, results of operations **,** and financial condition. ~~•~~ Recruiting and retaining our professionals has become more difficult and may continue to be difficult in the future, which could adversely affect our business, results of operations **,** and financial condition. ~~•~~ We may not be successful in expanding into new investment strategies, **geographic** markets **,** and businesses **and new types of investors** , which could adversely affect our business, results of operations **,** and financial condition. Risks Related to Regulation and Litigation ~~•~~ Laws and regulations relating to privacy, data protection, data transfers, data localization, and data security worldwide may limit the use and adoption of our services and adversely affect our business. ~~•~~ Extensive regulation in the United States and abroad affects our activities, increases the cost of doing business **,** and creates the potential for significant liabilities and penalties. ~~•~~ Financial regulations and changes thereto in the United States could adversely affect our business and the possibility of increased regulatory focus could result in additional burdens and expenses on our business. ~~•~~ Regulatory initiatives in jurisdictions outside the United States could adversely affect our business. • Increasing scrutiny from stakeholders on ~~ESG~~ **sustainability** matters, including our ESG reporting, exposes us to reputational and other risks. • We are subject to substantial **risk of** litigation ~~risks~~ **and regulatory proceedings** and may face significant liabilities and damage to our professional reputation as a result of litigation **and regulatory** allegations and negative publicity. Risks Related to Our Business ~~Operations~~ **OperationsRisks** ~~Risks~~ Related to the Assets We Manage • The alternative asset management business is intensely competitive. • Poor performance of our investment funds would cause a decline in our revenue, income **,** and cash flow, may obligate us to repay carried interest previously paid to us, and could adversely affect our ability to raise capital for future investment funds. • The historical returns attributable to our funds, including those presented in this report, should not be considered as indicative of the future results of our funds or of our future results or of any returns expected on an investment in our common stock. • Our asset management business depends in large part on our ability to raise capital from third- party investors. If we are unable to raise capital from third- party investors, we would be unable to collect management fees or deploy their capital into investments and potentially collect carried interest, which would materially reduce our revenue and cash flow and adversely affect our financial condition. • We have increasingly undertaken business initiatives to increase the number and type of investment products we offer to retail investors, which could expose us to new and greater levels of risk. • Our investors may negotiate to pay us lower management fees and the economic terms of our future funds may be less favorable to us than those of our existing funds, which could adversely affect our revenues. • Valuation methodologies for certain assets in our funds can involve subjective judgments, and the fair value of assets established pursuant to such methodologies may be incorrect, which could result in the misstatement of fund performance and accrued performance allocations. • The due diligence process that we undertake in connection with investments by our investment funds may not reveal all facts that may be relevant in connection with an investment. • **High** ~~Changes in the debt financing markets or higher~~ interest rates **and challenging debt market conditions** could negatively impact the **values of certain assets or investments and the** ability ~~of certain~~ of our funds and their portfolio companies to ~~obtain~~ **access the capital markets on** attractive **terms** ~~financing or re- financing and could increase the cost of such financing if it is obtained~~ , which could **adversely affect investment and realization opportunities,** lead to lower- yielding investments **,** and ~~could~~ potentially decrease our net income. • Our funds invest in relatively high- risk, illiquid assets, and we may fail to realize any profits from these activities for a considerable period of time or lose some or all of our principal investments. • Our funds make investments in companies that are based outside of the United States, which may expose us to additional risks not typically associated with investing in companies that are based in the United States. • Certain of our fund investments may be concentrated in particular asset types or geographic regions, which could exacerbate any negative performance of those funds to the extent those concentrated investments perform poorly. • Our **CLO business** ~~private equity funds' performance,~~ and ~~our performance, has been and may in the future be adversely affected by the financial performance of our portfolio companies and the industries in which our funds invest~~ **investment into CLOs involves certain risks. • Our Global Investment Solutions business is subject to additional risks** . Industry Risks Related to the Assets We Manage • Our real estate funds are subject to risks inherent in the ownership and operation of real estate and the construction and development of real estate. • Our energy business is involved in oil and gas investments (i. e., exploration, production, storage, transportation, logistics, refining, marketing, trading, petrochemicals, energy services **,** and other opportunistic investments), which entail a high degree of risk. • Investments in the natural resources

industry, including the infrastructure and power industries, involve various operational, construction **,** and regulatory ~~risks. • Our CLO business and investment into CLOs involves certain~~ risks. • Investments in the insurance industry (including our investment in Fortitude) could be adversely impacted by insurance regulations and potential regulatory reforms. **3** ~~• Our Global Investment Solutions business is subject to additional risks.~~ Risks Related to Our Common Stock • The market price of our common stock may decline due to the large number of shares of common stock eligible for future sale. • Carlyle Group Management L. L. C. has significant influence over us and its interests may conflict with ours or yours. • Our founders have the right to designate members of our Board of Directors. • Our **amended and restated** certificate of incorporation does not limit the ability of our former general partner, founders, directors, officers **,** or stockholders to compete with us. • Anti- takeover provisions in our organizational documents and Delaware law ~~might~~ **may** discourage or delay acquisition attempts for us that stockholders might consider favorable. Risks Related to Taxation • Changes in relevant tax laws, regulations **,** or treaties or an adverse interpretation of these items by tax authorities could negatively impact our effective tax rate, tax liability **,** and / or the performance of certain funds should unexpected taxes be assessed to portfolio investments (companies) or fund income. • U. S. and foreign tax regulations could adversely affect our ability to raise funds from certain foreign investors and increase compliance costs. On January 1, 2020, we completed our conversion from a Delaware limited partnership named The Carlyle Group L. P. into a Delaware Corporation named The Carlyle Group Inc. ~~Pursuant to the conversion, at the specified effective time on January 1, 2020, each common unit of The Carlyle Group L. P. outstanding immediately prior to the effective time converted into one share of common stock of The Carlyle Group Inc. and each special voting unit and general partner unit was canceled for no consideration. In addition, holders of the partnership units in Carlyle Holdings I L. P., Carlyle Holdings II L. P., and Carlyle Holdings III L. P. exchanged such units for an equivalent number of shares of common stock and certain other restructuring steps occurred~~ (the conversion, together with such restructuring steps and related transactions, the " Conversion "). Unless the context suggests otherwise, references in this report to " Carlyle, " the " Company, " " we, " " us " and " our " refer ~~(i) prior to the consummation of the Conversion to The Carlyle Group L. P. and its consolidated subsidiaries and (ii) from and after the consummation of the Conversion~~ to The Carlyle Group Inc. and its consolidated subsidiaries. References to our common stock or shares in periods prior to the Conversion refer to the common units of The Carlyle Group L. P. When we refer to our " senior Carlyle professionals, " we are referring to the partner- level personnel of our firm. References in this report to the ownership of the senior Carlyle professionals include the ownership of personal planning vehicles of these individuals. When we refer to the " Carlyle Holdings partnerships " or " Carlyle Holdings, " we are referring to Carlyle Holdings I L. P., Carlyle Holdings II L. P., and Carlyle Holdings III L. P., which prior to the Conversion were the holding partnerships through which the Company and our senior Carlyle professionals and other holders of Carlyle Holdings partnership units owned their respective interests in our business. " Carlyle funds, " " our funds " and " our investment funds " refer to the investment funds and vehicles advised by Carlyle. " Carry funds " generally refers to closed- end investment vehicles, in which commitments are drawn down over a specified investment period, and in which the general partner receives a special residual allocation of income from limited partners, which we refer to as carried interest, in the event that specified investment returns are achieved by the fund. Disclosures referring to carry funds will also include the impact of certain commitments ~~which~~ **that** do not earn carried interest, but are either part of, or associated with our carry funds. The rate of carried interest, as well as the share of carried interest allocated to Carlyle, may vary across the carry fund platform. Carry funds generally include the following investment vehicles across our three business segments: • Global Private Equity: Buyout, middle market and growth capital, real estate, infrastructure and natural resources funds advised by Carlyle, as well as certain energy funds advised by our strategic partner NGP Energy Capital Management (" NGP ") in which Carlyle is entitled to receive a share of carried interest (" NGP Carry Funds ") **;** • Global Credit: Opportunistic credit, aircraft finance, and other closed- end credit funds advised by Carlyle **; and** • Global Investment Solutions: Funds and vehicles advised by AlpInvest Partners B. V. **and its affiliates** (" AlpInvest "), which include primary fund, secondary and portfolio financing, and co- investment strategies **.** Carry funds specifically exclude certain legacy Abingworth funds in which Carlyle is not entitled to receive a share of carried interest, collateralized loan obligation vehicles (" CLOs "), our business development companies and associated managed accounts, as well as capital raised from ~~a~~ strategic third- party ~~investor~~ **investors** which directly ~~invests~~ - **invest** in Fortitude (defined below) alongside a carry fund. **4** For an explanation of the fund acronyms used throughout this ~~Annual Report~~ **report** , refer to ~~"~~ Item 1 ~~.~~ **"** Business – Our Global Investment Offerings. " **" Fortitude " refers to Fortitude Group Holdings, LLC (" Fortitude Holdings ") prior to October 1, 2021 and to FGH Parent, L. P. (" FGH Parent ") as of October 1, 2021. On October 1, 2021, the owners of Fortitude Holdings contributed their interests to FGH Parent such that FGH Parent became the direct parent of Fortitude Holdings. Fortitude Holdings owns 100 % of the outstanding common shares of Fortitude Reinsurance Company Ltd., a Bermuda domiciled reinsurer (" Fortitude Re "). See Note 5 to the consolidated financial statements in Part II, Item 8 of this report for more information regarding the Company' s strategic investment in Fortitude.** " Fee- earning assets under management " or " Fee- earning AUM " refers to the assets we manage or advise from which we derive recurring fund management fees. Our Fee- earning AUM is generally based on one of the following, once fees have been activated: (a) the amount of limited partner capital commitments, generally for carry funds where the original investment period has not expired and for AlpInvest carry funds during the commitment fee period; (b) the remaining amount of limited partner invested capital at cost, generally for carry funds and certain co- investment vehicles where the original investment period has expired, as well as one of our business development companies; (c) the amount of aggregate fee- earning collateral balance ~~at par~~ of our CLOs and other securitization vehicles, as defined in the fund indentures (~~typically~~ **pre- 2020 CLO vintages are generally** exclusive of equities and defaulted positions) as of the quarterly cut- off date; (d) the external investor portion of the net asset value of certain carry funds; (e) the fair value of Fortitude' s general account assets invested under the strategic advisory services agreement; (f) the gross assets (including assets acquired with leverage), excluding cash and cash equivalents, of one of our business development companies and certain carry funds; or (g) the lower of cost or fair value of invested capital, generally for

AlpInvest carry funds where the commitment fee period has expired and certain carry funds where the investment period has expired. " Assets under management " or " AUM " refers to the assets we manage or advise. Our AUM **generally** equals the sum of the following: (a) the aggregate fair value of our carry funds and related co- investment vehicles, and separately managed accounts, plus the capital that Carlyle is entitled to call from investors in those funds and vehicles (including Carlyle commitments to those funds and vehicles and those of senior Carlyle professionals and employees) pursuant to the terms of their capital commitments to those funds and vehicles; (b) the amount of aggregate collateral balance and principal cash ~~at par~~ or aggregate principal amount of the notes of our CLOs and other structured products (inclusive of all positions); (c) the net asset value of certain carry funds; (d) the fair value of Fortitude' s general account assets covered by the strategic advisory services agreement; and (~~d~~ **e**) the gross assets (including assets acquired with leverage) of our business development companies, plus the capital that Carlyle is entitled to call from investors in those vehicles pursuant to the terms of their capital commitments to those vehicles. We include in our calculation of AUM and Fee- earning AUM **certain** ~~the Legacy Energy~~ **energy and renewable resources** ~~Funds~~ **funds** ~~(defined below)~~ that we jointly advise with Riverstone Holdings L. L. C. (" Riverstone ") and the NGP Carry Funds that are advised by NGP. Our calculation of AUM also includes third- party capital raised for the investment in Fortitude through a Carlyle- affiliated investment fund and from ~~a~~ strategic ~~investor~~ **investors** which directly ~~invests~~ - **invest** in Fortitude alongside the fund. The total AUM and Fee- earning AUM related to the strategic advisory services agreement with Fortitude is inclusive of the net asset value of **5** investments in Carlyle products. These amounts are also reflected in the AUM and Fee- earning AUM of the strategy in which they are invested. For most of our carry funds, total AUM includes the fair value of the capital invested **, whereas** ~~(among other elements as described above).~~ Fee- earning AUM includes the amount of capital commitments or the remaining amount of invested capital, depending on whether the original investment period for the fund has expired ~~, which does not reflect any net appreciation in the value of capital invested by such carry funds~~ . As such, ~~total~~ **Fee- earning** AUM may be greater than **total** ~~Fee- earning~~ AUM when the aggregate fair value of the remaining investments ~~exceeds~~ **is less than** the cost of those investments. Our calculations of AUM and Fee- earning AUM may differ from the calculations of other asset managers. As a result, these measures may not be comparable to similar measures presented by other asset managers. In addition, our calculation of AUM (but not Fee- earning AUM) includes uncalled commitments to, and the fair value of invested capital in, our investment funds from Carlyle and our personnel, regardless of whether such commitments or invested capital are subject to management **fees, incentive fees** or performance ~~fees~~ **allocations** . Our calculations of AUM or Fee- earning AUM are not based on any definition of AUM or Fee- earning AUM that is set forth in the agreements governing the investment funds that we manage or advise. " **Performance Fee Eligible AUM " represents the AUM of funds for which we are entitled to receive performance allocations, inclusive of the fair value of investments in those funds (which we refer to as " Performance Fee Eligible Fair Value ") and their Available Capital. Performance Fee Eligible Fair Value is " Performance Fee- Generating " when the associated fund has achieved the specified investment returns required under the terms of the fund' s agreement and is accruing performance revenue as of the quarter- end reporting date. Funds whose performance allocations are treated as fee related performance allocations are excluded from these metrics. "** Perpetual Capital " refers to the assets we manage or advise which have an indefinite term and for which there is no immediate requirement to return capital to investors upon the realization of investments made with such capital, except as required by applicable law. Perpetual Capital may be materially reduced or terminated under certain conditions, including reductions from changes in valuations and payments to investors, including through elections by investors to redeem their investments, dividend payments, and other payment obligations, as well as the termination of or failure to renew the respective investment advisory agreements. Perpetual Capital includes: (a) assets managed under the strategic advisory services agreement with Fortitude, (b) our Core Plus real estate fund, (c) our business development companies and certain other direct lending products, ~~and~~ (d) our Interval Fund ~~. " Fortitude " refers to Fortitude Group Holdings, LLC~~ (" **CTAC** ~~Fortitude Holdings~~ ") ~~prior to October 1, 2021~~ and ~~to FGH Parent, L. P.~~ **(e) our closed- end tender offer fund Carlyle AlpInvest Private Markets Fund** (" **CAPM** ~~FGH Parent~~ ") ~~as of October 1, 2021. On October 1, 2021, the owners of Fortitude Holdings contributed their interests to FGH Parent such that FGH Parent became the direct parent of Fortitude Holdings. Fortitude Holdings owns 100 % of the outstanding common shares of Fortitude Reinsurance Company Ltd., a Bermuda domiciled reinsurer (" Fortitude Re "). See Note 6 to the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10- K for more information regarding the Company' s strategic investment in Fortitude~~ . " Legacy Energy Funds " include Energy III, Energy IV, and Renew II and are managed with Riverstone and its affiliates. ~~Affiliates of both Carlyle and Riverstone act as investment advisers to each of the Legacy Energy Funds. Carlyle has a minority representation on the management committees of Energy IV and Renew II. Carlyle and Riverstone each hold half of the seats on the management committees of Energy III.~~ The investment periods for these funds have expired and the remaining investments in each fund are being disposed of in the ordinary course of business. ~~As~~ **The impact** of ~~December 31, 2022, the~~ **these** ~~Legacy Energy Funds~~ **funds is** ~~had, in the aggregate, approximately $ 0. 2 billion in AUM and $ 0. 4 billion in Fee- earning AUM. We are~~ no longer **significant** ~~raising capital for the Legacy Energy Funds and expect these balances~~ to **our results of operations** ~~continue to decrease over time as the funds wind down~~ . " Metropolitan " or " MRE " refers to Metropolitan Real Estate Management, LLC, which was included in the Global Investment Solutions business segment prior to its sale on April 1, 2021. **6** PART I. ITEM 1. **BUSINESSOverviewCarlyle** ~~BUSINESS Overview Carlyle~~ is a global investment firm with deep industry expertise that deploys private capital across three business segments: Global Private Equity, Global Credit and Global Investment Solutions. Our teams invest across a range of strategies that leverage our deep industry expertise, local insights, and global resources to deliver attractive returns throughout an investment cycle. Since our firm was founded in Washington, D. C. in 1987, we have grown to manage $ ~~373~~ **426** billion in AUM as of December 31, ~~2022~~ **2023** . Our experienced and diverse team of more than 2, ~~100~~ **200** employees includes more than ~~770~~ **720** investment professionals in ~~29~~ **28** offices across ~~five~~ **four** continents, and we serve more than ~~2~~ **3** , ~~900~~ **000** active carry fund investors from ~~88~~ **87** countries. We seek to invest with a clarity of purpose,

adaptability, and alignment between our interests and the interests of our fund investors, shareholders, and other stakeholders . We continue to execute against our strategy, with a focus on the following priorities: • Grow our business. We pursue new opportunities, both organic and inorganic, that build on our strengths in our three global business segments and further diversify our product offerings. • Scale our platform. We identify strategies and opportunities that enable us to further scale our business, often in adjacent opportunities, such as Capital Markets and Insurance Solutions. • Drive efficiencies across our business. We seek ways to optimize our investment process by focusing on the development of our people, continuous process improvement and unlocking the value of our data . Operational and strategic highlights for our firm for 2022 **2023** include: **• In order to continue to enhance stakeholder alignment, we updated our employee compensation program to increase the proportion of our performance allocations used to compensate our employees, effective December 31, 2023. Under the realigned program, we expect to allocate a range of 60 % to 70 % of performance allocations and incentive fees to our employees, up from a range of generally 45 % to 50 % prior to December 31, 2023. We expect FRE to increase and the portion of realized performance revenues retained by the Company to decrease beginning in 2024.** • Assets under management grew 24 **14** % to **$ 426 billion as of December 31, 2023 from** $ 373 billion as of December 31, 2022 from $ 301 billion as of December 31, 2021 , and fee- earning assets under management increased 38 **15** % to $ 267 **307** billion, reflecting fundraising **driven by inflows** of $ **24** 29. 9 billion , **from Fortitude' s transaction with Lincoln Financial Group** as well as the impact **total fundraising** of the strategic transactions outlined below **$ 37. 1 billion** . Perpetual Capital products now comprise $ 58 **89** billion, or 22 **29** %, of our fee- earning assets under management. • During 2022, we completed the following transactions with the goal of driving accretive growth on an inorganic basis: ◦ In March 2022, we acquired the management contracts related to a portfolio of assets primarily comprised of U. S. and European CLOs as well as other assets across private credit from CBAM Partners LLC (" CBAM "), totaling $ 15 billion in assets under management which were integrated into our Global Credit platform. ◦ In April 2022, we entered into a strategic advisory services agreement with certain subsidiaries of Fortitude to provide certain services, including business development and growth, transaction origination and execution, and capital management services. As of December 31, 2022, we had $ 46 billion of Perpetual Capital associated with the agreement, on which we earn a recurring management fee. ◦ In August 2022, we acquired Abingworth, a life sciences investment firm, to expand our healthcare investment platform with the addition of nearly $ 2 billion in assets under management and a specialized team of over 20 investment professionals and advisors. • We invested $ 34 **19** . 8 billion in our carry funds during 2022 **2023** and realized proceeds of $ 33 **20** . 8 **6** billion for our carry fund investors. Our net accrued performance revenues increased **• We appointed several new leaders** to **our executive team in** $ 4. 0 billion as of December 31, 2022 **2023 to develop and implement Carlyle' s strategy for** from $ 3. 9 billion as of December 31, 2021, despite realizing $ 1. 0 billion in realized net performance revenues during **driving long- term growth and to position** the **firm for** year, driven by carry fund appreciation of 11 %, which reflects the **future** strength of our portfolio construction , **including, among others,** as well as the value creation activities in our portfolio **Head of Wealth Strategy, our Chief Information Officer and Head of Technology Transformation, and our Global Head of Distribution** . • We remained focused on the professional development and the health and well- being of our employees in 2022 **2023** . We continued to roll out several leadership development programs and implemented a well- being strategy focused on enabling employees to foster emotional, physical, financial, environmental, and social well- being. • During 2022 **2023** , with feedback received from employee surveys, we continued to reimagine our processes, office environment **,** and business operations. • We continued to significantly enhance our ESG **Sustainability** and **Diversity, Equity, and Inclusion ("** DEI **")** efforts: ◦ We became **are** a signatory of the United Nations- backed Principles for Responsible Investment , and remain involved with several important industry initiatives in the field, including, among others, the **Environmental, Social, and Governance ("** ESG **")** Data Convergence Initiative, the International Sustainability Standards Board Investor Advisory Group (IIAG), the Alternative Investment Management Association (AIMA) Global Responsible Investment Steering Committee, and the One Planet Private Equity Funds initiative **Initiative** . ◦ We held a Sustainability Workshop in May 2022 that welcomed more than 60 guests from our portfolio companies and included sessions on developing resilient climate strategies and leading practices for employee engagement . ◦ We continued to deepen the integration of **Sustainability and** ESG within our investment teams and portfolio companies, with ESG assessments included in most Carlyle investment decisions using proprietary due diligence tools in our GPE and **Global Private Equity,** Global Credit **, and Global Investment Solutions** segments. ◦ We invested in enhancing DEI through our second **third** year of the DEI Incentive Awards program, where we granted approximately $ 2 million in awards to 70 **64** employees from around the globe who made an impact on DEI at Carlyle. **7** ◦ We launched **continued** the DEI Leadership Network, a coalition of portfolio company CEOs around the globe to develop a peer group for shared resources and insights that can help advance DEI within their respective companies. ▪ Operational and strategic highlights for our three global business segments for 2022 **2023** include: Global Private Equity (" GPE "): ◦ During 2022 **2023** , GPE invested $ 19 **8** . 9 **6** billion across the segment, including $ 14 **6** . 5 **1** billion in the Americas, $ 2. 7 **0** billion in Europe, and $ 2 **0** . 7 **4** billion in Asia. ◦ Our GPE funds realized proceeds of $ 22 **13** . 5 billion for our GPE carry fund investors in 2022 **2023** , across a mix of trade- sales, public market block trades, recapitalizations, and dividends. ◦ During 2022 **2023** , we raised $ 10 **8** . 6 **7** billion in new capital commitments for our GPE funds, which included the launch of our fifth Europe technology **sixth Asia buyout** fund (" CETP **CAP VI ") and our fifth Japan buyout fund (" CJP** V ") **. Global Credit** and our second renewable energy fund (" **GC** CRSEF II ") . **:** ◦ In total, we raised $ 15. 3 **7** billion in new capital commitments to our Global Credit products during 2022 **2023** , and doubled **increased** overall AUM to $ 146 **187** . 3 **8** billion, reflecting fundraising as well as the impact of **inflows related to** the CBAM and Fortitude **Lincoln** transactions **transaction** on capital formation **. Carlyle Tactical Private Credit Fund (" CTAC "), our closed- end interval fund, which invests across the entire Global Credit platform, had a record fundraise of $ 1. 3 billion in 2023, contributing to a 64 % increase in CTAC' s total AUM to $ 3. 3 billion at December 31, 2023** . ◦ In our CLO business, we closed $ 2. 7 **2** billion of new CLOs in the U. S. **We** and $ 1. 2 billion of new CLOs in Europe during 2022. Including the impact of the CBAM transaction, we have

$ ~~48~~ **49** . ~~6~~ **3** billion of total AUM across ~~all of~~ our **U. S. and Europe** CLOs at December 31, ~~2022~~ **2023** , **as well as** ~~an increase in CLO AUM of 47 % over 2021. ◦ In Carlyle Aviation Partners, we completed the acquisition of AMCK Aviation' s portfolio of aircraft, including 145 narrow- body aircraft. ◦ We had continued strength in direct lending, executing~~ $ ~~3~~ **1** . 9 billion of **total AUM across our middle market CLOs. Global Investment Solutions** ~~gross originations in 2022, which included originations from a newly launched evergreen fund~~ (" ~~CDLF~~ **GIS** ") ~~.~~ **:** ◦ During ~~2022~~ **2023** , we raised $ ~~4~~ **12** . ~~0~~ **8** billion in capital commitments **, including the launch of our newest vintage co- investments and secondaries and portfolio finance funds** , including over $ 3. 5 billion in capital commitments to separately managed accounts ~~, and~~ **. We** deployed $ ~~6~~ **7** . ~~6~~ **8** billion in investments across our Global Investment Solutions platform ~~. Our portfolio appreciated 6 % (4 % excluding the positive impact of foreign currency translation) during the year~~ and we realized proceeds of $ ~~7~~ **5** . ~~2~~ **0** billion for our Global Investment Solutions investors. Business ~~Segments~~ **SegmentsWe** ~~We~~ operate our business across three segments: (1) Global Private Equity, (2) Global Credit and (3) Global Investment Solutions. Information about our segments should be read together with ~~"~~ Part II ~~.~~ **,** Item 7 ~~.~~ **"** Management' s Discussion and Analysis of Financial Condition and Results of Operations. " ~~Our~~ **Global Private EquityOur** GPE segment advises our buyout, growth, real estate, infrastructure and natural resources funds. Across our GPE funds, as of December 31, ~~2022~~ **2023** , we had investments in more than 300 active portfolio companies that employ **nearly** ~~more than~~ 1. ~~3~~ **5** million people around the world. Our GPE teams have the following areas of focus: Corporate Private Equity. Our corporate private equity teams advise a diverse group of funds that invest in transactions that focus either on a particular geography or strategy. Our buyout funds focus on corporate buyouts and strategic minority investments. The investment mandate for our growth capital funds is to seek out companies with the potential for disruptive growth. Our core strategy seeks longer duration private equity opportunities, targeting stable businesses with sustainable market leadership, which have opportunities for operational improvement. Our corporate private equity funds are advised by teams of local professionals who live and work in the markets where they invest. In ~~2022~~ **2023** , we invested $ ~~12~~ **3** . ~~8~~ **7** billion in new and follow- on investments through our corporate private equity funds. As of December 31, ~~2022~~ **2023** , our corporate private equity funds had, in the aggregate, $ ~~105~~ **108** . ~~4~~ **1** billion in AUM. Real Estate. Our real estate team advises real estate funds that invest in the U. S. and Europe, with a focus on a broad range of opportunities including residential properties, senior living facilities, industrial properties, and self- storage properties, but have limited our exposure to office buildings, hotels and retail properties. Our real estate funds generally focus on acquiring single- property assets rather than large- cap companies with real estate portfolios and made more than 1, ~~450~~ **550** investments in more than ~~700~~ **750** cities or metropolitan statistical areas around the world from inception through December 31, ~~2022~~ **2023** . As of December 31, ~~2022~~ **2023** , our real estate funds managed, in the aggregate, $ ~~30~~ **27** . ~~3~~ **8** billion in AUM. **8** Infrastructure & Natural Resources. Our active infrastructure and natural resources funds focus on infrastructure and energy investing. Our infrastructure business is comprised of teams that invest in six primary sectors: renewables, energy infrastructure, water and waste, transportation, digital infrastructure, and power generation. Our energy activities focus on buyouts, growth capital investments and strategic joint ventures in the midstream, upstream, downstream, energy and oilfield services sectors around the world. Our international energy investment team focuses on investments across the energy value chain outside of North America. We conduct our North American energy investing through our strategic investment in NGP, a Texas- based energy investor. As of December 31, ~~2022~~ **2023** , we managed $ ~~27~~ **25** . ~~3~~ **4** billion in AUM through our infrastructure and natural resources funds. The following table presents certain data about our Global Private Equity segment as of December 31, ~~2022~~ **2023** (dollar amounts in billions). AUM (1) % of TotalAUMFee-earningAUMActiveInvestmentsActiveFunds (3) AvailableCapitalInvestmentProfessionals (2) Amount InvestedSince InceptionInvestments SinceInception $ ~~16344~~ **16138** % $ ~~10886871~~ **107925 75** $ ~~39442~~ **37425** $ ~~2162~~ **2252** , ~~436~~ **550** (1) Total AUM includes NGP, which advises ~~seven~~ **eight** funds with $ ~~12~~ **11** . ~~7~~ **2** billion in AUM as of December 31, ~~2022~~ **2023** . Through our strategic partnership with NGP, we are entitled to 55 % of the management fee ~~-~~ related revenue of the NGP entities that serve as advisors to the NGP Energy Funds, and an allocation of income related to the carried interest received by the fund general partners of the NGP Carry Funds. (2) Total GPE investment professionals excludes NGP employees. (3) Active GPE funds includes ~~seven~~ **eight** NGP Carry Funds advised by NGP. We do not control NGP, and we do not serve as an investment adviser to the NGP funds. ~~Our~~ **Global CreditOur** Global Credit segment, which had $ ~~146~~ **187** . ~~3~~ **8** billion in assets under management as of December 31, ~~2022~~ **2023** , advises products that pursue investment strategies across the credit spectrum, including: liquid credit, ~~illiquid~~ **private** credit, and real assets credit, as well as platform initiatives such as Carlyle Tactical Private Credit Fund (" CTAC ~~, " or the " Interval Fund~~ ") **and Credit Strategic Solutions** . Global Credit, which also includes our Insurance Solutions and Global Capital Markets businesses, has been Carlyle' s fastest- growing segment in the past ~~four~~ **five** years, with total AUM ~~nearly doubling~~ **increasing over four times** in ~~2022 alone~~ **that period** . Since ~~our~~ **the** establishment **of Global Credit** in 1999, these various capital sources **have** ~~provide~~ **provided** the opportunity for Carlyle to offer highly customizable and creative financing solutions to borrowers to meet their specific capital needs. Carlyle draws on the expertise and underwriting capabilities of our ~~233~~ **205** investment professionals and leverages the resources and industry expertise of Carlyle' s global network to provide creative solutions for borrowers. Primary areas of focus for our Global Credit platform include: Liquid Credit • Loans and Structured Credit. Our structured credit funds invest primarily in performing senior secured bank loans through CLOs and other investment vehicles. In ~~2022~~ **2023** ~~, in addition to our acquisition of the management contracts on the CBAM portfolio~~ , we closed ~~six~~ **five** new U. S. CLOs ~~and three CLOs in Europe~~ with an aggregate size of $ 2. ~~7 billion and $ 1.~~ 2 billion ~~, respectively~~ . As of December 31, ~~2022~~ **2023** , our loans and structured credit team advised structured credit funds totaling $ ~~50~~ **53** . ~~4~~ **2** billion in AUM. ~~Illiquid~~ **Private** Credit • Direct Lending. Our direct lending business includes our business development companies (" BDCs ") that invest primarily in middle market first- lien loans (which include unitranche, " first out " and " last out " loans) and second- lien loans of middle- market companies, typically defined as companies with annual EBITDA ranging from $ 25 million to $ 100 million, that lack access to the broadly syndicated loan and bond markets. As of December 31, ~~2022~~ **2023** , our direct lending investment team advised AUM totaling $

9. 4 6 billion. • Opportunistic Credit. Our opportunistic credit team invests primarily in highly- structured and privately- negotiated capital solutions supporting corporate borrowers through secured loans, senior subordinated debt, mezzanine debt, convertible notes, and other debt- like instruments, as well as preferred and common equity. The team will also look to invest in special situations (i. e., event- driven opportunities that exhibit hybrid credit and equity features) as well as market dislocations (i. e., primary and secondary market investments in liquid debt instruments that arise as a result of temporary market volatility). In certain investments, our funds may seek to restructure pre- reorganization debt claims into controlling positions in the equity of the reorganized companies. As of December 31, 2022 **2023**, our opportunistic credit team advised products totaling $ 12 **15**. 8 billion in AUM. **9** Real Assets Credit • Aircraft Finance. Carlyle Aviation Partners is our multi- strategy investment platform that is engaged in commercial aviation aircraft financing and investment throughout the commercial aviation industry. As of December 31, 2022 **2023**, Carlyle Aviation Partners had approximately $ 11 **12**. 5 **1** billion in AUM across carry funds, securitization vehicles, liquid strategies, and other vehicles. • Infrastructure Debt. Our Infrastructure debt team invests primarily in directly originated and privately negotiated debt instruments related to global infrastructure projects, primarily in the power, energy, transportation, water / waste, telecommunications and social infrastructure sectors. The team focuses primarily on senior, subordinated, and mezzanine debt and seeks to invest primarily in developed markets within the Organization for Economic Cooperation and Development (" OECD "). As of December 31, 2022 **2023**, our infrastructure debt team managed $ 3. 7 **9** billion in AUM. Other Credit • Platform Initiatives **• Cross- Platform Credit Products**. Our platform initiatives include CTAC, our closed- end interval fund which **that** invests across Carlyle' s entire credit platform, as well as cross- platform separately managed accounts which **that** are tailored to invest across Carlyle' s credit platform based on the specific investment needs of individual investors. These products also include structured solutions which **that** focus on private, primarily investment- grade investments, backed by assets with contractual cash flows. As of December 31, 2022 **2023**, the Global Credit platform initiatives represented $ **5. 4 billion in AUM. • Credit Strategic Solutions. Credit Strategic Solutions (" CSS ") is an asset- backed, private fixed income investment strategy within Global Credit that seeks to generate a premium return profile compared to traditional fixed income and credit investments by acquiring and lending against diversified pools of assets with contractual cash flows. CSS combines Carlyle' s long- standing history in structured credit, private asset underwriting expertise, and capital markets capabilities, to deliver tailored asset- focused financing solutions across the entire debt and equity capital structure. As of December 31, 2023, CSS represented $** 6. 1 **4** billion in AUM. • Insurance Solutions . **•** Carlyle Insurance Solutions (" CIS ") combines our deep insurance expertise with portfolio construction capabilities, capital sourcing and asset origination strengths to provide comprehensive liability funding and reinsurance, asset management and advisory solutions for (re) insurance companies and fund investors. The CIS team oversees the investment in Fortitude, as well as the strategic advisory services agreement with certain subsidiaries of Fortitude. As of December 31, 2022 **2023**, AUM related to capital raised from third- party investors to acquire a controlling interest in Fortitude was $ 5. 7 **9** billion. As of December 31, 2022 **2023**, AUM related to the strategic advisory services agreement was $ 45 **74**. 2 **7** billion, including **which has increased more than 50 % since signing the agreement in April 2022. This balance includes** the net asset value of investments in Carlyle products, which is also reflected in the AUM and Fee- earning AUM of the strategy in which they are invested. Fortitude and certain Fortitude reinsurance counterparties have committed approximately $ 9 **17**. 2 **5** billion of capital to- date to various Carlyle strategies. • Global Capital Markets . **•** Carlyle Global Capital Markets (" GCM ") is a loan syndication and capital markets business that launched in 2018. The primary focus of GCM is to arrange, place, underwrite, originate and syndicate loans and underwrite securities of third parties and Carlyle portfolio companies through TCG Capital Markets and TCG Senior Funding. TCG Capital Markets is a FINRA registered broker dealer. GCM may also act as the initial purchaser of such loans and securities. GCM receives fees, including underwriting, placement, structuring, transaction and syndication fees, commissions, underwriting and original issue discounts, interest payments and other compensation, which may be payable in cash or securities or loans, in respect of the activities described above and may elect to waive such fees. The following table presents certain data about our Global Credit segment as of December 31, 2022 **2023** (dollar amounts in billions). AUM % of TotalAUMFee- earningAUMActiveFundsInvestmentProfessionals **earningAUMAvailableCapitalActiveFundsInvestmentProfessionals** $ 14639 **18844** % $ 121122233 Our **155 $ 1612820510 Global Investment SolutionsOur** Global Investment Solutions segment, established in 2011, provides comprehensive investment opportunities and resources for our investors and clients to build private equity portfolios through fund of funds, secondary purchases or financings of existing portfolios and managed co- investment programs **. Beginning in 2023, investors can also invest across our platform through Carlyle AlpInvest Private Markets Fund (" CAPM "), a closed- end tender offer fund**. Global Investment Solutions executes these activities through AlpInvest, one of the world' s largest investors in private equity. The primary areas of focus for our Global Investment Solutions teams include: • Private Equity Secondary and Portfolio Finance Investments. Funds managed by AlpInvest build an investment portfolio of private equity owned assets through the acquisition of limited partnership interests in the secondary market and other types of transactions such as fund recapitalizations, portfolio restructurings and spin- outs, and portfolio financings. Private equity investors who desire to sell or restructure their pre- existing investment commitments to a fund may negotiate to sell the fund interests to AlpInvest. In this manner, AlpInvest' s secondary and portfolio finance investments team provides the full range of liquidity and restructuring solutions from debt to equity for third- party private equity investors. As of December 31, 2022 **2023**, our secondary and portfolio finance investments program totaled $ 21 **30**. 0 **2** billion in AUM. • Private Equity Co- investments. AlpInvest invests alongside other private equity and mezzanine funds in which it or certain AlpInvest limited partners typically has a primary fund investment throughout Europe, North America and Asia. These investments are generally made when an investment opportunity is too large for a particular fund and the sponsor of the fund therefore seeks to raise additional " co- investment " capital from sources such as AlpInvest. As of December 31, 2022 **2023**, our co- investment programs totaled $ 17 **20**. 2 **9** billion in AUM. • Private Equity Fund Investments. Our fund of funds vehicles advised by AlpInvest make investment commitments directly to

buyout, growth capital, venture and other alternative asset funds advised by other general partners. As of December 31, ~~2022~~ **2023** , AlpInvest advised $ 25. ~~1~~ **8** billion in AUM in private equity fund investments. The following table presents certain data about our Global Investment Solutions segment as of December 31, ~~2022~~ **2023** (dollar amounts in billions). AUM ~~(1)~~ % of TotalAUMFee- earningAUMFund VehiclesAvailableCapitalInvestmentProfessionalsAmount InvestedSince Inception $ ~~6317~~ **7718** % $ ~~38350~~ **46383** $ ~~2096~~ **2493** $ ~~87 (1) Under our arrangements with the historical owners and management team of AlpInvest, we generally do not retain any carried interest in respect of the historical investments and commitments to AlpInvest carry fund vehicles that existed as of July 1, 2011 (including any options to increase any such commitments exercised after such date). We are entitled to 15 % or, in some cases, 40 % of the carried interest in respect of commitments from the historical owners of AlpInvest for the period between 2011 and 2020 and 40 % of the carried interest in respect of all other commitments (including all future commitments from third parties). Investment~~ **95Investment** ~~Approach The~~ **ApproachGlobal Private EquityThe** investment approach of our GPE teams is generally characterized as follows: • Consistent and Disciplined Investment Process. We believe our successful investment track record is the result, in part, of a consistent and disciplined application of our investment process. Investment opportunities for our GPE funds are initially sourced and evaluated by one or more of our deal teams. Deal teams consistently strive to be creative and look for deals in which we can leverage Carlyle' s competitive advantages, sector experience and the global platform. The due diligence and transaction review process places a special emphasis on, as appropriate and among other considerations, the reputation of a target company' s shareholders and management, the company' s or asset' s size and sensitivity of cash flow generation, the business sector and competitive risks, the portfolio fit, exit risks and other key factors specific to a particular investment. In evaluating each deal, we consider what expertise or experience we can bring to the transaction to enhance value for our investors. Each investment opportunity must secure approval from the investment committee of the applicable investment fund to move forward. To help ensure consistency, we utilize a standard investment committee process across our GPE funds, although NGP follows its own policies and procedures with respect to its advised funds. The investment committee approval process involves a detailed review of the transaction and investment thesis, business, risk factors and diligence issues, as well as financial models. • Distinctive Portfolio Construction Principles. We seek to proactively manage the construction of our portfolios through deliberate and thoughtful diversification across industries, geographies and cycles, and to avoid certain assets facing economic or industry headwinds. For example, our real estate portfolios have relatively little current exposure to commercial office properties, business hotels and retail properties. • Geographic- and Industry- Focused. We have developed a global network of local investment teams and have adopted an industry- focused approach to investing. Our extensive network of global investment professionals has **11** the knowledge, experience and relationships on a local level that allows them to identify and take advantage of opportunities that may be unavailable to firms that do not have our global reach and resources. We believe that our global platform helps enhance all stages of the investment process, including by facilitating faster and more effective diligence, a deeper understanding of global industry trends and priority access to the capital markets. We have particular industry expertise in aerospace and government services, consumer, media and retail, financial services, healthcare, industrials, technology, real estate, natural resources and infrastructure. As a result, we believe that our in- depth knowledge of specific industries improves our ability to source and create transactions, conduct effective and more informed due diligence, develop strong relationships with management teams and use contacts and relationships within these industries to drive value creation. • Variable Deal Sizes and Creative Structures. We believe that having the resources to complete investments of varying sizes provides us with the ability to enhance investment returns while providing for prudent industry, geographic and size diversification. Our teams are staffed not only to effectively pursue large transactions, but also other transactions of varying sizes. We often invest in smaller companies or single real estate transactions and this has allowed us to obtain greater diversity across our entire portfolio. Additionally, we may undertake large, strategic minority investments with certain control elements or private investment in public equity (PIPE) transactions in large companies with a clear exit strategy. In certain jurisdictions around the world, we may make investments with little or no debt financing and seek alternative structures to opportunistically pursue transactions. We generally seek to obtain board representation and typically appoint our investment professionals and advisors to represent us on the boards of the companies in which we invest. Where our funds, either alone or as part of a consortium, are not the controlling investor, we typically, subject to applicable regulatory requirements, acquire significant voting and other control rights with a view to securing influence over the conduct of the business. • Driving Value Creation. Our GPE teams seek to make investments in portfolio companies and assets in which our particular strengths and resources may be employed to their best advantage. Typically, as part of a GPE investment, our investment teams will prepare and execute a systematic value creation plan that is developed during a thorough due diligence effort and draws on the deep resources available across our global platform, specifically relying on: ◦ Reach. Our global team and global presence enables us to support international expansion of our operating companies' efforts and global supply chain initiatives. ◦ Expertise. Our deep bench of investment professionals and industry specialists provide extensive sector- specific knowledge and local market expertise. Our investment teams benefit from best- in- class support services and infrastructure provided through the global Carlyle organization. Carlyle' s overall infrastructure and support services cover the full range of administrative functions, including fund management, accounting, legal and compliance, human resources, information technology, tax, and external affairs. Additionally, where appropriate we may seek to partner with third parties whose sector or market expertise may enhance our value creation in an investment. For example, in our U. S. real estate funds we may partner with joint venture partners or managers with significant operational expertise and / or deal sourcing capabilities. ◦ Insights. To supplement our investment expertise, we have retained a group of **45** ~~more than 51~~ operating executives and advisors as independent consultants to work with our investment teams, provide board- level governance and support and advise our portfolio companies. These operating executives and advisors are typically former CEOs and other high- level executives of some of the world' s most successful corporations and currently sit on the boards of directors of a diverse mix of companies. Operating executives and advisors are independent consultants and are not Carlyle

employees. Operating executives and advisors are often engaged by Carlyle primarily to assist with deal sourcing, due diligence and market intelligence. Operating executives and advisors may also be engaged and compensated by our portfolio companies as directors or to otherwise advise portfolio company management. ◦ Data. The goal of our research function is to extract as much information as possible from our portfolio about the current state of the economy and its likely evolution over the near- to- medium term. Our corporate private equity investment portfolio includes ~~214~~ **more than 200** active corporate investments as of December 31, ~~2022~~ **2023** , across a diverse range of industries and geographies that each generate multiple data points (e. g., orders, shipments, production volumes, occupancy rates, bookings). By evaluating this data on a systematic basis, we work to identify the data with the highest correlation with macroeconomic data and map observed movements in the portfolio to anticipated variation in the economy, including changes in growth rates across industries and geographies. We incorporate this proprietary data into our investment portfolio management strategy and exit decisions on an ongoing basis. We believe this robust data gives us an advantage over our peers who do not have as large of a global reach. **Additionally, we are leveraging technological innovations and Artificial Intelligence tools which offer operational efficiency potential across the deal life cycle from sourcing and 12 diligence, all the way through to exits. These tools allow our deal teams to operate more efficiently by democratizing access to data analysis and automating more routine tasks allowing teams more time to focus on the key issues and drive greater investment insights.** ◦ Talent and Organization Performance. Our investment professionals work to enhance leadership and organizational effectiveness through proprietary and third- party data- driven assessments, best- practice playbooks, and knowledge- sharing forums. ◦ Pursuing Best Exit Alternatives. In determining when to exit an investment, our investment teams consider whether a portfolio company or asset has achieved its objectives, the financial returns (both gross MOIC and net IRR) and the appropriate timing in industry cycles and company or asset development to strive for the optimal value. Each fund' s investment committee approves all exit decisions. ◦ Value Creation. Our Global Portfolio Solutions team helps to translate our collaborative culture into services and operational capabilities supporting our investment process and portfolio companies and assets. Our approach ensures that Carlyle' s global network, deep industry knowledge and operational expertise are used to support and enhance our investments. ▪ Information Technology Resources. We have established an information technology capability that contributes to due diligence, portfolio company strategy and portfolio company operations. The capability includes dedicated information technology and business process resources, including assistance with portfolio company risk assessments and enhanced deal analytics. ▪ Digital. Given the increasing importance of digital tools and resources across the global economy, we have established a dedicated group focused exclusively on identifying, developing and implementing digital transformation strategies to help drive growth, unlock value, and drive efficiencies across our portfolio companies. ▪ Procurement. We have developed a leveraged purchasing effort to provide portfolio companies with effective sourcing programs with better pricing and service levels to help create operating value. This program seeks to drive down costs and provide better service on common indirect spend categories and disseminate best practices on managing functional spend in the areas of human capital management, employee benefits, corporate real estate, information technology and treasury and risk. As of December 31, ~~2022~~ **2023** , over 150 portfolio companies are actively participating in the optional program, benefiting from more than 100 category arrangements and preferred vendor arrangements. ▪ ~~ESG~~ **Sustainability** . We are committed to the principle that building a better business means investing responsibly and engaging in the communities where we work and invest. As a responsible global organization dedicated to driving value by seeking to serve its stakeholders, Carlyle has made it a priority to invest in a framework and the necessary resources for understanding, monitoring **,** and managing **Sustainability** ~~environmental, social~~ and ~~governance ("~~ ESG ~~")~~ **- related** risks and opportunities across our portfolio. We believe **that Sustainability and** ESG ~~provides~~ - **provide** an additional lens to help us assess and mitigate risks ~~,~~ and identify and capitalize on potential opportunities. ~~The~~ **Global CreditThe** investment approach of our Global Credit platform is generally characterized as follows: • Source Investment Opportunities. Our Global Credit team sources investment opportunities from both the primary and secondary markets through our global network and strong relationships with the financial community. We typically target portfolio companies that have a demonstrated track record of profitability, market leadership in their respective niche, predictable cash flow, a definable competitive advantage and products or services that are value- added to their customer base. • Conduct Fundamental Due Diligence and Perform Capital Structure Analyses. After an opportunity is identified, our Global Credit investment professionals conduct fundamental due diligence to determine the relative value of the potential investment and capital structure analyses to determine credit worthiness. Our due diligence approach typically incorporates meetings with management, company facility visits, discussions with industry analysts and consultants and an in- depth examination of financial results and projections. In conducting due diligence, our Global Credit team employs an integrated, cross- platform approach with industry- dedicated credit research analysts and non- investment grade expertise across the capital structure. Our Global Credit team also seeks to leverage resources from across the firm, utilizing information obtained from our ~~nearly~~ **more than** 300 active portfolio companies and lending relationships, ~~20~~ credit industry research ~~analysts~~ **team** , and in- house government affairs and economic research teams. We utilize a proprietary ESG materiality assessment tool across our Global Credit **13** platform to help our investment professionals efficiently understand a company' s or asset' s exposure to material ESG risks as part of the due diligence process. • Evaluation of Macroeconomic Factors. Our Global Credit team evaluates technical factors such as supply and demand, the market' s expectations surrounding a company and the existence of short- and long- term value creation or destruction catalysts. Inherent in all stages of credit evaluation is a determination of the likelihood of potential catalysts emerging, such as corporate reorganizations, recapitalizations, asset sales, changes in a company' s liquidity and mergers and acquisitions. • Risk Minimization. Our Global Credit team seeks to make investments in companies that are well- positioned to weather downturns and / or below- plan performance. The team works to structure investments with strong financial covenants, frequent reporting requirements and board representation, if possible. Through board representation or observation rights, our Global Credit team works to provide a consultative, interactive approach to equity sponsors and management partners as part of the overall portfolio management

process. In our CLO business, our liquid credit team uses an in- house risk and analytics platform to monitor and analyze our portfolio, and repositions the portfolio as appropriate. The analytics platform is also used to generate sensitivity analysis for critical risk factors such as default rates, prepayment rates and liquidation prices. ~~Our~~ **Global Investment SolutionsOur** Global Investment Solutions team aims to apply a wide array of capabilities to help clients meet their investment objectives. The investment approach of our Global Investment Solutions platform is generally characterized as follows: • Well- ~~informed~~ **Informed** , Disciplined Investment Process ~~:~~ **.** We follow a disciplined, highly- selective investment process and seek to achieve diversification by deploying capital across economic cycles, segments and investment styles. Our integrated and collaborative culture across our strategies, reinforced by investment in information technology solutions, provides deep insight into fund manager portfolios and operations to support our rigorous selection process. • Proactive Sourcing ~~:~~ **.** AlpInvest' s extensive network of private equity managers across the globe positions us to identify investment opportunities that may be unavailable to other investors. Our investment strategy is defined by a strong belief that the most attractive opportunities are found in areas that are subject to fewer competitive pressures. As a result, our teams actively seek out proprietary investments that would otherwise be difficult for our investors to access alone. • Global Scale and Presence ~~:~~ **.** Our scale and on- the- ground presence across three continents ~~—~~ **—** Asia, Europe and North America ~~—~~ **—** give us a distinct and comprehensive perspective on the private equity markets. Our stable, dedicated, and experienced teams have deep knowledge of their respective markets across the globe. We believe this enhances our visibility across the global investment market and provides detailed local information that enhances our investment evaluation process. ~~The~~ **14 Our Global Investment OfferingsThe** following table provides a breakout of the product offerings and related acronyms included in our total assets under management of $ ~~373~~ **426** billion as of December 31, ~~2022~~ **2023** for each of our three global business segments (in billions): Global Private Equity1 $ ~~163~~ **161** . ~~1 Global~~ **3Global** Credit $ ~~146~~ **187** . ~~3 Corporate~~ **8Corporate** Private Equity $ ~~105~~ **108** . ~~5 Insurance~~ **1Insurance** 5 $ ~~51~~ **80** . **6U** ~~4 U~~ . S. Buyout (CP) 52. ~~5 Liquid~~ **2Liquid** Credit $ ~~50~~ **53** . ~~4~~ **2Asia Buyout (CAP) 13. 2U. S. CLOs37.** ~~Europe~~ **8Europe** Buyout (CEP) 11. ~~5 U. S. CLOs37. 1 Asia Buyout (CAP) 11. 2 Europe~~ **1Europe** CLOs11. ~~4 Carlyle~~ **5Carlyle** Global Partners (CGP) 6. ~~5 Revolving~~ **7Revolving** ~~Credit1~~ **Credit2** . ~~9 Europe~~ **0Europe** Technology (CETP) 6. ~~2 Illiquid~~ **5CLO Investment Products1. 9Japan Buyout (CJP) 5. 1Private** Credit $ ~~22~~ **25** . **4U** ~~2 U~~ . S. Growth (CP Growth / CEOF) ~~4~~ **3** . ~~2 Opportunistic~~ **6Opportunistic** Credit (CCOF / CSP) ~~12~~ **15** . ~~8 Japan Buyout (CJP) 3. 4 Direct Lending 69. 4 Life~~ **8Life** Sciences (ABV / ACCD) **2. 1Direct Lending 69. 6Asia Growth (CAP Growth / CAGP)** 1. ~~7 Real~~ **2Real** Assets Credit $ 16. ~~1 Other~~ **9Other** ~~28~~ **26** . ~~3 Aviation~~ **3Aviation** (SASOF / CALF) ~~11~~ **12** . ~~5 Real Estate $ 30. 3 Infrastructure~~ **1Infrastructure** (CICF) 3. ~~7 U~~ **9Real Estate $ 27. 8Other 70. 8U** . S. Real Estate (CRP) ~~19~~ **16** . ~~2 Other 71~~ **9Platform Initiatives $ 11** . ~~0 Core~~ **8Core** Plus Real Estate (CPI) ~~8~~ **7** . **5Credit Strategic Solutions6** ~~0 Platform Initiatives and Other Products $ 6~~ . ~~1 International~~ **4International** Real Estate (CER) 3. ~~1 Carlyle~~ **3Carlyle** Tactical Private Credit (CTAC) ~~2~~ **3** . ~~0~~ **3Other Cross- Platform Credit Products2.** ~~Infrastructure~~ **0Infrastructure** & Natural Resources $ ~~27~~ **25** . ~~3 Other Platform Initiatives and Products4. 1 NGP Energy 312. 7 Global~~ **4Global** Investment Solutions $ ~~63~~ **76** . ~~3~~ **9NGP Energy 311. 2Secondaries and Portfolio Finance (ASF / ASPF) $ 30. 2Infrastructure & Renewable Energy 47. 5Co- Investments (ACF) $ 20.** ~~International~~ **9International** Energy (CIEP) **6. 7Primary Investments & Other** 8 ~~. 1 Secondary and Portfolio Finance Investments $ 21. 0 Infrastructure & Renewable Energy 46. 5 Co- Investments $ 17. 2 Primary Fund Investments~~ $ 25. ~~1 Note~~ **8Note** : All amounts shown represent total assets under management as of December 31, ~~2022~~ **2023** , and totals may not sum due to rounding. In addition, certain carry funds included herein may not be included in fund performance if they have not made an initial capital call or commenced investment activity. (1) Global Private Equity also includes assets under management in funds which we jointly advise with Riverstone Holdings L. L. C. (the " Legacy Energy funds "). The impact of these funds is no longer significant to our results of operations. (2) Includes our Financial Services (CGFSP ~~), Asia Growth (CAP Growth / CAGP~~), Sub- Saharan Africa Buyout (CSSAF), South America Buyout (CSABF), Peru Buyout (CPF), MENA Buyout and Ireland Buyout (CICF) funds, as well as platform accounts which invest across Corporate Private Equity strategies. (3) NGP Energy funds are advised by NGP Energy Capital Management, LLC, a separately registered investment adviser. We do not serve as an investment adviser to those funds. (4) Includes our Infrastructure (CGIOF), Renewable Energy (CRSEF) and Power funds (CPP / CPOCP). (5) Includes Carlyle FRL, capital raised from ~~a~~ strategic third- party ~~investor~~ **investors** which directly ~~invests~~ - **invest** in Fortitude alongside Carlyle FRL, as well as the fair value of the general account assets covered by the strategic advisory services agreement with Fortitude. (6) Includes our business development companies (CSL / CARS) and our newly launched evergreen fund (CDLF). (7) Includes our Energy Credit (CEMOF) and Real Estate Credit (CNLI) funds. **(8) Includes Mezzanine funds and Carlyle AlpInvest Private Markets Fund (CAPM).** Organizational ~~Structure~~ **StructureOn** ~~On~~ January 1, 2020, we completed our conversion from a Delaware limited partnership named The Carlyle Group L. P. into a Delaware corporation named The Carlyle Group Inc. Our common stockholders are entitled to one vote per share and to vote on all matters on which stockholders of a corporation are generally entitled to vote on under Delaware General Corporation Law (" DGCL "), including the election of our Board of Directors. In connection with the Conversion, senior Carlyle professionals and certain of the other former limited partners of Carlyle Holdings who became holders of shares of common stock in connection with the Conversion were generally required to grant an irrevocable proxy to Carlyle Group Management L. L. C., which is wholly owned by our founders and other senior Carlyle professionals. See Item 1A " Risk Factors — Risks Related to Our Common Stock — Carlyle Group Management L. L. C. has significant influence over us and its interests may conflict with ours or yours. " Limited Partner ~~Relations~~ **RelationsOur** ~~Our~~ diverse and sophisticated investor base includes more than ~~2~~ **more than 3** , ~~900~~ **000** active investors in our products located in ~~88~~ **87** countries. Included among our many longstanding fund investors are pension funds, sovereign wealth funds, insurance companies and high net worth individuals in the United States, Asia, Europe, the Middle East **,** and South America. **15** We have a dedicated in- house investor relations group that strives to cultivate long- term, strategic partnerships with our limited partners. Our team combines strong segment sales with firm- level strategy and coordination to bring the best of Carlyle to our limited partners. Each segment team consists of a combination of geographically focused professionals and dedicated product specialists

who collaborate to deliver on investor needs. Segment teams are supported by a central staff responsible for data analytics and additional fulfillment responsibilities. In addition, our Carlyle Private Wealth team is dedicated to fundraising in the private wealth channel globally ~~,~~ and is organized regionally within each of its three constituent segments: Family Wealth, Wealth Management **,** and National Accounts. Our Investor Relations professionals are in regular dialogue with our fund investors, enabling us to monitor investor preferences and tailor future fund offerings to meet investor demand. We seek to secure a first-mover advantage with key investors, often by establishing a local presence and providing a broad and diverse range of investment opportunities. ~~We~~ **In addition, we** continually endeavor to expand our partnerships by sharing our insights and perspectives on the market and investment environment, as well as discussing how we can help ~~the investor~~ **investors** achieve their objectives. We **also** continue to use technology to augment our fund transparency and communication around insights **,** as well as facilitate consistent dialogue through both virtual and in- person meetings and events. This partnership approach to fundraising has been critical in raising $ ~~81~~ **118** . ~~2~~ **3** billion over the past ~~two~~ **three** years. As of December 31, ~~2022~~ **2023** , approximately 94 % of commitments (by dollar amount) were from investors who are committed to more than one product and approximately ~~76~~ **78** % of commitments (by dollar amount) were from investors who are committed to more than five products. We believe the loyalty of our carry fund investor base, as evidenced by our substantial number of multi- fund relationships, enhances our ability to raise new funds and successor funds in existing strategies. Investor ~~Services~~ **ServicesWe** ~~We~~ have a team of ~~790~~ **841** investor services professionals worldwide. The investor services group performs a range of functions to support our investment teams, LP relations group and the corporate infrastructure of Carlyle. Our investor services professionals provide an important control function, ensuring that transactions are structured pursuant to the partnership agreements, assisting in global regulatory compliance requirements **,** and investor reporting to enable investors to easily monitor the performance of their investments. We have devoted substantial resources to creating comprehensive and timely investor reports, which are increasingly important to our investor base. The investor services group also works closely with the investment teams throughout each fund' s lifecycle, from fund formation and investments to portfolio monitoring and fund liquidation. We maintain an internal global legal and compliance team, which includes ~~40~~ **44** professionals and a government relations group of ~~five~~ **6** professionals with a presence around the globe as of December 31, ~~2022~~ **2023** . Structure and Operation of Our Investment Funds We conduct the sponsorship and management of our carry funds and other investment vehicles primarily through limited partnerships, which are organized by us, to accept commitments and / or funds for investment from institutional investors and high net worth individuals. In general, each investment fund that is a limited partnership, or " partnership " fund, has a general partner that is responsible for the management and operation of the fund' s affairs and makes all policy and investment decisions relating to the conduct of the investment fund' s business. Generally, the limited partners of such funds take no part in the conduct or control of the business of such funds, have no right or authority to act for or bind such funds **,** and have no influence over the voting or disposition of the securities or other assets held by such funds, although such limited partners may vote on certain partnership matters including the removal of the general partner or early liquidation of the partnership by majority vote, as discussed below. Most of our funds also have an investor advisory committee, comprising representatives of certain limited partners, which may consider and / or waive conflicts of interest or otherwise consult with the general partner on certain partnership matters. In the case of certain separately managed accounts advised by us, the investor, rather than us, may control the asset or the investment decisions related thereto or certain investment vehicles or entities that hold or have custody of such assets. Each investment fund and in the case of our separately managed accounts, the client, engages an investment adviser. Carlyle Investment Management L. L. C. (" CIM ") or one of its subsidiaries or affiliates serves as an investment adviser for most of our carry funds and is registered under the Investment Advisers Act of 1940, as amended (the " Advisers Act "). Carlyle Global Credit Investment Management L. L. C. (" CGCIM ") is an affiliate of CIM and serves as investment adviser for most of our Global Credit carry funds, as well as two of our BDCs **. CGCIM also serves as** ~~and~~ - **an** ~~the Interval~~ **investment adviser for Carlyle Credit Income** Fund **(" CCIF ")** and ~~is~~ **CTAC, which are** registered **investment funds** under the Advisers Act. **In addition, AlpInvest** ~~The business of Carlyle Aviation~~ Partners ~~includes~~ **B. V. and its affiliates serve as** investment **adviser for most of our Global Investment Solutions** funds ~~organized to invest in certain aviation- related securities~~ and **vehicles** ~~physical assets (including aircraft, engines and components), and certain of the advisers and general partners of such funds are currently not registered under the Advisers Act or otherwise operated in reliance on another entity' s registration under the Advisers Act~~ . Our investment advisers are generally entitled to a management fee from each investment fund for which they serve as investment advisers. For a discussion of the management fees to which our investment advisers are entitled across our various types of investment funds, see " Incentive Arrangements / Fee Structure " below. **16** Investment funds themselves typically do not register as investment companies under the Investment Company Act of 1940, as amended (the " 1940 Act " or the " Investment Company Act "), in reliance on Section 3 (c) or Section 7 (d) thereof. Section 3 (c) (7) of the 1940 Act exempts from the 1940 Act' s registration requirements investment funds whose securities, at the time of acquisition of such securities, are owned by " qualified purchasers " as defined under the 1940 Act who purchase their interests in a private placement. Section 3 (c) (1) of the 1940 Act exempts from the 1940 Act' s registration requirements privately placed investment funds whose securities are beneficially owned by not more than 100 persons and who purchase their interests in a private placement. In addition, under certain current interpretations of the U. S. Securities and Exchange Commission (" SEC "), Section 7 (d) of the 1940 Act exempts from registration any non- U. S. investment fund all of whose outstanding securities are beneficially owned either by non- U. S. residents or by U. S. residents that are qualified purchasers and purchase their interests in a private placement. Certain of our investment funds, however, rely on other exemptions from the 1940 Act or register as investment companies under the 1940 Act or elect to be regulated as BDCs under the 1940 Act. The governing agreements of the vast majority of our investment funds provide that, subject to certain conditions, a majority in interest (based on capital commitments) of third- party investors in those funds have the right to remove the general partner of the fund for cause and / or to accelerate the liquidation date of the investment fund without cause. In addition, the governing

agreements of many of our investment funds generally require investors in those funds to affirmatively vote to continue the commitment period in the event that certain " key persons " in our investment funds do not provide the specified time commitment to the fund or our firm ceases to control the general partner (or similar managing entity) or the investment adviser or ceases to hold a specified percentage of the economic interests in the general partner (any such events, a " Key Person Event "). With limited exceptions, our carry funds, BDCs, ~~Interval Fund,~~ NGP Predecessor Funds, and certain other investment vehicles, are closed- end funds. In a closed- end fund structure, once an investor makes an investment, the investor is generally not able to withdraw or redeem its interest, except in very limited circumstances. Furthermore, the governing agreement of each investment vehicle contains restrictions on an investor' s ability to transfer its interest in the fund. In the ~~open- end~~ funds we advise **that offer redemption rights** , investors' interests are usually locked up for a period of time after which investors may generally redeem their interests on a quarterly basis, to the extent that sufficient cash is available. With respect to our closed- end Global Private Equity and Global Credit carry funds, investors generally agree to fund their commitment over a period of time. For such carry funds, the commitment period generally runs until the earliest of (i) the sixth anniversary of either the effective date (as defined in the applicable limited partnership agreement), or the initial closing date; (ii) the fifth anniversary of the final closing date of the fund; (iii) the date the general partner cancels the investors' obligation to fund capital contributions due to changes in applicable laws, business conditions or when at least a significant portion (which may range between 75 % and 90 %) of the capital commitments to the fund have been invested, committed or reserved for investments; (iv) the date a supermajority in interest (based on capital commitments) of investors vote to terminate the commitment period; or (v) the occurrence of a Key Person Event, unless upon any of these events the investors vote to continue the commitment period. Following the termination of the commitment period, an investor generally will be released from any further obligation with respect to its undrawn capital commitment except to the extent necessary to pay partnership expenses and management fees, fund outstanding borrowings and guarantees, complete investments with respect to transactions committed to prior to the end of the commitment period and make follow- on investments in existing investments (collectively, the " post- termination obligations "). Generally, an investor' s obligation to fund follow- on investments continues following the end of the commitment period, although certain funds ~~do not~~ have a ~~time~~ limit ~~and there may be limitations~~ on **when and** how much the fund is permitted to fund for such follow- on investments. In those funds where such limitations exist, they generally range from 15 ~~-~~ **% to** 20 % of the fund' s aggregate capital commitment. For the latest generation of our closed- end real estate funds, the length of the commitment period varies from fund to fund, typically running for a period of between ~~two~~ **four** and five years from the final closing date, provided that the general partner may unilaterally extend such expiration date for one year and may extend it for another year with the consent of a majority of the limited partners for that fund. Investors in the latest generation of our closed- end real estate funds are also obligated to continue to make capital contributions with respect to follow- on investments and to repay indebtedness for a period of time after the original expiration date of the commitment period, as well as to fund partnership expenses and management fees during the life of the fund. The term of each of the closed- end Global Private Equity and Global Credit carry funds generally will end 10 years from the initial closing date ~~,~~ or **,** in some cases, from the final closing date, but such termination date may be earlier in certain ~~limited~~ circumstances (e. g., six years, in the case of certain Carlyle Aviation Partners **funds and seven years, in the case of certain Global Credit** funds) or later if extended by the general partner (in many instances with the consent of a majority in interest (based on capital commitments) of the investors or the investment advisory committee) for successive one- year periods, typically up to a maximum of two years. Certain of such investment funds may have a longer initial termination date (such funds, " longer- dated funds "), such as 15 years from the final closing date, or may be open- ended. **17** With respect to our Global Investment Solutions vehicles and separately managed accounts **, other than Carlyle AlpInvest Private Markets Fund (" CAPM ")** , the commitment period generally runs for a period of one to five years after the initial closing date of the vehicle ~~. The~~ **and the** term of each of the funds generally will end 8 to 12 years from the initial closing date. In some cases, the termination date may be later if extended by the general partner (in many instances with the consent of a majority in interest (based on capital commitments) of the investors or the investment advisory committee) for successive **and** up to three- year periods, or until such time as is reasonably necessary for the general partner to be able to liquidate the fund' s assets. ~~Fund~~ **Incentive Arrangements / Fee StructureFund** Management Fees. We provide management services to funds in which we hold a general partner interest or with which we have an investment advisory agreement. For closed- end carry funds in the Global Private Equity ~~and Global Credit segments~~ **segment** , management fees generally range from 1. 0 % to 2. 0 % of **limited partners' capital** commitments during the fund' s commitment period. **For closed- end** ~~With respect to Global Private Equity~~ carry funds **in the Global Credit segment** , ~~such~~ management fees ~~are~~ generally **range from 1. 0 %** ~~based on limited partners' capital commitments~~ to **2. 0 % of** ~~the funds and with respect to Global Credit carry funds, such management fees are generally based on~~ limited partners' invested capital. Following the expiration or termination of the commitment period, management fees generally are based on the lower of cost or fair value of invested capital and the rate charged may also be reduced. These terms may vary for separately managed accounts, open- end funds **,** and longer- dated carry funds and other closed end funds. The investment adviser will receive management fees during a specified period of time, which is generally ten years from the initial closing date, or, in some instances, from the final closing date, but such termination date may be earlier in certain limited circumstances or later **(e. g.,** if extended for successive one- year periods, typically up to a maximum of two years ~~. Depending on~~ **, or until** the ~~contracted~~ **disposition of the last investment). The** terms of the investment advisory agreement and related agreements ~~,~~ **specify** ~~these~~ -- **the frequency of when** ~~fees are generally called semi- annually in advance. For certain open- end and longer- dated carry funds,~~ management fees are called **(e. g.,** quarterly **or semi- annually) and whether they are called in advance or** in arrears ~~over the life of the funds~~ . Within the Global Credit segment, for CLOs and other structured products, management fees generally range from 0. 4 % to 0. 5 % based on the total par amount of assets or the aggregate principal amount of the notes in the CLO and are due quarterly. Management fees for the CLOs and other structured products are governed by indentures and collateral management agreements. The investment advisers

will receive management fees for the CLOs until redemption of the securities issued by the CLOs. Management fees for the BDCs are due quarterly in arrears at annual rates that range from 1. ~~00~~ **0** % of net asset value (as adjusted for capital called, dividends reinvested, distributions paid **,** and issuer share repurchases made) to 1. 5 % of gross assets (excluding cash and cash equivalents). Management fees for **CTAC** ~~the Interval Fund~~ are due monthly in arrears at the annual rate of 1. 0 % of the month- end value of **CTAC** ~~the Interval Fund~~ ' s net **assets. Management fees for Carlyle Capital Income Fund (" CCIF ") are due monthly in arrears at the annual rate of 1. 75 % of the month- end value of CCIF' s managed** assets. Carlyle Aviation Partners' funds have varying management fee arrangements depending on the strategy of the particular fund. Under the strategic advisory services agreement with Fortitude, the Company earns a recurring management fee based on Fortitude' s general account assets, which adjusts within an agreed range based on Fortitude' s overall profitability and which is due quarterly in arrears. **Managed accounts across the Global Credit segment have varying management fee arrangements depending on the strategy of the particular account.** The investment ~~advisers~~ **adviser** of our Global Investment Solutions carry funds generally ~~receive~~ **receives** an annual management fee that ranges from 0. 25 % to 1. ~~0~~ **5** % of the fund' s capital commitments or its committed capital to investments during the commitment fee period of the relevant fund. Following the expiration of the commitment fee period, the management fees generally range from 0. 25 % to 1. ~~0~~ **5** % on (i) net invested capital; (ii) the lower of cost or net asset value of the capital invested; or (iii) the net asset value for unrealized investments. ~~In some cases, management~~ **Management** fees are charged ~~based on net invested capital of underlying investments~~ for the entire duration of the applicable Global Investment Solutions carry funds **based on (i) net invested capital of, (ii) net asset value of, plus unfunded commitments to, or (iii) net invested capital of, plus unfunded commitments to, the underlying investments** . The management fees we receive from our Global Investment Solutions carry fund vehicles typically are payable quarterly in advance. **The investment adviser to CAPM is entitled to receive a monthly management fee equal to 1. 25 % on an annualized basis of the fund' s net asset value as of the last day of the month.** Our equity interest in NGP entitles us to an allocation of income equal to 55 % of the management fee ~~–~~related revenues of the NGP entities that serve as advisors to the NGP Energy Funds. The general partners or investment advisers to certain of our Global Private Equity and Global Credit carry funds from time to time receive customary transaction fees upon consummation of many of our funds' acquisition transactions, receive monitoring fees from many of their portfolio companies following acquisition **,** and may ~~from time to time~~ receive other fees in connection with their activities. The ongoing monitoring fees that they receive are generally calculated either as a fixed amount or as a percentage of a specified financial metric of a particular portfolio company. The transaction fees that they receive are generally calculated either as a fixed amount or as a percentage (that generally ranges up to 1 %, but may exceed 1 % in certain circumstances) of the total enterprise value or capitalization of the investment. The management fees charged to investors in our carry funds are generally ~~reduced by 80 % to~~ 100 % of the allocable portions of such transaction fees, monitoring fees, and certain other fees that are **18** received by the general partners and their affiliates. For our most recent vintages, management fees are generally not offset by fees received by Carlyle Global Capital Markets (" GCM ") in connection with capital markets activities. In addition, Carlyle Aviation Partners may receive servicing fees in connection with asset- backed financing transactions for certain Carlyle Aviation Partners funds, generally in the range of 2 % of rents, incentive fees up to 5 % of rents in the aggregate, and 3 % of sales proceeds earned from such assets. To the extent the financing instruments are held by the funds, these fees are generally offset against management fees or partnership expenses of the funds. Performance Allocations. The general partner of each of our carry funds also receives carried interest from the carry funds. Carried interest entitles the general partner to a special residual allocation of profit on third- party capital. In the case of our closed- end carry funds, carried interest is generally calculated on a " realized gain " basis, and each general partner is generally entitled to a carried interest equal to 20 % allocation (or approximately 2 % to 12. 5 % in the case of most of our more mature Global Investment Solutions carry funds) of the net realized profit (generally taking into account unrealized losses) generated by third- party capital invested in such fund. Net realized profit or loss is not netted between or among funds. Our senior Carlyle professionals and other personnel who work in these operations also own interests in the general partners of our carry funds **in order to better align their interests with our own** and **with those of the investors in the funds, and such certain other personnel participate in a commingled carried interest pool program. Historically,** we **allocated a range of** generally ~~allocate~~ 45 **% to 50** % of any carried interest that we ~~earn~~ **earned** to ~~these~~ **those** individuals ~~in order to better align their interests with our own~~ and ~~with those of the investors in the funds. A limited portion of the carried interest may be distributed to such individuals in shares of~~ our ~~common stock. Of the carried interest that we retain, we utilize a portion for our new~~ carried interest pool program ~~that commenced~~ **. Effective December 31, 2023,** in ~~2019 for certain~~ **the future we expect to allocate approximately 60 % to 70 %** of **performance** ~~our employees who do not receive direct~~ allocations ~~of carried interest~~ **and incentive fees** to ~~further align their interests with those of~~ our ~~investors~~ **personnel** . For most carry funds, the carried interest is subject to an annual preferred return of 7 % to 9 % and return of certain fund costs (generally subject to catch- up provisions as set forth in the fund limited partnership agreement). These terms may vary on longer- dated funds, certain credit funds, and our external co- investment vehicles. If, as a result of diminished performance of investments later in the life of a closed- end fund, the fund does not achieve investment returns that (in most cases) exceed the preferred return threshold or (in almost all cases) the general partner receives in excess of the allocated carried interest, we will be obligated to repay the amount by which the carried interest that was previously distributed to us exceeds amounts to which we are ultimately entitled. This obligation, which is known as a " giveback " obligation, operates with respect to a given carry fund' s own net investment performance only and is typically capped at the after- tax amount of carried interest received by the general partner. Each recipient of carried interest distributions is individually responsible for his or her proportionate share of any " giveback " obligation, and we have historically withheld a portion of the cash from carried interest distributions to individuals as security for potential " giveback " obligations. However, we may guarantee the full amount of such " giveback " obligation in respect of amounts received by Carlyle and certain other amounts. With respect to the portion of any carried interest allocated to the firm, we expect to fund any

“ giveback ” obligation from available cash. Our ability to generate carried interest is an important element of our business and carried interest has historically accounted for a significant portion of our income. The receipt of carried interest in respect of investments of our carry funds is dictated by the terms of the partnership agreements that govern such funds, which generally allow for carried interest distributions in respect of an investment upon a realization event after satisfaction of obligations relating to the return of capital from all realized investments, any realized losses, allocable fees and expenses **,** and the applicable annual preferred return. Carried interest is ultimately realized and distributed when: (i) an underlying investment is profitably disposed of; (ii) certain costs borne by the investors have been reimbursed; (iii) the investment fund’ s cumulative **realized** returns are in excess of the preferred return; and (iv) we have decided to collect carry rather than return additional capital to investors. Distributions to eligible senior Carlyle professionals in respect of such carried interest are generally made shortly thereafter. Our decision to ~~realize~~ **collect** carry considers such factors as the level of embedded valuation gains, the portion of the fund invested, the portion of the fund returned to investors **,** and the length of time the fund has been in carry, as well as other qualitative measures. Our Global Investment Solutions funds are not eligible for carried interest distributions until all capital contributions for investments and expenses and the preferred return hurdle have been returned. Although Carlyle has seldom been obligated to pay a giveback obligation, such obligation, if any, in respect of previously realized carried interest, is ~~generally~~ determined and due upon the winding up or liquidation of a carry fund pursuant to the terms of the fund’ s partnership agreement **and** ~~, although~~ in ~~certain~~ **many** cases the giveback is **also** calculated at prior intervals. With respect to our separately managed accounts, BDCs **, CCIF, CAPM,** and **CTAC** ~~the Interval Fund~~ , carried interest is generally referred to as an “ Incentive Fee. ” Incentive Fees consist of performance- based incentive arrangements pursuant to management contracts when the return on assets under management exceeds certain benchmark returns or other performance targets. Incentive Fees are recognized when the performance benchmark has been achieved. Under our arrangements with the historical owners of Carlyle Aviation Partners, we are entitled to 100 % of the management fee ~~–~~related revenues and advisory fee ~~–~~related revenues of Carlyle Aviation Partners that serve as advisers or service providers of the Carlyle Aviation Partners funds and portfolios of investments. **19** ~~In addition, we will receive 55 % of the carried interest from funds managed or advised by Carlyle Aviation Partners, with the remaining 45 % being allocated to the prior owners of Carlyle Aviation Partners and certain employees.~~ With respect to our arrangements with NGP, we are entitled to an allocation of income equal to 47. 5 % of the carried interest received by ~~NGP XI~~ **the general partners of certain current** and future NGP **Carry** ~~funds~~ **Funds** . ~~In addition~~ **Pursuant to the updated employee compensation program effective December 31, 2023** , we **expect** ~~hold an interest in the general partner of the NGP X fund, which entitles us~~ to ~~an allocation~~ **allocate approximately 60** ~~of income equal to 40~~ % **to 70 %** of ~~the carried interest~~ **performance allocations and incentive fees** received **under these arrangements to our employees** ~~by NGP X’ s general partner~~ . Under our arrangements with the historical owners and management team of AlpInvest, we generally do not retain any carried interest in respect of the historical investments and commitments to our fund of funds vehicles that existed as of July 1, 2011 (including any options to increase any such commitments exercised after such date). ~~We~~ **In some instances, we** are entitled to 15 % ~~, or in some cases 40 %,~~ of the carried interest in respect of commitments from the historical owners of AlpInvest for the period between 2011 and 2020 ~~and 40 % of the carried interest in respect of all other commitments (including all future commitments from third parties)~~ . As noted above, in connection with raising new funds or securing additional investments in existing funds, we negotiate terms for such funds and investments with existing and potential investors. The outcome of such negotiations could result in our agreement to terms that are materially less favorable to us than for prior funds we have advised or funds advised by our competitors. See Item 1A “ Risk Factors — Risks Related to Our Business Operations — Risks Related to the Assets We Manage — Our investors may negotiate to pay us lower management fees and the economic terms of our future funds may be less favorable to us than those of our existing funds, which could adversely affect our revenues. ” Capital Invested in and Alongside Our Investment ~~Funds~~ **FundsTo** ~~To~~ further align our interests with those of investors in our investment funds, we have invested our own capital and that of our senior Carlyle professionals in and alongside the investment funds we sponsor and advise. Carlyle **has** generally ~~expects to commit~~ **committed** to fund approximately 0. 75 % of the capital commitments to our future Global Private Equity and Global Credit carry funds, although we may elect to invest additional amounts in funds focused on new investment areas. We also intend to make investments in our Global Investment Solutions carry funds, our open- end funds, our BDCs and other 1940 Act regulated vehicles **,** and our CLO vehicles. In addition, certain qualified Carlyle professionals and other qualified individuals (including certain individuals who may not be employees of the firm but who have pre- existing business relationships with Carlyle or industry expertise in the sector in which a particular investment fund may be investing) are permitted, subject to certain restrictions, to invest alongside the investment funds we sponsor and advise. Fees assessed or profit allocations on such investments by such persons may be eliminated or substantially reduced. Minimum general partner capital commitments to our investment funds are determined separately with respect to each investment fund. We may, from time to time, exercise our right to purchase additional interests in our investment funds that become available in the ordinary course of their operations. See Part II ~~.~~ **,** Item 7 “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources ” for more information regarding our minimum general partner capital commitments to our funds. Our general partner capital commitments are funded with cash and not with carried interest or through a management fee waiver program. ~~Employees~~ **EmployeesWe** ~~We~~ believe that one of the strengths and principal reasons for our success is the quality and dedication of our people. As of December 31, ~~2022~~ **2023** , we employed more than 2, ~~100~~ **200** individuals, including over ~~770~~ **720** investment professionals, located in ~~29~~ **28** offices across ~~five~~ **four** continents. One Carlyle ~~Culture~~ **CultureOur** ~~Our~~ employees around the globe are united by our One Carlyle culture, which is driven by our mission to invest wisely and create value while delivering on our strategic plan to grow, build **,** and perform. We seek to achieve our mission and deliver on our strategic plan by creating a culture where employees ~~(1)~~ strive to excel, ~~(2)~~ deliver for the firm, ~~(3)~~ challenge the status quo **,** and ~~(4)~~ leverage diverse perspectives. ~~We~~ **In addition, we** encourage our employees to leave their comfort zone and seek out a leading edge while working with passion, creativity **,** and a

relentless determination to deliver for our stakeholders. We **also** seek to foster lateral working relationships across and beyond Carlyle while working as one team to drive long- term value creation. ~~We~~ **Moreover, we** strive to lead by example in driving and embracing change. We foster diverse perspectives by encouraging our employees to engage with others with candor and diversity of thought, promoting a team conscience that is inclusive and empowering. Diversity, Equity **,** and ~~Inclusion~~ **InclusionWe** ~~We~~ are committed to growing and cultivating an environment that fosters diversity, equity **,** and inclusion (" DEI ") and values the diverse perspectives, backgrounds, experiences **,** and geographies of our employees and other stakeholders. We seek to promote greater diversity among our employees, enhance knowledge and understanding of key DEI issues, reward progress on our DEI goals **,** and foster an environment where our employees and **other** stakeholders feel included and valued for their diverse experiences and perspectives. We strive to embed DEI into everything we do by leveraging our spheres of influence. As **20** we ignite action within Carlyle, our investments, and the business community, we are making strides in DEI in the near term and laying the foundation for even greater impact into the future. Carlyle. A focus on DEI efforts is embedded into the highest levels of our firm, including our Board of Directors, and is guided by our DEI Council, comprised of members of our executive team, as well as key senior leaders across the globe. We strive to create a workplace culture that enhances our ability to recruit, develop **,** and retain talent from a broad set of backgrounds and experiences and, to this end, we **have** asked all of our employees to set a personal DEI objective **since** ~~beginning in~~ 2021 ~~, a practice which we continued in 2022~~ . Inclusive leadership is one of our core leadership competencies, and the DEI Council is involved in reviewing the promotion process for our senior personnel. All of our employees who were nominated for promotion to a Managing Director or Partner role during ~~2022~~ **2023** were evaluated on their inclusive leadership and management skills. To continue to enhance inclusive decision-making, during ~~2022~~ **2023** we continued the " Better Decisions " initiative that launched in 2019, which provides education **and** ~~, practical~~ tools ~~and guidance~~ to build awareness of unconscious bias and to mitigate its negative effects. **The majority** ~~Over 1, 500~~ of our employees **across all levels** have participated in in- person or virtual sessions of this program **. In 2022, we launched a new workshop that helps our people managers understand the power they have as leaders to maximize the performance of their teams. Thus far, over 200 leaders have completed a " Power " session and applied practical tools and guidance to create the conditions for teams to thrive across various divisions** . In addition to these initiatives, we encourage our employees to engage with and support one another through our global Employee Resource Groups, which include DiverseAbility, LGBTQ , Multicultural, Veterans, Women, Working Parents **,** and NextGen groups, that were formed to cultivate and retain a diverse, equitable **,** and inclusive workforce. ~~During 2022~~ **For the last three years** , we **have** invested in enhancing DEI through ~~our second year of~~ the DEI Incentive Awards program, **in** ~~pursuant to~~ which we **have** granted approximately $ 2 million in awards **annually** to ~~70~~ employees from around the globe who made an impact on DEI at Carlyle by developing our people, attracting and recruiting talent, building an inclusive culture **,** and / or furthering board diversity at our portfolio companies. Award recipients were nominated by their peers, reviewed by group heads **,** and confirmed by the DEI Council. **In 2023, 64 employees were awarded as DEI Incentive Award Changemakers.** We also ~~launched~~ **continued** the DEI Leadership Network, a coalition of portfolio company CEOs around the globe to develop a peer group for shared resources and insights that can help advance DEI within their respective companies. Business and Community. The communities we touch provide us with an opportunity to drive change. As part of ongoing efforts to elevate DEI within our industry, Carlyle strives to improve diversity and promote an inclusive culture for women and underrepresented professionals within the industry. Carlyle is a founding signatory to the Institutional Limited Partners Association' s Diversity in Action initiative and has joined the Milken Institute as a strategic partner and first underwriter for the DEI in Asset Management Program, which was created to improve recruitment, retention **,** and advancement for women and persons who are Black, Indigenous **,** and People of Color within the asset management industry. In addition, we have received a perfect score for ~~five~~ **six** consecutive years on the Human Rights Campaign Corporate Equality Index, which recognizes corporate efforts to support LGBTQ employees. Carlyle is also a member of the 30 % Coalition, which works to achieve diversity in senior leadership and the corporate boardroom. Moreover, we have partnerships with organizations such as the 10, 000 Black Interns Programme in the UK, Level 20, Out for Undergrad **,** and the Diversity ~~&~~ **and** Inclusion in Asia Network. Employee ~~Engagement~~ **EngagementWe** ~~We~~ routinely evaluate, modify, and enhance our internal processes and technologies to increase employee engagement, productivity **,** and efficiency. ~~During 2020~~ **In this respect** , we **provide** ~~introduced a~~ robust feedback training and communication ~~campaign~~ **campaigns** to deliver real- time feedback, as well as ~~more frequent~~ formal performance conversations and ~~launched~~ a ~~new, more~~ streamlined performance management system ~~, which we continued into 2022~~ . In order to measure employee engagement, we conduct an annual engagement survey as well as other pulse surveys ~~throughout the year~~ . We have continued to focus on the satisfaction and wellness of our employees over the past year, and we plan to continue to use annual and pulse surveys to evaluate our performance and guide our decision- making. We ~~are also continuing~~ **continue** to expand our employee training programs, including those focused on enhancing management and leadership capability at all levels of the firm. ~~These~~ **Our** programs ~~include~~ **focus on** the **development of our professionals at all levels, from the Partner and Managing Director level to the Associate level, through our Admirals Program,** Future Leaders Academy ~~for new Managing Directors~~ , ~~the~~ Career Strategies Initiative ~~for Vice President and Principal- level underrepresented professionals~~ , ~~which is a virtual sponsorship program for underrepresented professionals, the~~ Leadership Principles ~~program~~ **Program** ~~for Principals and Directors~~ , ~~the~~ Better Leaders Program **,** ~~for Vice Presidents~~ and ~~Associate Directors and the~~ Better Managers Program ~~for Senior Associates~~ , **as well as** ~~Associate Vice Presidents, Managers and Associates. We also continue to support~~ a global mentoring program. ~~In 2022~~ **Through these programs** , we **are investing** ~~launched MentoreliQ, a user- friendly platform that offers a personalized experience for mentees and mentors. We also conducted~~ in ~~- person analyst and associate training in August 2022 for~~ our ~~largest ever class of investment~~ professionals **and in the future of the firm by focusing on developing and cultivating leadership skills while providing valuable mentoring resources** . Compensation and ~~Benefits~~ **BenefitsWe** ~~We~~ believe that equitable compensation and incentive programs are critical to hiring and retaining highly qualified people. We seek to provide a pay and

benefits package that is competitive within the local marketplace for our industry to reward and retain our employees and attract and retain talent. Compensation comprises a base salary for salaried employees and compensation per hour for hourly employees in connection with satisfying the daily expectations of their roles. Our annual **,** discretionary performance- based ~~cash~~ bonus program is a significant component of our compensation program and rewards employees based on firm, segment, investment fund, department **,** and individual performance to directly align our employees **21** with our financial performance and strategic goals. To further align the interests of our employees with our stockholders and to cultivate a strong sense of ownership and commitment to our firm, certain employees also are eligible to receive awards of restricted stock units and / or participate in our other long- term incentive programs. **In order to further drive the alignment of the interests of our personnel with our stockholders and to improve retention of our personnel, a portion of the performance- based bonuses for performance in 2023 was paid to certain senior Carlyle professionals in the form of a grant of restricted stock units that vests in installments over a period of three years. In addition, in February 2024, we awarded restricted stock units with performance- based vesting conditions to a select number of senior Carlyle professionals that have the accountability to help us achieve our growth objectives. These units are highly aligned with our stockholders as they only vest with share price appreciation.** The success of our business is fundamentally connected to the well- being of our people. We are committed to their health, safety **,** and wellness and seek to provide benefits that are locally relevant for our global employees. For example, our U. S. benefits programs include health and welfare benefits (including healthcare, dental benefits **,** and vision benefits, among others), retirement offerings (including employer matching contributions, subject to eligibility requirements), an Employee Assistance Program, family and caregiver- oriented benefits **,** and commuting benefits, among other benefits. In addition, we have various time- off policies for eligible employees for sick leave, vacation leave, personal days, paid holidays **,** and paid parental leave. We also seek to provide strong benefits programs globally in line with local market practices. Consistent with our guiding principle that building better businesses means investing responsibly and engaging in the communities where we work and invest, we encourage our employees to get involved where they live, work **,** and invest through our volunteer and wealth sharing programs. In ~~2022~~ **2023** , more than 270 Carlyle employees gave over ~~400~~ **600** philanthropic gifts, which we matched. These gifts supported over ~~170~~ **230** nonprofit organizations globally. Carlyle employees also put their time and expertise to work through volunteer activities across our offices. Employee ~~Wellness~~ **WellnessWe** ~~We~~ believe that a key component to investing in our employees is investing in their wellness. We focus on five pillars of ~~wellbeing~~ **well- being** for our employees: physical, environmental, emotional, social **,** and financial. During ~~June 2022~~ **2023** , we ~~continued our practice that started in September 2021, of hosting a " Wellbeing Month, " where we provide~~ **provided our employees with** activities ~~and seminars~~ dedicated to **well- being, including** ~~each of the wellbeing pillars. Activities during our Wellbeing Month included~~ seminars with external wellness providers and interactive physical activities. ~~Beginning in September~~ **For the third consecutive year, during** ~~2021~~ **2023** ~~,~~ we **also** provided our eligible employees with an annual $ 750 well- being stipend to use for personal wellness needs **and** ~~, which~~ we ~~continued in 2022. For the second year in a row, we also~~ established a firmwide week- long holiday during August ~~2022~~ **2023** to provide a coordinated break for our employees. **We** ~~Throughout the COVID- 19 pandemic, we~~ have ~~been~~ **continued to** ~~engaged~~ - **engage** with our employees ~~and~~ **to** ~~adapted~~ -- **adapt** to changing circumstances while remaining committed to the health and safety of our employees. **SustainabilityWe** ~~During the latter part of 2021, we implemented a hybrid return- to- office approach to reintegrate our employees, including new employees who joined Carlyle during the COVID- 19 pandemic. Employees generally work in the office three days per week, depending on business needs, and work remotely for the balance of the week. Our technology infrastructure has facilitated our ability to shift to a hybrid work environment and our employees and leaders have demonstrated their ability to quickly and seamlessly adapt without disruption to our business. Environmental, Social and Governance We~~ are committed to the principle that building a better business means investing responsibly and engaging in the communities where we work and invest. As a responsible global organization dedicated to driving value by seeking to serve its stakeholders, Carlyle has made it a priority to invest in a framework and the necessary resources for understanding, monitoring **,** and managing **Environmental, Social, and Governance ("** ESG **")** risks and opportunities across our portfolio. We believe ESG **integration** provides an additional lens to help us assess and mitigate risks ~~,~~ and identify and capitalize on potential opportunities. To implement these principles into our investment process, in 2008, we developed a set of Guidelines for Responsible Investment ~~that consider the environmental, social and governance implications of certain investments we make~~ , which ~~help~~ **helped** ~~guide~~ **inform** our investment practices. In December 2020, we expanded upon these guidelines through the publication of our comprehensive **ESG** ~~Environmental, Social and Governance~~ Policy, which outlines our approach to ESG integration, and our resourcing, scope **,** and investment application ~~,~~ and ~~which has now~~ replaced our Guidelines for Responsible Investment. We continuously have sought to strengthen our governance, resourcing, reporting **,** and transparency on **sustainability and** ESG **- related** matters. In 2010, we became one of the first major private equity firms to publish an ESG report and in 2014, we hired our first dedicated ~~ESG~~ **sustainability** professional. Since then, we have continued to expand our team of dedicated ~~ESG~~ **sustainability** professionals. In 2020, we further strengthened our policies and practices around evaluating new investments for ESG implications, establishing a senior ESG review committee to evaluate more complex ESG issues, in order to help ~~guide~~ **inform** our investment analysis. Also in 2020, we published our inaugural Task Force on Climate- related Financial Disclosures (TCFD) Report, underscoring our evolving approach to climate change ~~and we~~ **, as well as** published our first corporate ~~ESG~~ **sustainability** disclosures, utilizing Global Reporting Initiative (GRI) Standards, which provide an internationally recognized framework to communicate **sustainability and** ESG matters to our various stakeholders. In 2022, we became a signatory of the United Nations- backed Principles for Responsible Investment ~~,~~ and remain involved with several important industry initiatives in the field, including, among others, the ESG Data Convergence Initiative, the International Sustainability Standards Board Investor Advisory Group (IIAG), the Alternative Investment Management Association (AIMA) Global Responsible Investment Steering Committee, and the One Planet Private Equity Funds Initiative. Our Board of Directors oversees our firm' s approach to ~~ESG~~ **sustainability** given the critical importance with

which we view ~~ESG principles~~ **the topic** . The Board receives regular updates on our ~~ESG~~ **sustainability** strategy and certain investment implications, and **22** receives information on thematic topics, such as our approach to climate risk and opportunity and DEI. The Nominating and Corporate Governance Committee of the Board, which takes a leadership role in shaping our corporate governance, including our **sustainability** ~~ESG and Impact~~ strategy, has appointed a member of the Board to serve as the **sustainability** ~~ESG and Impact~~ lead, responsible for oversight of the firm' s work in this area. In addition, Carlyle' s ~~Global~~ **Co-** ~~Head~~ **Heads** of ~~Impact is~~ **Sustainability are** directly responsible for our climate strategy, ~~and reports to~~ **with ultimate oversight from** the firm' s Chief Operating Officer. With respect to our investments, we may track certain ESG key performance indicators (KPIs) that we consider **potentially** relevant **as drivers of risk mitigation and / or value creation** across diverse geographies and assets for our corporate private equity and natural resources investments, including climate-related metrics. For some of our larger strategies, we generally work with qualifying portfolio companies on collecting more tailored ESG KPIs and climate- related data such as carbon footprints. Carlyle has an internal **,** dedicated ~~ESG~~ **Sustainability** team with a breadth of experience to help identify critical ESG matters in our investment processes, as well as a network of outside experts to enable our investment teams to selectively go deeper on important **sustainability and** ESG factors and **identify** potential ~~ESG~~ growth opportunities for a given investment over our projected investment periods. We believe our ~~commitment~~ **approach** to ~~ESG~~ **sustainability** may strengthen strategy, bring new ideas for operational efficiency **,** and help unlock value for certain portfolio companies. Since Carlyle was established, we have recognized the value and benefits of maintaining a business model grounded in investment fundamentals, strong governance **,** and transparency. We are committed to maintaining strong internal corporate governance processes and fiduciary functions and are subject to regulatory supervision. Carlyle professionals receive regular and targeted training on many issues related to corporate governance and compliance, such as anti- corruption, conflicts of interest, economic sanctions **,** and anti- money laundering. Our policy requires all employees to annually certify their understanding of and compliance with key global Carlyle policies and procedures. Global ~~Information~~ Technology ~~and~~ **&** ~~Solutions~~ **SolutionsGlobal** ~~Global Information~~ Technology ~~and~~ **&** Solutions, which we refer to as GTS, is essential for Carlyle to conduct investment activities, manage internal administration activities **,** and connect our global enterprise. As part of our GTS strategy and governance processes, we develop and routinely refine our technology architecture **and** ~~to leverage~~ solutions **to deliver value to** ~~that will best serve the needs of~~ our investors. Our systems, data, network **,** and infrastructure are ~~continuously~~ monitored and administered by formal controls and risk management processes that help protect the data and privacy of our employees ~~and~~ **,** investors **, and other stakeholders** . ~~Our~~ **In addition, our** business continuity plans are designed to allow ~~all~~ critical business functions to continue in an orderly manner in the event of ~~an emergency~~ **a system outage** . Our GTS team works closely with our business segment teams to maintain operational resilience through business continuity planning and annual IT disaster recovery **and incident response plan** testing, which collectively support the goal of mitigating risk were an emergency to occur. Our **Board of Directors oversees our enterprise risk management strategy, including our strategy on cybersecurity risks, directly and through its committees. The Audit Committee of the Board of Directors oversees our risk management program, which focuses on the most significant risks we face in the short-, intermediate-, and long- term timeframe. Our** Information Security Steering Committee **(" ISSC ")** , **which is** chaired by our Chief Information Security Officer **and composed of senior representatives from our business, compliance, and risk management departments** , monitors threats and prioritizes the initiatives of our information security program. ~~We also~~ **In addition, we** seek to educate our employees on how to safeguard Carlyle' s information assets through ~~quarterly~~ security awareness training focused on cyber risks ~~and~~ **, as well as** simulated phishing exercises that provide insight into the effectiveness of our security training. **Employees serve an integral role in protecting Carlyle' s data and attest to complying with various requirements both during onboarding and on an annual basis.** ~~Competition~~ **CompetitionAs** ~~As~~ a global investment firm, we compete with a broad array of regional and global investment firms, as well as global banking institutions and other types of financial institutions and markets, for employees, investors **,** and investment opportunities. Generally, our competition varies across business lines, geographies, distribution channels **,** and financial markets. We believe that our competition for investors is based primarily on investment performance, business relationships, the quality of services provided to investors, reputation and brand recognition, pricing, market sentiment **,** and the relative attractiveness of the particular opportunity in which a particular fund intends to invest. To stay competitive, we believe it is also important to be able to offer fund investors a customized suite of investment products that enable them to tailor their investments across the product offerings in our three global business segments. As we continue to target high net worth investors, we also face competition for these investors from mutual funds and investment firms that have competing retail products. We believe that competition for investment opportunities varies across business lines, but is generally based on industry expertise and potential for value- add, pricing, terms **,** and the structure of a proposed investment and certainty of execution. We generally compete with sponsors of public and private investment funds across all of our segments. In addition to these traditional competitors, we increasingly have faced competition from local and regional firms, insurance and reinsurance **23** companies, sovereign wealth funds, family offices **,** and agencies and instrumentalities of governments in the various countries in which we invest. This trend has been especially apparent in emerging markets, where local firms tend to have more established relationships with the companies in which we are attempting to invest. Large institutional investors and sovereign wealth funds increasingly have begun to develop their own in- house investment capabilities and may compete against us for investment opportunities and greater reliance on advisory firms or in- house investment management may reduce fund of funds' appeal to large institutional investors. Within our GPE segment, our main competitors for investment opportunities are generally other private equity sponsors, sovereign wealth funds **,** and operating companies acting as strategic acquirers, as well as real estate development companies and other infrastructure investment business. In our Global Credit segment, our main competitors are private credit strategies, business development companies, distressed debt funds, mezzanine funds, lessors of commercial aircraft, infrastructure lenders ~~and~~ **,** other CLO issuers **, and asset- backed lenders** . In our Global Investment Solutions segment, our main competitors are other

fund of funds managers and / or with advisers that are turning their business models towards discretionary investment advisory services. As larger sovereign wealth funds and pension funds pursue direct commitments and secondary transactions, our Global Investment Solutions funds may face increased competition for investments and coinvestment opportunities. Some of the entities that we compete with are substantially larger and have greater financial, technical, marketing **,** and other resources and more personnel than we do. Many of our competitors also have recently raised, or are expected to raise, significant amounts of capital and many of them have investment objectives similar to ours, which may create additional competition for investment opportunities and investor capital. Some of these competitors may also have a lower cost of capital and access to funding sources that are not available to us, which may create competitive disadvantages for us when sourcing investment opportunities. In addition, some of our competitors may have higher risk tolerances, different risk assessments **,** or lower return thresholds, which could allow them to consider a wider range of investments and to bid more aggressively than us for investments. Strategic buyers may also be able to achieve synergistic cost savings or revenue enhancements with respect to a targeted portfolio company, which we may not be able to achieve through our own portfolio, and this may provide them with a competitive advantage in bidding for such investments. Regulatory and Compliance Matters ~~Our~~ **United StatesOur** businesses, as well as the financial services industry generally, are subject to extensive regulation in the United States and elsewhere. In general, the SEC, Commodity Futures Trading Commission (the " CFTC ") **,** and other regulators around the globe have in recent years significantly increased their regulatory activities with respect to global investment firms. Certain of our subsidiaries are registered as investment advisers with the SEC. Registered investment advisers are subject to the requirements and regulations of the Advisers Act. Such requirements relate to, among other things, fiduciary duties to advisory clients, maintaining an effective compliance program, solicitation agreements, conflicts of interest, recordkeeping and reporting requirements, disclosure requirements, limitations on agency cross and principal transactions between an adviser and advisory clients **,** and general anti-fraud prohibitions. In addition, our registered investment advisers are subject to routine periodic and other examinations by the SEC staff. In accordance with our efforts to enhance our compliance program and in response to recommendations received from the SEC in the course of ~~routine~~ **such** examinations, certain additional policies and procedures have been put into place, but no material changes to our registered investment advisers' operations have been made as a result of such examinations. Our registered investment advisers also have not been subject to ~~any~~ **material** regulatory or disciplinary actions by the SEC. ~~Finally~~ **Moreover** , certain of our investment advisers are subject to limited SEC disclosure requirements as " exempt reporting advisers. " Effective January 3, 2022, Carlyle' s two affiliated broker- dealer entities, TCG Securities, L. L. C. (" TCG Securities ") and TCG Capital Markets L. L. C. (" TCG Capital Markets "), restructured and now operate as TCG Capital Markets. TCG Capital Markets is registered as a broker- dealer with the SEC and in 50 states, the District of Columbia, the Commonwealth of Puerto Rico **,** and the Virgin Islands, and is a member of the Financial Industry Regulatory Authority (" FINRA "). In addition, TCG Capital Markets operates under an international dealer exemption in the Canadian provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Quebec **,** and Saskatchewan. TCG Capital Markets may act as an underwriter, syndicator **,** or placement agent in securities offerings and TCG Senior Funding L. L. C. may act as an underwriter, originator, syndicator **,** or placement agent for loan originations. TCG Capital Markets also conducts U. S.- based marketing and fundraising activities for our Global Private Equity, Global Credit, and Global Investment Solutions business lines, and houses our anti- money laundering compliance function. TCG Capital Markets acts as a placement agent, on a best- efforts basis, for interests in private funds and other investment vehicles for such business lines. Registered broker-dealers are subject to routine periodic and other examinations by the staff of FINRA. No material changes to our broker- dealer operations have been made as a result of such examinations. **24** Broker- dealers are subject to rules relating to transactions on a particular exchange and / or market, and rules relating to the internal operations of the firms and their dealings with customers including, but not limited to, the form or organization of the firm, qualifications of associated persons, officers and directors, net capital and customer protection rules, books and records **,** and financial statements and reporting. In particular, as a result of its registered status, TCG Capital Markets is subject to the SEC' s uniform net capital rule, Rule 15c3- 1 under the Securities Exchange Act of 1934, as amended (the " Exchange Act "), which specifies both the minimum level of net capital a broker-dealer must maintain relative to the scope of its business activities and net capital liquidity parameters. The SEC and FINRA require compliance with key financial responsibility rules, including maintenance of adequate funds to meet expenses and contractual obligations, as well as early warning rules that compel notice to the regulators via accelerated financial reporting anytime a firm' s capital falls below the minimum required level. The uniform net capital rule limits the amount of qualifying subordinated debt that is treated as equity to a specific percentage under the debt- to- equity ratio test, and further limits the withdrawal of equity capital, which is subject to specific notice provisions. ~~Finally~~ **Moreover** , compliance with net capital rules may ~~also~~ limit a firm' s ability to expand its operations, particularly to those activities that require the use of capital. Violation of the net capital rule may result in censures, fines, the issuance of cease- and- desist orders, revocation of licenses or registrations, the suspension or expulsion from the securities industry of the broker- dealer or its officers or employees **,** or other similar consequences by regulatory bodies. To date, TCG Capital Markets has not had any capital adequacy issues and is currently capitalized in excess of the minimum maintenance amount required by regulators. Carlyle Global Credit Investment Management L. L. C. (" CGCIM ") and CSL III Advisor, LLC, subsidiaries of Carlyle, serve as investment advisers to certain closed- end investment companies that have elected to be regulated as BDCs under the Investment Company Act (as well as to certain private funds and other clients). Accordingly, these BDCs are subject to all relevant provisions under the Investment Company Act as registered investment companies. In addition, CGCIM serves as the investment adviser to ~~the Interval Fund~~ **CTAC and CCIF** , **each of** which is regulated as a registered investment company under the Investment Company Act. Moreover, AlpInvest Private Equity Investment Management, LLC, a subsidiary of Carlyle, serves as the investment adviser to ~~Carlyle AlpInvest Private Markets Fund ("~~ CAPM ~~")~~ , which is regulated as a registered investment company under the Investment Company Act. CGCIM also serves as a sub- adviser to CAPM. United Kingdom and the European **UnionSimilar**

~~Union Similar~~ to the United States, jurisdictions outside the United States in which we operate, in particular Europe, have become subject to an expanding body of regulation, some of which is complex and prescriptive. Governmental regulators and other authorities in Europe have proposed or implemented a number of initiatives and additional rules and regulations that could adversely affect our business. These include rules and regulations in the United Kingdom (" UK ") that are applicable to our subsidiaries established in the UK, as well as, or in addition to, rules and regulations implemented under European Union (" EU ") directives or regulations, which generally have application throughout the European Economic Area (" EEA ") but may also have substantive differences among EU countries as they are implemented pursuant to each member state' s legislative process. In the UK, the principal legislation regulating financial services is the Financial Services and Markets Act 2000 (the " FSMA ") and the principal European **pieces of** legislation affecting the conduct of our business in the EU is implemented under the Markets in Financial Instruments Directive (" MiFID ") and the Alternative Investment Fund Managers Directive (" AIFMD "), although there are **also** a number of other pieces of legislation both in the UK and the EU that affect our business, such as the General Data Protection Regulation (and its UK equivalent). The FSMA rules and EU laws that have either been adopted into UK law in connection with the UK' s withdrawal from the EU (e. g., the Markets in Financial Instruments Regulation) or already implemented in the UK through domestic legislation or regulatory rules prior to such withdrawal (e. g., MiFID and AIFMD), comprehensively regulate the provision of most aspects of our asset management and advisory business in the UK, including sales, research and trading practices, provision of investment advice, corporate finance, dealing, use and safekeeping of client funds and securities, record keeping, margin practices and procedures, ~~approval standards for individuals,~~ anti- money laundering, periodic reporting, settlement procedures, securitization, derivative trading, prudential capital requirements, data protection ~~, sustainable finance~~ , and interest rate benchmarks. Legislation not yet in effect and future legislative initiatives will impact our business. See Item 1A " Risk Factors — Risks Related to Regulation and Litigation — Regulatory initiatives in jurisdictions outside the United States could adversely affect our business. " CECP Advisors LLP (" CECP "), one of our subsidiaries in the UK, is authorized under the FSMA and regulated by the Financial Conduct Authority (the " FCA "). CECP has permission to undertake certain ~~corporate finance~~ **investment advisory and related** activities in the UK — broadly these are advising on, and arranging deals in relation to certain types of, investments. CECP is only permitted to carry out these activities in relation to eligible counterparties and professional clients. CELF Advisors LLP (" CELF "), another one of our subsidiaries in the UK, is also authorized and regulated by the FCA, but has permission to undertake a broader range of regulated activities than CECP, namely, arranging deals in investments, advising on investments, managing investments, dealing in investments as agent, and arranging for the **25** safeguarding and administration of assets. CELF is only permitted to carry out these activities in relation to eligible counterparties and professional clients **. In August 2023, we completed the submission of an application for authorization to the FCA for AlpInvest Partners LLP to carry on investment advisory and related activities, including advising on and arranging deals in relation to certain types of investments in relation to eligible counterparties and professional clients. This application remains subject to FCA approval** . In 2022, we acquired Abingworth LLP (" Abingworth "), which is authorized and regulated by the FCA, with permissions for establishing, operating **,** or winding up a collective investment scheme, and managing an unauthorized AIF. Abingworth is only permitted to carry out these activities in relation to eligible counterparties and professional clients. Also in 2022, CECP appointed CIC Advisors LLP (" CIC ") as an appointed representative. Under the arrangement, CECP, as the principal of CIC, has accepted regulatory responsibility for CIC of carrying out the activities of advising on investments and arranging deals in investments. Under the appointed representative arrangement, CIC is only permitted to carry out these activities in relation to eligible counterparties and professional clients. Following the UK' s exit from the EU on January 31, 2020, and the end of the Brexit transition period on December 31, 2020, EEA passporting rights (which previously entitled CECP and CELF to provide certain investment services in or into the EEA on a cross- border basis and Abingworth to market its funds in the EEA on a cross- border basis) are no longer available to CECP, CELF **,** and Abingworth. Certain EEA investor- facing activities previously carried on by those firms have been reorganized such that they are now performed by different, EEA- established, affiliates under alternative licensing arrangements, and this may continue to change in the future. These arrangements may subject us to additional regulatory obligations and may impede our ability to raise capital from EEA investors. The UK and the EU announced, on December 24, 2020, that they have reached agreement on a ~~new~~ Trade and Cooperation Agreement (the " TCA "), which addresses the future relationship between the parties. The TCA was approved by the UK Parliament on December 30, 2020. **The** ~~Due to the~~ TCA ~~only being agreed shortly before the end of the transition period, it applied on a provisional basis in the EU until it~~ was formally ratified by the European Parliament and has applied permanently ~~from~~ **since** May 1, 2021. However, the TCA does not substantively address future cooperation in the financial services sector or reciprocal market access into the EU by UK- based firms under equivalence arrangements or otherwise. Nevertheless, ~~as a new agreement,~~ the implications and operations of the TCA may be subject to change and / or develop on short notice. In addition, the Temporary Marketing Permission Regime (the " TMPR ") ~~allows~~ **allowed EU** AIFMs to continue to market in the UK those funds that were in existence on December 31, 2020, on broadly the same terms as previously applied. **The** ~~Unless extended, the~~ TMPR ~~expires~~ **expired** on December 31, 2023. Any marketing of a new fund coming into existence after December 31, 2020, must be under the UK' s national private placement regime. Certain of our European subsidiaries are subject to compliance requirements in connection with AIFMD, which regulates alternative investment fund managers (" AIFMs ") established in the EEA that manage alternative investment funds (" AIFs "). In the UK, a retained version of the AIFMD exists. The AIFMD also regulates and imposes regulatory obligations in respect of the marketing in the EEA by AIFMs (whether established in the EEA or elsewhere) of AIFs (whether established in the EEA or elsewhere). The AIFMD generally became effective in countries across the EEA in 2014. Currently, Carlyle has three authorized AIFMs in the EEA: AlpInvest, CIM Europe S. a. r. l. (" CIM Europe ") **,** and Carlyle Real Estate SGR S. p. A. In the UK, Abingworth is authorized under the UK retained version of AIFMD. The AIFMD imposes significant regulatory requirements on AIFMs. The AIFMD regulates fund managers by, among other things, prescribing authorization conditions for

an AIFM, restricting the activities that can be undertaken by an AIFM, prescribing the organizational requirements, operating conditions, and regulatory standards relating to such things as initial capital, remuneration, conflicts, risk management, leverage, liquidity management, delegation of duties, transparency **,** and reporting requirements. The AIFMD has the potential to restrict Carlyle' s fund marketing strategy and places additional compliance obligations on its authorized AIFMs in the form of, among other things, remuneration policies, capital requirements, reporting requirements, leverage oversight **,** and liquidity management. Authorized AIFMs are entitled to market their AIFs throughout the EEA under a marketing passport. Under the AIFMD, an AIFM may, in addition to its fund management activity, also be authorized to provide certain investment services that would otherwise require authorization under MiFID. Authorization under the AIFMD is currently available only to EEA fund managers. AlpInvest obtained authorization as an AIFM from the Authority for Financial Markets in the Netherlands (the " AFM ") in 2015. AlpInvest is also licensed by the AFM to provide some of the additional investment services that are otherwise generally reserved to MiFID firms. CIM Europe obtained authorization as an AIFM in Luxembourg in early 2018 **. CIM Europe has also submitted a regulatory application to the Luxembourg regulator on December 21, 2023, to add additional MiFID investment services to its license, which is pending regulatory approval** . Carlyle Real Estate SGR S. p. A. registered at the Bank of Italy' s AIFM register under no. 127 in 2017. The AIFMD allows member states to permit marketing within their member state by non- EEA fund managers (under what are known as national private placement regimes), provided the local law imposes certain minimum requirements. Member states may impose more stringent requirements. At present, some EEA states have chosen not to operate a national **26** private placement regime at all ~~;~~**,** some EEA states apply the minimum requirements ~~;~~**,** others require the minimum plus a few additional requirements (e. g., the appointment of a depository) ~~;~~**,** and some require compliance with substantially all of the AIFMD. Certain of Carlyle' s funds are currently offered in selected member states of the EEA in accordance with the national private placement regimes of the relevant EEA jurisdiction. ~~In 2017~~ **On November 10** , **2023,** the ~~European Commission started a review of AIFMD. The~~ European Commission published a ~~report on the operation of~~ **near- final directive amending** the AIFMD ~~in January 2019, which identified certain areas requiring further analysis. A subsequent report on the application and scope of the AIFMD was published in June 2020. Following these reports, the European Commission launched a public consultation relating to its review of the AIFMD in October 2020, which closed on January 29, 2021. In November 2021, the European Commission published draft legislation~~ , commonly referred to as " AIFMD II. " ~~The European Commission' s draft legislation proposed~~ **Assuming AIFMD II is adopted promptly and published in the Official Journal without delay in 2024, most of the changes will come into effect in 2026, subject to some grandfathering periods for certain requirements. AIFMD II imposes** a number of amendments to the AIFMD, including more onerous delegation requirements, enhanced substance requirements, additional liquidity management provisions for AIFMs to the extent that they manage open- ended AIFs, and revised regulatory reporting and investor disclosures requirements. ~~The draft proposed~~ **It also imposes** significant new requirements relating to the activities of funds that originate loans **(which may affect a number of our funds),** including new restrictions on the structure that such funds may take **and leverage limits for funds with material loan origination activities** . In addition, **AIFMD II** ~~the draft proposed to introduce~~ **introduces** new conditions for non- EEA AIFMs, such as certain of our ~~US~~ **U. S.** affiliates, to be able to make use of the national private placement regimes of EEA states, including a condition that the jurisdiction of neither of the AIFM and AIF have been identified as non- cooperative third countries for tax purposes nor deemed by the EU not to comply fully with the standards laid down in Article 26 of the OECD Model Tax Convention on Income and on Capital and thereby to ensure an effective exchange of information in tax matters. This gives rise to a risk that certain of our AIFs may not be able to take advantage of such regimes to raise capital from EEA investors, potentially with little notice. **Given the significance of** AIFMD II **as well as** ~~is~~ **its potential** ~~currently passing through the EU ordinary legislative process, involving scrutiny and amendment by the European Council and the European Parliament. Agreement on the legislation between the European Commission, European Council and European Parliament is expected to be reached during 2023, after which the final shape of the new regime, and any~~ impact on ~~us~~ **the European fund industry framework, we continue to consider its potential impact on** ~~or~~ **our** ~~our subsidiaries~~ **business. Compliance with AIFMD II may** , **among other things, increase the cost and complexity of raising capital, may slow the pace of fundraising, limit operations, increase operational costs, and disadvantage our investment funds as bidders for and potential owners of private companies located in the EEA when compared to non- AIF / AIFM competitors. The changes in AIFMD II** will **not** be ~~clearer. The new regime will~~ **replicated in the UK, but the FCA has indicated that there may be** ~~come~~ **some targeted relaxation of the UK AIFMD requirements** ~~into force two years after this final agreement is reached and fully approved with implementation currently expected in 2025~~ . In August 2021, Directive (EU) 2019 / 1160 and Regulation (EU) 2019 / 1156 (the " Cross- Border Marketing Rules ") came into force in the ~~EU~~ **European Union** . The Cross- Border Marketing Rules were introduced to streamline certain aspects of marketing investment funds by harmonizing the ability for EU AIFMs to distribute AIFs across the EU, including by introducing a new regime for " pre- marketing. " Moreover, these regulations also impose new restrictions and new obligations on fund managers that are pre- marketing their funds in the ~~EU~~ **European Union** . ~~Further~~ **Moreover** , some EU member states (but not all) also apply, or intend to apply, certain of the Cross- Border Marketing Rules to non- EU fund managers (including UK and U. S. fund managers) in relation to the process of marketing of their funds. Accordingly, our ability to market our funds in ~~EU~~ **the European Union** will vary from country to country notwithstanding this pan- EU regulation. As outlined above, certain of our European subsidiaries, notably CECP, CELF **,** and CIC in the ~~UK~~ **United Kingdom** , must comply with the regulatory framework established by MiFID (including as retained in the UK), which regulates the provision and conduct of investment services and activities throughout the EEA. Certain aspects of MiFID also apply to AlpInvest by virtue of its MiFID " top up " permission as part of its AIFMD authorization **and, subject to regulatory approval, will also apply to CIM Europe** . MiFID prescribes detailed requirements governing the organization and business conduct of investment firms, regulated markets **,** and certain other entities such as credit institutions to the extent they perform investment services or activities. The

latest iteration of MiFID, Directive 2014 / 65 / EU (“ MiFID II ”) together with the accompanying Regulation (EU) No 600 / 2014 (the “ Markets in Financial Instruments Regulation ” or “ MiFIR ”), extended the MiFID requirements in a number of areas and require investment firms to comply with more prescriptive and onerous obligations in relation to such things as: costs and charges disclosure, product design and governance, the receipt and payment of inducements, the receipt of and payment for investment research, suitability and appropriateness assessments, conflicts of interest, record- keeping, best execution, transaction and trade reporting, remuneration, training and competence **,** and corporate governance. Failure to comply with MiFID II and its associated legislative acts could result in sanctions from national regulators, the loss of market access **,** and a number of other adverse consequences **,** which would have a detrimental impact on our business. Although the UK has now withdrawn from the EU, its rules implementing MiFID continue to have effect and MiFIR has been adopted into UK law (subject to certain amendments to ensure it operates properly in a UK- specific context) in connection with this withdrawal. **In August 2022, the EU introduced amendments to MiFID II. The key requirement is that EU MiFID firms who are providing financial advice and portfolio management need to carry out a mandatory assessment of the sustainability preferences of their clients. Broadly, sustainability preferences address taxonomy alignment, Sustainable Finance Disclosure Regulation (“ SFDR ”) sustainable investment alignment, and consideration of principal adverse impacts. EU MiFID firms must take these into account in the selection process of financial products. 27** The UK ~~has~~ introduced a ~~new~~ prudential regulatory framework for UK investment firms (the “ Investment Firm Prudential Regime ” or the “ IFPR ”), which is closely based on an equivalent regulatory framework introduced at the EU- level through the EU Investment Firm Regulation and Investment Firm Directive (together **,** “ IFR / IFD ”). The IFPR took effect from January 1, 2022, and applies to our subsidiaries that are UK investment firms under MiFID II, namely CECP ~~and~~ **,** CELF **, and subject to FCA approval, AlpInvest Partners LLP** . Under the IFPR, among other requirements, both CECP and CELF **, and subject to FCA approval, AlpInvest Partners LLP,** are required to maintain a more onerous policy on remuneration, set an appropriate ratio between the variable and fixed components of total remuneration **,** and meet requirements on the structure of variable remuneration. These requirements may make it more difficult for us to attract and retain staff **in certain circumstances** . Importantly, the broad discretion for UK firms that used to be available to disapply certain remuneration rules on the basis of “ proportionality ” does not apply in relation to IFPR. Under IFPR, CECP **,** and CELF ~~will~~ **, and subject to FCA approval, AlpInvest Partners LLP, are** each **required to** also ~~have to~~ make public ~~disclosure~~ **disclosures** on their websites in relation to their (i) own funds, own funds requirements **,** and governance structures; (ii) risk management; and (iii) remuneration **,** ~~. The new public disclosure requirements mandate more detail~~ including quantitative information on remuneration paid to staff. IFPR has resulted in increased regulatory capital and liquidity adequacy requirements for CECP **,** in particular **,** and may continue to increase the costs of doing business and may impede intra- group capital and cash flows. In the EU, IFR / IFD took effect from June 26, 2021 **,** and represents a complete overhaul of “ prudential ” regulation in the EU and substantially increases regulatory capital requirements for certain investment firms and imposes more onerous remuneration rules, and revised and extended internal governance, disclosure, reporting, liquidity, and group “ prudential ” consolidation requirements ~~(~~ **,** among other things ~~)~~ . IFR / IFD affects AlpInvest, one of our subsidiaries, ~~since~~ **because** it is an AIFM in the Netherlands with top- up permissions to provide investment services. In particular, as AlpInvest’ s assets under management attributable to separate accounts regulated by MiFID II ~~(as defined below)~~ increases so will AlpInvest’ s regulatory capital and liquidity adequacy requirements, which may increase the costs of doing business and may impede intra- group capital and cash flows. **It is possible that in the future, CIM Europe may also have to comply with IFR / IFD in relation to its MiFID top- up permissions; however, Luxembourg does not currently apply the regime to AIFMs with MiFID top- ups.** The UK ~~is~~ **has** ~~introduceing~~ **introduced** an important and substantial regime, the “ Consumer Duty, ” designed to improve outcomes for retail investors, ~~aspects of~~ which ~~will begin~~ **began** to apply **to funds that are open** from July 31, 2023 **, and will begin to apply to funds that are closed from July 31, 2024** . Although Carlyle entities do not generally deal with consumers in the ordinary sense, the regime may ~~potentially~~ apply to certain of our ~~future~~ funds **unless Carlyle can rely on** ~~. On December 2, 2022, the FCA published a consultation proposal that would, if implemented, remove~~ an important exemption ~~that is currently~~ **from the regime for products with certain minimum denomination. This exemption has been called into question by the FCA previously but continues to be** available to asset managers of investment funds ~~and potentially~~ **. If removed, this could** make the impact of the Consumer Duty more significant and widespread **and** ~~. This could~~ have important implications for Carlyle entities if they are unable to rely on another exemption. We ~~will~~ **intend to** continue to work closely with external counsel and advisors to monitor ~~these~~ **any** developments. Other ~~Jurisdictions~~ **JurisdictionsCertain** ~~Certain~~ of our subsidiaries are subject to registration and compliance with laws and regulations of non- U. S. governments, their respective agencies **,** and / or various self- regulatory organizations or exchanges relating to, among other things, investment advisory services and the marketing of investment products, and any failure to comply with these regulations could expose us to liability and / or damage our reputation. Certain of our private funds are also required to comply with the trading and disclosure rules and regulations of non- U. S. securities regulators. The Organization for Economic Cooperation and Development (the “ OECD ”) has developed Common Reporting Standard (“ CRS ”) rules for the automatic exchange of FATCA- like financial account information amongst OECD member states. Like FATCA, CRS imposes certain due diligence, documentation **,** and reporting requirements on various Carlyle entities. While CRS does not contain a potential withholding requirement, ~~non- compliance~~ **noncompliance** could subject Carlyle to certain reputational harm and potential financial penalties. Carlyle Hong Kong Equity Management Limited is licensed by the Hong Kong Securities and Futures Commission to carry on Type 1 (dealing in securities) regulated activity in respect of professional investors. Carlyle Asia Limited is licensed by the Hong Kong Securities and Futures Commission to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities in respect of professional investors. ~~Carlyle Global Credit (HK)~~ **In connection with its continued expansion in Asia, AlpInvest is also seeking an investment advisory license for AlpInvest Partners** Limited **from** ~~is licensed by~~ the Hong Kong Securities and Futures Commission ~~to~~ **for the** ~~carry~~ **carrying**

out of ~~on Type 1 (dealing in securities) and~~ Type 4 ~~(~~ **“** advising on securities ~~)~~ **”** regulated activities **, which is expected to be granted** in ~~respect~~ **the first quarter** of **2024** ~~professional investors~~ . Carlyle Mauritius Investment Advisor Limited and Carlyle Mauritius CIS Investment Management Limited are licensed providers of investment management services in the Republic of Mauritius and are subject to applicable Mauritian securities laws and the oversight of the Financial Services Commission. Carlyle Mauritius Investment Advisor Limited holds a “ Foreign Institutional Investor ” license from the Securities and Exchange Board of India, which entitles this entity to engage in limited activities in India. Carlyle Mauritius CIS Investment Management Limited holds a “ Qualified Foreign Institutional **28** Investor ” license from the China Securities Regulatory Commission, which entitles this entity to invest in certain permitted financial instruments (including equity) and derivatives traded or listed on exchanges in the Peoples Republic of China. Carlyle Australia Equity Management Pty Limited is licensed by the Australian Securities and Investments Commission as an Australian financial services licensee and is authorized to carry on a financial services business to provide advice on and deal in financial products (managed investment schemes and securities) for wholesale clients. Carlyle Japan Equity Management **LLC** ~~L. L. C.~~ (“ CJEM ”) is registered with the Financial Services Agency of Japan to carry out Type II Financial Instruments Business as a ~~Japanese~~ **Financial Instruments Business Operator and it is also a member of the the** Type II Financial Instruments **Firms Association** ~~Business Operator and it is also a member of the T2FIFA~~ , a self- regulatory organization in Japan. Pursuant to this registration, CJEM is permitted to perform marketing activities to and private placements for specified investors with respect to interests in a limited partnership. Carlyle **Japan, LLC (“ CJLLC ”) is registered with the Financial Services Agency of Japan to carry out Investment Advisory and Agency Business as a Financial Instruments Business Operator and it is also a member of Japan Investment Advisers Association, a self- regulatory organization in Japan. Pursuant to this registration, CJLLC is permitted to carry out investment advisory and agency business as defined by the Financial Instruments and Exchange Act of Japan. Carlyle** MENA Investment Advisors Limited, a company limited by shares in the Dubai Financial Centre, holds a Category 3C license issued by the Dubai Financial Services Authority and is authorized to arrange credit or deal in investments, advise on financial products or credit and manage collective investment funds. Carlyle MENA Advisors Limited, a company limited by shares in the Abu Dhabi Global Market, is authorized by the Abu Dhabi Financial Services Regulatory Authority and is authorized to arrange deals in investments, advise on investments or credit **,** and manage collective investment funds. Carlyle Singapore Investment Advisors Pte Limited holds a capital markets license and an exempt financial adviser status with the Monetary Authority of Singapore to carry on fund management and dealing in regulated capital market products activities in respect of institutional and accredited investors. ~~In addition, we expect~~ AlpInvest Partners Pte Limited **holds** ~~to receive~~ a ~~similar~~ **capital markets** license ~~and status~~ with the Monetary Authority of Singapore **to carry on fund management activities in respect of institutional and accredited investors** . Carlyle Real Estate SGR S. p. A. holds an authorization from the Bank of Italy to carry on AIFMD- compliant fund management and real estate activities. It is registered at the Bank of Italy’ s AIFM register under no. 127. Carlyle Investments (Canada) Corporation, formerly Diversified Global Asset Management Corporation, holds an exempt market dealer license with Ontario Securities Commission to facilitate certain Carlyle fund marketing activities in Canada. AlpInvest is registered as a cross- border discretionary investment management company with the Financial Supervisory Service of South Korea. Carlyle CLO Management LLC is registered as a cross- border discretionary investment management company with the Financial Supervisory Service of South Korea. An investment fund advised by us holds an indirect controlling interest in Fortitude Re **and Fortitude International Reinsurance Ltd. (“ Fortitude International Re ”)** , ~~a~~ Bermuda ~~company~~ **companies** registered as a Class 4 and Class E ~~insurer~~ **insurers** . Fortitude Re ~~is~~ **and Fortitude International Re are** subject to regulation and supervision by the Bermuda Monetary Authority (the “ BMA ”) and compliance with all applicable Bermuda law and Bermuda insurance statutes and regulations, including but not limited to the Insurance Act of 1978 (Bermuda) and the rules and regulations promulgated thereunder (the “ Bermuda Insurance Act ”). In addition, as a result of ownership of Fortitude by our investment fund, certain Carlyle affiliates that serve as general partner and investment advisor to the fund are subject to certain insurance laws and regulations in Bermuda as a “ controller ” of Fortitude **Re and Fortitude International** Re under the Bermuda Insurance Act. These laws and regulations include certain notice requirements for any person that has become, or as a result of a disposition ceased to be, a shareholder controller of a registered insurer, and failure to comply with such requirements is an offense punishable by law. In addition, we and / or our affiliates and subsidiaries may become subject to additional regulatory demands in the future to the extent we expand our investment advisory business in existing and new jurisdictions. There are also a number of pending or recently enacted legislative and regulatory initiatives in the United States and around the world that could significantly impact our business. See Item 1A “ Risk Factors — Risks Related to Regulation and Litigation — Extensive regulation in the United States and abroad affects our activities, increases the cost of doing business and creates the potential for significant liabilities and penalties, ” “ Financial regulations and changes thereto in the United States could adversely affect our business and the possibility of increased regulatory focus could result in additional burdens and expenses on our business **,** ” and “ Regulatory initiatives in jurisdictions outside the United States could adversely affect our business. ” **29** Our businesses have operated for many years within a framework that requires our being able to monitor and comply with a broad range of legal and regulatory developments that affect our activities **,** and we take our obligation to comply with all such laws, regulations **,** and internal policies seriously. Our reputation depends on the integrity and business judgment of our employees **,** and we strive to maintain a culture of compliance throughout the firm. We have developed, and adhere to, compliance policies and procedures such as codes of conduct, compliance systems, education **,** and communication of compliance matters. These policies focus on matters such as insider trading, anti- corruption, document retention, conflicts of interest, anti- money laundering **,** and other matters. Our legal and compliance team monitors our compliance with all of the legal and regulatory requirements to which we are subject and manages our compliance policies and procedures. Our legal and compliance team also monitors the information barriers that we maintain to restrict the flow of confidential information, including material ~~,~~ **non-** ~~nonpublic~~ --- **public** information, across our business. Our enterprise risk

management function analyzes our operations and investment strategies to identify key risks facing the firm and works closely with the legal and compliance team to address them. The firm also has an independent and objective ~~internal~~ **Internal** ~~audit~~ **Audit** department that employs a risk- based audit approach that focuses on Sarbanes- Oxley compliance, enterprise risk management functions **,** and other areas of perceived risk and aims to give management and our Board of Directors reasonable assurance that our risks are well- managed **,** and controls are appropriate and effective. Website **, Social Media Disclosure,** and Availability of SEC ~~Filings~~ **FilingsOur** ~~Our~~ website address is www. carlyle. com. We make available free of charge on our website or provide a link on our website to our Annual Report on Form 10- K, Quarterly Reports on Form 10- Q **,** and Current Reports on Form 8- K, and any amendments to those reports filed or furnished pursuant to Section 13 (a) or 15 (d) of the Exchange Act, as soon as reasonably practicable after those reports are electronically filed with, or furnished to, the SEC. To access these filings, go to the " SEC Documents " portion of our " Shareholders " page on our website. You may also access the reports and other documents we file with the SEC at a website maintained by the SEC at www. sec. gov. We use our website (www. carlyle. com), our corporate Facebook page (www. facebook. com / onecarlyle), our corporate ~~Twitter~~ **X** account (@ OneCarlyle or www. twitter. com / onecarlyle), our corporate Instagram account (@ onecarlyle or www. instagram. com / onecarlyle), our corporate LinkedIn account (www. linkedin. com / company / the- carlyle- group), our corporate YouTube channel (www. youtube. com / user / onecarlyle), and our corporate WeChat account (ID: gh_3e34f090ec20) as channels of distribution of material company information. For example, financial and other material information regarding our company is routinely posted on and accessible at www. carlyle. com. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings **,** and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about Carlyle when you enroll your email address by visiting the " Email Alerts " section at http: / / ir. carlyle. com / email- alerts. The contents of our website and social media channels are not, however, a part of this Annual Report on Form 10- K and are not incorporated by reference herein. The Carlyle Group Inc. was formed in Delaware as a partnership on July 18, 2011, and converted to a corporation on January 1, 2020. Our principal executive offices are located at 1001 Pennsylvania Avenue, NW, Washington, D. C. 20004- 2505. ITEM 1A. RISK ~~FACTORS~~ **FACTORSRisks Related to Our CompanyAdverse economic and market conditions and other events or conditions throughout the world could negatively impact our business in many ways, including by reducing the value or performance of the investments made by our investment funds and reducing the ability of our investment funds to raise capital, any of which could materially reduce our revenue, earnings, and cash flow and adversely affect our financial prospects and condition.** Our business and the businesses of the companies in which we invest are materially affected by conditions in the global financial markets, and economic conditions or other events throughout the world that are outside of our control, including, but not limited to, changes in interest rates, availability and cost of credit, inflation rates, availability and cost of energy, economic uncertainty, slowdown in global growth, changes in laws (including laws relating to taxation and regulations on the financial industry), disease, pandemics or other severe public health events, trade barriers, commodity prices, currency exchange rates and controls, national and international political circumstances (including government shutdowns, wars, terrorist acts or security operations), geopolitical tensions and instability, social unrest, supply chain pressures, and the effects of climate change. Over the last several years, markets have been affected by the COVID- 19 pandemic, significant increases in U. S. interest rates, inflationary pressures, heightened geopolitical tensions (including those between the U. S. and China, China and Taiwan, **Israel and Hamas,** and between Russia and Ukraine), the imposition of export controls and trade barriers, the imposition of economic and political sanctions (upon specific individuals or companies and country, industry and sector wide restrictions), ongoing trade negotiations with major U. S. trading partners **,** and changes in U. S. tax regulations. **30** In this respect, our investment funds focused on Asia, and portfolio companies within non- Asia investment funds with significant operations or connectivity and reliance on Asia companies, and listed securities or debt instruments of companies or industries, could be impacted by any disruptions to the global supply chain that may result from escalating tensions, disputes **,** or potential conflicts in the region surrounding the Taiwan Strait. The resulting actions taken, the response of the international community **,** and other factors affecting trade with China or political or economic conditions in Taiwan could disrupt the manufacture of multiple business critical products or hardware components, including specifically semiconductors and these events may impact entire sectors and industries regardless of their business proximity to the Taiwan Strait. For example, in the event that such conditions impact suppliers, contract manufacturers, logistics providers, and / or distributors, this could lead to adverse business and trading conditions, including material and long- term increases in the cost of materials, higher shipping and transportation rates, **and** material ~~impact~~ **impacts** or delays on the delivery of products to and from impacted regions, which could adversely affect the business and operations of portfolio companies within and outside Asia, including their revenues and financial results. These conditions, events, and factors are outside our control and may affect the level and volatility of securities prices and the liquidity and the value of investments, and we may not be able to or may choose not to manage our exposure to them. In the event of a market downturn, each of our businesses could be affected in different ways. Over the twelve months ending **on** December 31, ~~2022~~ **2023** , the S & P 500 ~~fell~~ **rose** by ~~19~~ **24** . ~~4~~ **2** %, while the MSCI All Country World Index (MSCI) ~~fell~~ **increased** by ~~19~~ **20** . ~~8~~ **1** %. Global markets **strengthened despite persistent** ~~struggled in the face of rapidly rising~~ inflation, ~~a sharp and~~ hawkish ~~shift in~~ monetary policy, and geopolitical concerns **,** such as Russia' s ~~invasion of~~ **ongoing war with** Ukraine **. However, aggressive and synchronized tightening by central banks has posed** ~~and~~ - **an** ~~China' s rolling pandemic- related~~ - **elevated** ~~restrictions. Market losses~~ **risk to further global expansion, as positive impulses** are ~~concentrated at both ends of~~ **likely to fade due to** the ~~risk spectrum where valuations~~ **time lags in which monetary policy affects economic activity and inflation. While policy rates** have **likely reached** ~~been richest. The prices of speculative equities most exposed to interest rate risk — namely, those of companies with cash flows weighted far into the~~ **their terminal level** ~~future — were down 40 % in 2022; at the same time~~ , **market participants remain uncertain about how long** ~~low risk investment grade bonds were down 19 % as well. In general, higher~~ interest rates **will stay near current levels. Central banks** have **reiterated that** ~~negative implications~~

~~for (1) fixed rate bond markets and (2) tech and high growth sector assets. In both cases~~ , ~~higher discount rates negatively impact the value of future cash flows~~ **although underlying macroeconomic conditions have moderated, inflation remains elevated above targets** . Factors that impact global markets, including inflation, interest rates, regulatory **,** and political environments, can be unpredictable and investor sentiment could change quickly in the future while market volatility could accelerate in the face of negative macro or geopolitical developments. If global markets become unstable, it is possible sellers **of assets** may readjust their valuations and attractive investment opportunities may become available. On the other hand, the valuations of certain assets we planned to sell in the near future could be negatively impacted, as well as the valuations of our portfolio companies and **,** as a result, our accrued performance revenues. Market volatility could adversely affect our fundraising efforts in several ways. Investors often allocate to alternative asset classes (including private equity) based on a target percentage of their overall portfolio. If the value of an investor' s portfolio decreases as a whole, the amount available to allocate to alternative assets (including private equity) could decline. In addition, investors often evaluate the amount of distributions they have received from existing funds when considering commitments to new funds. Investors may also weigh the likely impact of geopolitical tensions, cross- border regulations **,** and other factors such as general market volatility and / or a reduction in distributions to investors when considering their allocations to new investment funds. A decrease in the amount an investor commits to our funds could have an impact on the ultimate size of our funds and amount of management fees we generate. The availability and cost of financing for significant acquisition and disposition transactions could be impacted if equity and credit markets experience heightened volatility. For example, in the United States, ~~equity~~ market volatility persisted throughout ~~2022~~ **2023** , as ~~relentlessly~~ **persistently** high inflation ~~readings~~ motivated the U. S. Federal Reserve to ~~aggressively increase~~ **continue raising** short- term interest rates. Over the twelve months ending December 31, ~~2022~~ **2023** , 10- year Treasury yields ~~rose 235~~ **were volatile, peaking at 110** basis points (bps) **higher than year- end 2022, but ultimately ending the year at the same level,** and high yield credit spreads ~~widened by 265~~ **remained wide at 339** bps ~~and~~ **.** ~~obtaining~~ **Obtaining** financing in both the high yield bond market and the leveraged loan market is currently challenging. If credit markets weaken further in the future, it is possible that we and our investment funds may not be able to consummate significant acquisition and disposition transactions on acceptable terms or at all if we or our funds are unable to finance these types of transactions on attractive terms or if the counterparty to the transaction is unable to secure suitable financing. Global merger and acquisition volume totaled $ ~~3~~ **2** . ~~8~~ **9** trillion in ~~2022~~ **2023** , a ~~36~~ **21** % decline from ~~2021~~ **2022** . If there is a continued slowdown in global merger and acquisition activity due to the lack of availability of suitable financing or an increase in risk aversion and uncertainty, this could cause a slowdown in our investment pace, which in turn could have an adverse impact on our ability to generate future performance revenues and to fully invest the available capital in our funds and reduce opportunities to exit and realize value from our fund investments. A slowdown in the deployment of our available capital could impact the management fees we earn on those carry funds and managed accounts that generate fees based on invested (and not committed) capital. A slowdown in the deployment of our available capital could also adversely affect our ability to raise and the timing of raising successor investment funds. In ~~2022~~ **2023** , we invested nearly $ ~~35~~ **20** billion through our carry funds. **31** The current U. S. political environment and the resulting uncertainties regarding actual and potential shifts in U. S. foreign investment, trade, taxation, economic, environmental **,** and other policies under the current ~~Administration~~ **administration** , as well as the impact of geopolitical tension, such as a deterioration in the bilateral relationship between the **United States** ~~U. S.~~ and China or a further escalation in conflict between Russia and Ukraine **or Israel and Hamas** , could lead to disruption, instability **,** and volatility in the global markets, which may also have an impact on our exit opportunities across negatively impacted sectors or geographies. The consequences of previously enacted legislation could also impact our business operations in the future. For example, bipartisan legislation enacted in August 2018 has significantly increased and may continue to significantly increase the number and types of investment transactions that are subject to the jurisdiction of the Committee on Foreign Investment in the United States (" CFIUS "). Under the final regulations implementing the reform legislation, which became effective in October 2020, CFIUS has the authority to review, and potentially recommend that the President unwind, block **,** or impose conditions on certain non- controlling foreign investments in U. S. businesses that deal in certain ways with " critical technology, " " critical infrastructure **,** " and / or " sensitive personal data " of U. S. citizens (as those terms are defined in the regulations). CFIUS' expanded jurisdiction may reduce the number of potential buyers of and investors in U. S. companies and, accordingly, may limit the ability of our funds to realize value and / or exit from certain existing and future investments. Our flexibility in structuring or financing certain transactions may likewise be constrained and we are unable to predict whether and to what extent uncertainty surrounding economic and market conditions or adverse conditions or events in particular sectors may cause our performance to suffer. The current ~~Administration~~ **administration** may also pursue tax policies seeking to increase the corporate tax rate and further limit the deductibility of interest and compensation, or materially alter the taxation of capital gains, among other things. Such changes could materially increase the taxes imposed on us or our funds' portfolio companies. See " Risks Related to Taxation — Changes in relevant tax laws, regulations **,** or treaties or an adverse interpretation of these items by tax authorities could negatively impact our effective tax rate, tax liability **,** and / or the performance of certain funds should unexpected taxes be assessed to portfolio investments (companies) or fund income. " In addition, negative public sentiment could lead to heightened scrutiny and criticisms of our business and investments. During periods of difficult market conditions or slowdowns (which may occur across one or more industries or geographies), our funds' portfolio companies may experience adverse operating performance, decreased revenues, financial losses, credit rating downgrades, difficulty in obtaining access to financing **,** and increased funding costs. Negative financial results in our funds' portfolio companies may result in less appreciation across the portfolio and lower returns in our funds. Because our investment funds will generally make a limited number of investments, and such investments generally involve a high degree of risk, negative financial results in a few of an investment fund' s portfolio companies could severely impact the fund' s total returns. This could materially and adversely affect our ability to raise new funds as well as our operating results and cash flow. During such periods of weakness, our funds' portfolio companies may

also have difficulty expanding their businesses and operations or meeting their debt service obligations or other expenses as they become due, including expenses payable to us. In addition, such negative market conditions could potentially result in a portfolio company entering bankruptcy proceedings, or in the case of certain real estate funds, the abandonment or foreclosure of investments, thereby potentially resulting in a complete loss of the fund' s investment in such portfolio company or real assets and a significant negative impact to the fund' s performance and consequently our operating results and cash flow, as well as to our reputation. Negative market conditions could also increase the risk of default with respect to investments held by our funds that have significant debt investments, such as our Global Credit funds. Moreover, as capital markets activity slows, we may experience a corresponding reduction in the capital markets fees we earn through Carlyle Global Capital Markets (" GCM ") in connection with activities related to the underwriting, issuance **,** and placement of debt and equity securities. ~~Finally~~ **In addition** , during periods of difficult market conditions or slowdowns, the valuations of the investments in our carry funds could suffer. If we were to realize investments at these lower values **,** we may not achieve investment returns in excess of return hurdles required to realize performance revenues or we may become obligated to repay performance revenues previously received by us. The payment of less or no performance revenues could cause our cash flow from operations to significantly decrease, which could materially and adversely affect our liquidity position and the amount of cash we have on hand to conduct our operations and to dividend to our stockholders. The generation of less performance revenues could also impact our leverage ratios and compliance with our term loan covenants. Having less cash on hand could in turn require us to rely on other sources of cash (such as the capital markets, which may not be available to us on acceptable terms or at all) to conduct our operations, which include, for example, funding significant general partner and co- investment commitments to our carry funds. In addition, during adverse economic and market conditions, we ~~might~~ **may** not be able to renew or refinance all or part of our credit facility or find alternate financing on commercially reasonable terms. As a result, our uses of cash may exceed our sources of cash, thereby potentially affecting our liquidity position. ~~In 2020, the~~ **32 Another pandemic or** global ~~outbreak of COVID- 19 spread to every country and every state in the United States. The World Health Organization designated COVID- 19 as a pandemic, and numerous countries, including the United States, declared national emergencies with respect to COVID- 19. While vaccines have been approved and deployed, the global impact of the outbreak continues to adversely impact many industries and different geographies continue to be impacted by the effects of public~~ health **crisis like** ~~restrictions in various ways. The International Monetary Fund estimates that aggregate output for advanced economies may have returned to pre- pandemic trend levels in 2022, whereas output for emerging market and developing economies, excluding China, may remain below the pre- pandemic forecast into 2024. The timing and likelihood of achieving widespread global vaccination remains uncertain, and vaccines may be less effective against new variants, potentially leading people to continue to isolate and not participate in the economy at pre- pandemic levels for a prolonged period of time, further delaying the return of the global economy to pre- pandemic levels. Many medical and public health experts believe that COVID- 19 could occur for years, such as seasonally in the winter, and even if generally ceasing to be fatal for most people, such reoccurrence could increase the possibility of heightened restrictions in business operations. Throughout~~ the COVID- 19 pandemic **may adversely impact** ~~, we have been engaged with~~ our ~~employees~~ **performance** and **results** ~~adapted to changing circumstances while remaining committed to the health and safety~~ of **operations** ~~our employees~~ . **From** ~~During the latter part of 2021~~ **2020** ~~, we implemented a hybrid return-~~ to **2022** ~~- office approach to reintegrate our employees~~ , **in response to** ~~including new employees who joined Carlyle during~~ the COVID- 19 pandemic ~~. Employees generally work in the office~~ **, many countries took measures to limit** ~~three~~ - **the** ~~days per week~~ **spread of the virus** , ~~depending~~ **including instituting quarantines or lockdowns, imposing travel restrictions, and vaccination mandates for certain workers or activities and limiting operations of certain non- essential businesses. Such restrictions caused labor shortages and disrupted global supply chains, which contributed to prolonged disruption of the global economy. A widespread reoccurrence of COVID- 19, or the occurrence of another pandemic or global health crisis, could increase the possibility of periods of increased restrictions** on business ~~needs~~ **operations** , **which** ~~and work remotely for the balance of the week. This hybrid work environment~~ may ~~introduce~~ **adversely impact our business, financial condition, results of operations, liquidity, and prospects materially, and exacerbate many of the other risks discussed in this " Risk Factors " section. In the event of another pandemic or global health crisis like the COVID- 19 pandemic, our funds' portfolio companies may experience decreased revenues and earnings, which may adversely impact our ability to realize value from such investments and in turn reduce our performance revenues. Investments in certain sectors, including hospitality, location- based entertainment, retail, travel, leisure, and events and, in certain geographies, office and residential, could be particularly negatively impacted, as was the case during the COVID- 19 pandemic. Our funds' portfolio companies may also face increased credit and liquidity risk due to volatility in financial markets, reduced revenue streams and limited access or higher cost of financing, which may result in potential impairment of our or our funds' investments. In addition, borrowers of loans, notes, and other credit instruments in our credit funds' portfolios may be unable to meet their principal or interest payment obligations or satisfy financial covenants, and tenants leasing real estate properties owned by our funds may not be able to pay rents in a timely manner or at all, resulting in a decrease in value of our funds' credit and real estate investments. In the event of significant credit market contraction as a result of a pandemic or similar global health crisis, certain of our funds may be limited in their ability to sell assets at attractive prices or in a timely manner in order to avoid losses and margin calls from credit providers. In our liquid investment vehicles, such a contraction could cause investors to seek liquidity in the form of redemptions from our funds, adversely impacting management fees. Our management fees may also be negatively impacted if we experience a decline in the pace of capital deployment or fundraising. In addition, a pandemic or global health crisis may pose enhanced** operational risks **. For example** , ~~including technology availability~~ **our employees may become sick or otherwise unable to perform their duties for** ~~and~~ - **an** ~~heightened cybersecurity risk~~ **extended period, and extended public health restrictions and remote working arrangements may impact employee morale, integration of new employees, and preservation of our**

“ One Carlyle ” culture . Remote working environments may **also** be less secure and more susceptible to hacking attacks ~~, including phishing and social engineering attempts~~ . **Moreover** ~~In addition~~ , our **third- party service providers** ~~data security, data privacy, investor reporting and business continuity processes~~ could be impacted by **an** ~~a third party' s~~ inability to perform **due to pandemic- related restrictions** or by failures of, or attacks on, their ~~information systems and~~ technology **platforms** . Our **use** ~~accounting and financial reporting systems, processes, and controls could be impacted as a result~~ of ~~these~~ **leverage may expose us to substantial** risks. ~~Moreover, an extended remote work environment could adversely affect our One Carlyle culture. While our employees continue to collaborate across offices and geographies, the informal office interactions that contribute to our culture, including integrating new employees into the firm, are not as prevalent in a remote work environment and may be lessened even in a hybrid environment due to different employees working in the office on different days of the week.~~ We **periodically** use indebtedness as a means to finance our business operations, which exposes us to risks associated with using leverage. We are dependent on financial institutions extending credit to us on reasonable terms to finance our business ~~. In this respect, global markets struggled in 2022 in the face of rapidly rising inflation, a sharp and hawkish shift in monetary policy, and geopolitical concerns such as Russia' s invasion of Ukraine and China' s rolling pandemic- related restrictions, all or some of which may lead to challenges in the credit market~~ . There is no guarantee that financial institutions will continue to extend credit to us or will renew the existing credit agreements we have with them on as favorable terms or at all, or that we will be able to refinance our outstanding notes or other obligations when they mature. In addition, the incurrence of additional debt in the future could result in downgrades of our existing corporate credit ratings, which could limit the availability of future financing and / or increase our cost of borrowing. As borrowings under our credit facility or any other indebtedness mature, we may be required to refinance them by entering into a new facility or issuing additional debt, which could result in higher borrowing costs, or to issue additional equity, which would dilute existing stockholders. In addition, we could repay them by using cash on hand, cash provided by our continuing operations **,** or cash from the sale of our assets, which could reduce dividends to our stockholders. We could also have difficulty entering into new facilities or issuing debt or equity securities in the future on attractive terms, or at all. From time to time, we may access the capital markets by issuing debt securities. In 2021, we issued $ 500 million aggregate principal amount of 4. 625 % subordinated notes due May 2061. We also have senior notes with an aggregate principal amount of $ 1, 375 **. 0** million as of December 31, ~~2022~~ **2023** , as well as a credit agreement that provides a $ 1. 0 billion revolving facility with a final maturity date of April 29, 2027 (see Note ~~8~~ **7** to the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10- K for more information regarding our senior and subordinated notes and credit agreements). The credit agreement contains financial and non- financial covenants with which we need to comply to maintain access to this source of liquidity. ~~Non- compliance~~ **Noncompliance** with any of the financial or non- financial covenants without cure or waiver would constitute an event of default, and an event of default resulting from a breach of certain financial or non- financial covenants could result, at the option of the lenders, in an acceleration of the principal and interest outstanding, and a termination of the credit agreement. In addition, to the extent we incur additional debt relative to our current level of earnings or experience a decrease in our level **33** of earnings, our credit rating could be adversely impacted, which would increase our interest expense under our credit facility. Standard & Poor' s and Fitch both ~~upgraded~~ **affirmed** our ~~credit rating to~~ “ A- ” **credit rating** with a stable rating outlook in ~~March~~ **November** ~~2022~~ **2023** and October ~~2022~~ **2023** , respectively. A significant contraction in the market for debt financing or other adverse change relating to the terms of debt financing, including rapidly increasing interest rates from U. S. Federal Reserve actions and equity requirements and more restrictive covenants, could have a material adverse impact on our business and that of our investment funds and their portfolio companies. Since January 1, 2022, U. S. banks have not been allowed to issue any new debt tied to the London Interbank Offered Rate (“ LIBOR ”) ~~, which will cease to be published at the end of June 2023~~ . The U. S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U. S. financial institutions, formally recommended the Secured Overnight Financing Rate (“ SOFR ”) as its preferred alternative rate for LIBOR. **We** ~~While we~~ have ~~seen~~ **amended our credit agreements** ~~an~~ **and** ~~increase in market acceptance of~~ **related loan documentation, as well as our CLOs, to reference** SOFR **. At this time** , ~~there~~ **it** is ~~no~~ **not** ~~guarantee~~ **possible to predict the full effect** that **the discontinuance** ~~this trend will continue. See “ Risks Related to Regulation and Litigation — The replacement~~ of LIBOR ~~with an~~ **, or the establishment of** alternative reference ~~rate~~ **rates** ~~,~~ such as SOFR, ~~may adversely affect~~ **will have on us** ~~our -~~ **or** ~~credit arrangements~~ **our borrowing costs. SOFR is a relatively new reference rate** and **its composition and characteristics are not the same as LIBOR. Given the limited history of SOFR and potential volatility as compared to other benchmark** ~~our -~~ **or** ~~collateralized loan obligation~~ **market rates, the future performance of SOFR cannot be predicted based on historical performance. The consequences of the** ~~transactions -~~ **transition from LIBOR to SOFR could include an increase in the cost of our variable rate indebtedness** . ~~”~~ Our revenue, earnings **, net income, and cash flow can all vary materially, which may make it difficult for us to achieve steady earnings growth on a quarterly basis. Our revenue, earnings, net income,** and cash flow are variable. For example, our cash flow fluctuates because we receive carried interest from our carry funds only when investments are realized and achieve a certain preferred return. We may also experience fluctuations in our quarterly and annual results, including our revenue and net income, due to a number of other factors, including changes in the carrying values and performance of our funds' investments that can result in significant volatility in the carried interest that we have accrued (or as to which we have reversed prior accruals) from period to period, as well as changes in the amount of distributions, gains, dividends **,** or interest paid in respect of investments in our funds and strategic investments (e. g., our investment in Fortitude), changes in our operating expenses, the degree to which we encounter competition **,** and general economic and market conditions. The valuations of investments made by our funds could also be impacted by geopolitical conflict as well as changes, or anticipated changes, in government policy, including policies related to tax reform, financial services regulation, international trade, immigration, environmental, healthcare, labor, infrastructure **,** and energy. The carrying value of fund investments, particularly the public portion of our carry fund portfolios, may be more variable during times of market volatility. As of

December 31, ~~2022~~ **2023** , ~~6~~ **5** % of our Global Private Equity ~~and Global Credit~~ carry fund portfolio was in public securities. ~~While the strength of our portfolio construction resulted in outperformance relative to the broader market in 2022, rising~~ **Rising** interest rates and continued margin contraction, coupled with restrictions on the deductibility of interest expense, may negatively impact the performance and valuation of our portfolio investments and companies going forward. GCM generates capital markets fees in connection with activities related to the underwriting, issuance **,** and placement of debt and equity securities and loan syndication for our portfolio companies and, to a lesser extent, third- party clients. Capital markets fees generated are typically dependent on transaction frequency and volume, and a slowdown **in** market activity could adversely affect the amount of fees generated by capital markets business. We are seeking to bolster and grow our capital markets business, and associated fee stream, related to the underwriting, issuance, and placement of debt and equity securities and loan syndication for our portfolio companies and, to a lesser extent, third- party clients, which we expect **,** if successful **,** will positively impact capital markets fees over time. We also earn transaction fees in respect of our carry funds that are generally shared with our fund investors. The recognition of these fees can be volatile as they are primarily generated by investment activity within our funds, and therefore are impacted by both the pace and size of our carry fund investments. Higher fundraising activity may generate incremental expenses and, as new capital commitments may not immediately generate fees until they activate management fees, we could incur fundraising related costs ahead of generating revenues. In addition, a downturn in the equity markets may make it more difficult to exit investments by selling equity securities at a reasonable value. If we were to have a realization event in a particular quarter, that event may have a significant impact on our quarterly results and cash flow for that particular quarter and may not be replicated in subsequent quarters. We cannot predict precisely when, or if, realizations of investments will occur, where a fund will be in its lifecycle when the realizations occur **,** or whether a fund will realize carried interest. **34** We recognize revenue on investments in our investment funds based on our allocable share of realized and unrealized gains (or losses) reported by such investment funds, and a decline in realized or unrealized gains, or an increase in realized or unrealized losses, would adversely affect our revenue, which could further increase the volatility of our quarterly results and cash flow. Because our carry funds have preferred investor return thresholds that need to be met prior to us receiving any carried interest, declines in, or failures to increase sufficiently the carrying value of, the investment portfolios of a carry fund may delay or eliminate any carried interest distributions paid to us with respect to that fund. This is because the value of the assets in the fund would need to recover to their aggregate cost basis plus the preferred return over time before we would be entitled to receive any carried interest from that fund or vehicle. The timing and receipt of realized carried interest also varies with the life cycle of our carry funds and there is often a difference between the time we start accruing carried interest for financial reporting purposes and the realization and distribution of such carried interest. However, performance revenues are ultimately realized when an investment is profitably disposed of, certain costs borne by the limited partner investors have been reimbursed, the investment fund' s cumulative net returns are in excess of the preferred return **,** and we have decided to collect carried interest rather than return additional capital to limited partner investors. In deciding to realize carried interest we consider such factors as the level of embedded valuation gains, the portion of the fund invested, the portion of the fund returned to limited partner investors, the length of time the fund has been in carry, and other qualitative measures. In most funds, we will initially defer realizing carried interest even when contractually entitled to take it, allowing carried interest to accrue until it is determined that giveback risk is substantially reduced. As a result of this deferral, we are generally entitled to a disproportionate " catch- up " level of profit allocation at some point during the harvesting period. In certain circumstances, we may also need to reduce the rate at which we realize carried interest, or temporarily stop realizing carried interest, in order to maintain a sufficient level of reserves and reduce the risk of potential future giveback obligations. In addition to the timing uncertainty of realized carried interest in a single fund, there may also be a generational trough or gap in the realized carried interest of a fund family, as a predecessor fund transitions to its successor fund. In such cases, even when both the predecessor and successor fund have strong performance and earn carried interest, the predecessor fund may substantially exit its investment portfolio before the successor fund is in a sufficient position to begin realizing carried interest. See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — Our investors may negotiate to pay us lower management fees and the economic terms of our future funds may be less favorable to us than those of our existing funds, which could adversely affect our revenues. " Our fee revenue may also depend on the pace of investment activity in our funds. In many of our carry funds, the base management fee may be reduced when the fund has invested substantially all of its capital commitments **,** or the aggregate fair market value of a fund' s investments is below its cost. We may receive a lower management fee from such funds if there has been a decline in value or after the investing period and during the period the fund is harvesting its investments. As a result, the variable pace at which many of our carry funds invest capital and dispose of investments may cause our management fee revenue to vary from one quarter to the next. In addition, certain funds derive management fees only on the basis of invested capital whereby the pace at which we make investments, the length of time we hold such investment **,** and the timing of dispositions will directly impact our revenues. The investment period of a fund may expire prior to the raising of a successor fund. Where appropriate, we may work with our fund investors to extend the investment period, which gives us the opportunity to invest any capital that remains in the fund. In general, the end of the original investment period (regardless of whether it is extended) will trigger a change in the capital base on which management fees are calculated from committed capital to invested capital. In some cases, a step- down in the applicable rate used to calculate management fees may also occur. In addition, we may raise an investment fund and delay the initiation of fees once a fund is raised to better align our management fee inception date to when we are ready to begin investing the fund. While the total amount of management fees collected over the life of a fund would not be impacted, this could result in a delay in receipt of management fees. **Given our focus on achieving superior investment performance and maintaining and strengthening investor relations, we may reduce our AUM, restrain its growth, reduce our fees, or otherwise alter the terms under which we do business when we deem it in the best interest of our investors — even in circumstances where such actions might be contrary to the near- term interests of our**

stockholders. From time to time if we decide it is in the best interests of stakeholders, we may take actions that could reduce the profits we could otherwise realize in the short term. While we believe that our commitment to treating our investors fairly is in the long- term interest of us and our stockholders, our stockholders should understand we may take actions that could adversely impact our short- term profitability, and there is no guarantee that such actions will benefit us in the long term. The means by which we seek to achieve superior investment performance in each of our strategies could include limiting the AUM in our strategies to an amount that we believe can be invested appropriately in accordance with our investment philosophy and current **35** or anticipated economic and market conditions. In addition, we may seek to exit or end unprofitable or subscale investments, which may reduce our AUM and / or management fees while generally improving our FRE margins. We also may voluntarily reduce management fee rates and terms for certain of our funds or strategies when we deem it appropriate, even when doing so may reduce our short- term revenue. For instance, in order to enhance our relationship with certain fund investors, we have reduced management fees or ceased charging management fees on certain funds in specific instances. In certain investment funds, we have agreed to charge management fees based on invested capital or net asset value as opposed to charging management fees based on committed capital. In certain cases, we have provided " fee holidays " to certain investors during which we do not charge management fees for a fixed period of time. We also may receive requests to reduce management fees on other funds in the future. See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — Our investors may negotiate to pay us lower management fees and the economic terms of our future funds may be less favorable to us than those of our existing funds, which could adversely affect our revenues. " Many of our investment funds utilize subscription lines of credit to fund investments prior to the receipt of capital contributions from the fund' s investors. As capital calls made to a fund' s investors are delayed when using a subscription line of credit, the investment period of such investor capital is shortened, which may increase the net internal rate of return of an investment fund. However, because interest expense and other costs of borrowings under subscription lines of credit are an expense of the investment fund, the investment fund' s net multiple of invested capital will be reduced, as will the amount of carried interest generated by the fund. Any material reduction in the amount of carried interest generated by a fund will adversely affect our revenues. See " Risks Related to our Company — Adverse economic and market conditions and other events or conditions throughout the world could negatively impact our business in many ways, including by reducing the value or performance of the investments made by our investment funds and reducing the ability of our investment funds to raise capital, any of which could materially reduce our revenue, earnings **,** and cash flow and adversely affect our financial prospects and condition. " We may also take other actions, including waiving management fees for a particular investment or fund, that could adversely impact our short- term results of operations when we deem such action appropriate. Furthermore, we typically delay the realization of carried interest to which we are otherwise entitled if we determine (based on a variety of factors, including the stage of the fund' s life cycle and the extent of fund profits accrued to date) that there would be an unacceptably high risk of potential future giveback obligations. Any such delay could result in a deferral of realized carried interest to a subsequent period. See " Risks Related to Our Company — Our revenue, earnings **, net income,** and cash flow ~~are variable~~ **can all vary materially** , which **may** ~~makes~~ **make** it difficult for us to achieve steady earnings growth on a quarterly basis. " We depend on ~~the efforts, skill, reputations and business contacts of~~ our senior Carlyle professionals, including our **Chief Executive Officer, and the loss of their services or investor confidence in such personnel could have a material adverse effect on our business, results of operations, and financial condition. We depend on the efforts, skill, reputations, and business contacts of our senior Carlyle professionals, including our Chief Executive Officer, Harvey M. Schwartz, and our other** executive officers, the members of the investment committees of our investment funds and senior members of our investment teams, the information and deal flow they and others generate during the normal course of their activities **,** and the synergies among the diverse fields of expertise and knowledge held by our professionals. ~~During~~ **In February** ~~2022~~ **2023** , **we appointed Mr. Schwartz as** our ~~former~~ Chief Executive Officer **and a member of** ~~, Kewsong Lee, departed from Carlyle. William E. Conway, Jr. served as~~ our ~~interim Chief Executive Officer, in addition~~ **Board. As Mr. Schwartz continues** to **develop and implement** his ~~role as Co-Chairman of the Board, while we searched for a suitable permanent Chief Executive Officer. We recently announced the appointment of Harvey M. Schwartz as our Chief Executive Officer and a member of our Board, effective February 15, 2023. It will take the Chief Executive Officer time to transition into our business and develop a~~ leadership vision ~~.~~ **,** ~~The~~ **he** ~~new Chief Executive Officer~~ may seek **additional** changes in our business operations that create uncertainty for our business and investors, including our employees, shareholders **,** and other stakeholders **. In addition** , ~~and there is no guarantee that the Chief Executive Officer will effectively cure any such uncertainties and / or~~ **our** ~~be well received by key stakeholders, despite his strong credentials and the diligence and intentions of the Board' s Search Committee. Our~~ executive officers and senior Carlyle professionals are not obligated to remain employed with us in their current capacities or at all. To continue to enhance our talent base, we have and will continue to hire and internally develop senior professionals to assume key leadership positions throughout the firm into the future. The availability and efficacy of such future leadership may constitute an adverse risk to our business. Our senior Carlyle professionals **, including our founders,** possess substantial experience and expertise and have strong business relationships with investors in our funds and other members of the business community. As a result, the loss of these personnel, including any potential departures or retirements, could jeopardize our relationships with investors in our funds and members of the business community and result in reduction of AUM or fewer investment opportunities. For example, if any of our senior Carlyle professionals were to join or form a competing firm, that action could have a material adverse effect on our business, results of operations **,** and financial condition. Personnel have left the firm in the past and others may do so in the future, and we cannot predict the impact that the departure of any key personnel will have on our ability to achieve our objectives. The loss of the services of any of our key personnel could have a material adverse effect on our revenues, net **36** income **,** and cash flow and could harm our ability to maintain or grow AUM in existing funds or raise additional funds in the future. The governing agreements of many of our investment funds generally require investors in those funds to vote to continue

the investment period in the event that certain " key persons " in our investment funds do not provide the specified time commitment to the fund or our firm ceases to control the general partner. **Recruiting and retaining our professionals has become more difficult and may continue to be difficult in the future, which could adversely affect our business, results of operations, and financial condition.** Our most important asset is our people, and our continued success is highly dependent upon the efforts of our senior Carlyle professionals and other employees. Our future success and growth depends to a substantial degree on our ability to retain and motivate our senior Carlyle professionals and other employees to strategically recruit, retain **,** and motivate talented personnel, including senior Carlyle professionals. The market for qualified professionals is extremely competitive across levels and areas of expertise, and we may not be successful in our efforts to recruit, retain **,** and motivate these professionals. ~~In connection with the COVID- 19 pandemic, there~~ **There** has **also** been a shift to a hybrid work model and, in our recruiting efforts, we have seen increased focus by prospective candidates on remote and hybrid work arrangements and arrangements providing more flexibility, including around location. Although we have generally moved to a hybrid work model in which many of our employees are permitted to work remotely for a designated portion of their working time and are expected to come to a Carlyle office for a designated portion of their working time, we continue to see focus on remote work arrangements. ~~If there is a further shift to a longer- term fully remote model that does not require maintaining close proximity to a company' s offices in the markets in which we compete for talent, we may experience an even further increase in competition for talent and it may be difficult to recruit and retain our professionals.~~ We have also experienced upward pressure on compensation packages given the increased competition to hire and retain talented personnel, and we may be required to adjust the amount of cash compensation and types, terms **,** and amounts of equity incentives we provide to our employees, which could have positive or negative effects on the financial metrics commonly used to measure our performance. Even when we offer top- of- market compensation packages, we may not be able to attract and retain all of our desired personnel due to shifting employee priorities **. In addition, the minimum retained ownership requirements and transfer restrictions to which equity incentives are subject in certain instances lapse over time, may not be enforceable in all cases, and can be waived. There is no guarantee that the noncompetition and nonsolicitation agreements to which certain of our senior Carlyle professionals are subject, together with our other arrangements with them, will prevent them from leaving, joining our competitors, or otherwise competing with us. In addition, there is no assurance that such agreements will be enforceable in all cases. These noncompetition and nonsolicitation agreements also expire after a certain period of time, at which point such senior Carlyle professionals would be free to compete against us and solicit our clients and employees** . In this respect, in January 2023, the U. S. Federal Trade Commission (" FTC ") published a proposed rule that, if finally issued, would generally prohibit post- employment ~~non- compete~~ **noncompete** clauses (or other clauses with comparable effect) in agreements between employers and their employees. We are monitoring the proposed rule and the impact it may have on our ability to recruit and retain our professionals. For our investment professionals, we have historically relied in part on their interests in our investment funds' carried interest and incentive fees to discourage them from leaving the firm. ~~However~~ **Effective December 31** , **2023, we expect** to **pay approximately 60 % to 70 % of performance allocations and incentive fees to our personnel, which will further tie the financial interests of a broader group of our personnel to the success of our investment funds. To** the extent our investment funds perform poorly, thereby reducing the potential for distributions in respect of carried interest and incentive fees, those interests become less valuable ~~to them~~ and may become a less effective retention tool. There are also factors beyond our control that may affect our efforts to recruit, retain **,** and motivate investment professionals, in particular as they relate to tax considerations regarding carried interest. The tax treatment of carried interest has been an area of focus for policymakers and government officials in recent years. For example, the Tax Cuts and Jobs Act (the " TCJA ") enacted in 2017 generally requires that carried interest satisfy a more- than- three- year holding period (as opposed to a more- than- one- year holding period under prior law) to qualify as a long- term capital gain that is taxed at preferential rates for individuals. Congress and the current ~~Administration~~ **administration** may consider proposals to treat carried interest as ordinary income rather than as capital gain for tax purposes, to impose a surcharge on carried interest, to further extend the holding period for carried interest to qualify for long- term capital gain treatment, or to increase the capital gains tax rate, each of which could result in a material increase in the amount of taxes that our carry participants would be required to pay. While most proposals regarding the taxation of carried interest require realization of gains before applying ordinary income rates, U. S. federal legislation has previously been introduced that would require holders of carried interest to recognize a specified amount of deemed compensation income each year regardless of whether the investment partnership recognizes income or gain and regardless of whether and when the holders receive distributions in respect of their carried interests. If the tax treatment of carried interest continues to be an area of focus for policymakers and government officials, it could result in further regulatory action by federal, state, or non- U. S. governments. For example, certain states, including New York and California, have previously proposed legislation to levy additional state tax on carried interest. We have seen similar policy discussions in respect of the appropriate treatment of carried interest in many of the international jurisdictions in which we have investment professionals. The additional pressures of fiscal deficits ~~created as a result of the COVID- 19 pandemic~~ have heightened these risks as international authorities consider ways to increase tax revenues. Such legislative and regulatory changes that modify the tax treatment of carried interest could make it more difficult for us to incentivize, recruit **,** and retain investment professionals, **37** which may have an adverse effect on our ability to achieve our investment objectives and thereby reduce the after- tax income and gain related to our business, our distributions to stockholders **,** and the market price of our shares. We have granted and expect to grant equity awards **in respect of our shares of common stock. This includes awards** from our Equity Incentive Plan, **with respect to** which **our shareholders approved an additional 23. 8 million shares for the issuance of awards at our 2023 Annual Meeting of Shareholders, and an award of restricted stock units to our Chief Executive Officer in connection with his hiring, which were granted outside of the Equity Incentive Plan and with respect to which,** ~~has~~ **as of December 31, 2023, we have granted a total of approximately 7. 1 million restricted stock units (including dividend equivalent units that are credited**

on such award). The prior and future grants of equity awards in respect of our shares of common stock have caused **and will cause** dilution. While we evaluate the grant of equity awards from our Equity Incentive Plan to employees on an annual basis, the size of the grants, if any, is made at our discretion and may vary significantly from year- to- year, including as the result of special programs or significant senior personnel hirings. If we increase the use of equity awards from our Equity Incentive Plan in the future, expenses associated with equity- based compensation may increase materially. In ~~2022~~ **2023** , we incurred equity compensation expenses of $ ~~154~~ **249** . ~~0~~ **1** million in connection with grants of restricted stock units. In February ~~2023~~ **2024** , we granted a total of ~~9~~ **18** . ~~9~~ **1** million restricted stock units to our ~~personnel, including certain senior Carlyle professionals and other key~~ personnel, which will increase our equity- based compensation expense in the coming years. ~~In addition~~ **Of these 18. 1 million restricted stock units** , **13. 2 million restricted stock units were granted to senior Carlyle professionals and are eligible to vest in installments over a period of three years based on the achievement of absolute stock price targets of 120 %, 140 % and 160 % of the applicable starting share price.** ~~following~~ **Following** the foregoing grants, taken together with other restricted stock unit grants since the **initial** approval of the Equity Incentive Plan in June 2021, there were **10. 1 million** ~~2, 957, 542~~ remaining shares of common stock available for grant under the Equity Incentive Plan. ~~An increase in the number of shares available for grant under the Equity Incentive Plan would require shareholder approval. The value of our common stock may drop in value or be volatile, which may make our equity less attractive to our employees since we may not be able to adequately incentivize them.~~ As of December 31, ~~2022~~ **2023** , our employees held an aggregate of ~~10~~ **22** . ~~9~~ **2** million unvested restricted stock units, which vest over various time periods (generally from ~~six months~~ **one year** to four years from the date of grant) and / or subject to the achievement of various performance targets. All of the shares of common stock held by our founders are fully vested. In order to recruit and retain existing and future senior Carlyle professionals and other key personnel, we may need to increase the level of compensation that we pay to them, which could include grants of significant amounts of restricted stock unit awards or other equity incentive awards under our Equity Incentive Plan. Accordingly, as we promote or hire new senior Carlyle professionals and other key personnel over time or attempt to retain the services of certain of our key personnel, we may increase the level of compensation we pay to these individuals, which could cause our total employee compensation and benefits expense as a percentage of our total revenue to increase and adversely affect our profitability. ~~For example~~ **We may not be successful in expanding into new investment strategies** , **geographic markets, and businesses and new types of investors, which could adversely affect our business, results of operations, and financial condition. Our organizational documents do not limit our ability to enter into new lines of businesses, and we may expand into new investment strategies, geographic markets, and business and new types of investors** we have **traditionally not pursued** ~~had restricted stock unit award programs pursuant to which in 2021 we granted 7. 1 million restricted stock units to certain senior Carlyle professionals~~ , **such as retail fund** ~~the majority of which are eligible to vest based on the achievement of annual performance targets over four years, and in February 2023 we granted 9. 9 million restricted stock units to certain senior Carlyle professionals, the majority of which are eligible to vest in installments over a period of three and a half years. These restricted stock unit grants, in addition to our other restricted stock unit grants, will increase our equity- based compensation expense in the coming years, particularly in 2024 when 40 % of the performance- based awards granted in 2021 are generally eligible to vest. We strive to maintain our culture of collaboration and seek to continue to align our interests (and the interests of our employees) with those of our~~ investors. **In this respect** ~~If we do not continue to develop and implement the right processes and tools to maintain our culture~~ , our ~~ability to compete successfully and achieve our business objectives could be impaired, which could negatively impact our business, financial condition and results of operations. Our~~ growth strategy focuses on providing resources to foster the development of new product offerings and business strategies by our investment professionals. Given our diverse platform, these initiatives could create conflicts of interests with existing products, increase our costs **,** and expose us to new market risks and legal and regulatory requirements. These products may have different economic structures than our traditional investment funds and may require a different marketing approach. These activities also may impose additional compliance burdens on us, subject us to enhanced regulatory scrutiny **,** and expose us to greater reputation and litigation risk. The success of our growth strategy will depend on, among other things: • our ability to correctly identify and create products that appeal to our investors; • the diversion of management' s time and attention from our existing businesses; • management' s ability to spend time developing and integrating the new business and the success of the integration effort; • our ability to properly manage conflicts of interests; • our ability to identify and manage risks in new lines of businesses **and new types of investors** ; • our ability to implement and maintain adequate investment processes, controls **,** and procedures around our platforms; **38** • our ability to obtain requisite approvals and licenses from the relevant governmental authorities and to comply with applicable laws and regulations without incurring undue costs and delays; and • our ability to successfully negotiate and enter into beneficial arrangements with our counterparties. In some instances, we may determine that growth in a specific area is best achieved through the acquisition of an existing business **,** or a smaller scale lift out of an investment team to enhance our platform. Our ability to consummate an acquisition will depend on our ability to identify and value potential acquisition opportunities accurately and successfully compete for these businesses against companies that may have greater financial resources. Even if we are able to identify and successfully negotiate and complete an acquisition, these transactions can be complex **,** and we may encounter unexpected difficulties or delays or incur unexpected costs. In addition to the concerns noted above, each individual acquisition transaction presents unique challenges to ultimately be successful and the success of a firm acquisition will be affected by, among other things: • difficulties and costs associated with the integration of operations and systems; • difficulties integrating the acquired business' s internal controls and procedures into our existing control structure; • difficulties and costs associated with the assimilation of employees; and • the risk that a change in ownership will negatively impact the relationship between an acquiree and the investors in its investment vehicles. Entry into certain lines of business may subject us to new laws and regulations with which we are not familiar or from which we are currently exempt, and may lead to increased liability, litigation, regulatory risk **,** and expense. If a new business generates insufficient revenue or if we are unable

to efficiently manage our expanded operations, our results of operations may be adversely affected. Moreover, if a new product, business **,** or venture developed internally or by acquisition is unsuccessful, we may decide to wind down, liquidate **,** and / or discontinue it. Such actions could negatively impact our relationships with investors in those businesses, could subject us to litigation or regulatory inquiries and can expose us to additional expenses, including impairment charges and potential liability from investor or other complaints. In August 2022, we acquired Abingworth, a life sciences investment firm, to expand our healthcare investment platform with the addition of nearly $ 2 billion in assets under management and a specialized team of over 20 investment professionals and advisors. The integration of Abingworth with us, and Carlyle' s corresponding entry into the life sciences industry, may pose some or all of the risks noted above. Operational risks (including those associated with our business model), system security risks, breaches of data protection, cyberattacks **,** or actions or failure to act by our employees or others with authorized access to our networks, including our ability to insure against such risks, may disrupt our businesses, result in losses **,** or limit our growth. We rely heavily on our financial, accounting, information, and other data processing systems. We face various security threats on a regular basis, including ongoing cybersecurity threats to and attacks on our information technology infrastructure that are intended to gain access to our proprietary information, destroy data **,** or disable, degrade **,** or sabotage our systems. These security threats ~~could~~ originate from a wide variety of sources, including known or unknown external third parties and current or former employees and contractors who have or had access to our facilities, systems **,** and information. There has been an increase in the frequency and sophistication of the security threats we face, with thwarted attacks ranging from those common to businesses generally to those that are more advanced and persistent, which may target us because, as a global investment management firm, we hold a significant amount of confidential and sensitive information about our investors, our portfolio companies, potential investments **,** and our employees. As a result, we may face a heightened risk of a security breach, online extortion attempt, or business disruption with respect to this information resulting from an attack by a variety of bad actors, including hacktivists, cyber criminals, foreign governments, cyber extortionists **,** or cyber terrorists. If successful, these types of attacks on our network or other systems could have a material adverse effect on our business and results of operations ~~,~~ due to, among other things, the loss or exposure of investor or proprietary data, the loss or exposure of personal information that we retain, interruptions or delays in our business **,** and damage to our reputation. Our suppliers, contractors, investors, and other third parties with whom we do business also experience cyber threats and attacks that are **39** similar in frequency and sophistication. Supply chain attacks are increasing in frequency and impact on the businesses they affect. We do not have continuous visibility into the security of our supply chain entities **or the suppliers that service our supply chain entities** and must rely on contractual assurances and the controls and safeguards put in place by our suppliers, contractors, investors **,** and other third parties to defend against, respond to, and report such attacks. **In certain instances, there are limited suppliers that can provide a particular service, such as fund administration, and the inability to work with these suppliers or unavailability of these suppliers could have a material adverse impact on our ability to provide such service.** Those who have or ~~have~~ had authorized access to our networks, including current and former employees and contractors, may introduce vulnerabilities in our systems **by user error or** if they are the target of " phishing, " social engineering, bribery, coercion, or harbor malintent **toward us** ~~to the Company~~ . We have therefore implemented a security awareness training program. The objective of this program is to inform Carlyle personnel and contractors of their responsibility for information security and includes ~~quarterly~~ online training, live awareness events **,** and phishing simulations. This training is in addition to **our** existing **required** onboarding and annual **cybersecurity** trainings ~~that discuss cybersecurity issues~~ . We cannot know the potential impact of future cyber incidents, which vary widely in severity and scale. There can be no assurance that the various procedures and controls we utilize to mitigate these threats will be sufficient to prevent disruptions to our systems, especially because the cyber- attack techniques used change frequently or are not recognized until launched, and because cyber- attacks can originate from a wide variety of sources. If any of the controls we put in place do not operate properly or are disabled for any reason or if there is any unauthorized disclosure of data, whether as a result of tampering, a breach of our network security systems, a cyber- incident or attack **,** or otherwise, we could suffer substantial financial loss, increased costs, a disruption of our businesses, liability to our funds and investors, regulatory investigations, intervention ~~,~~ and fines, and reputational damage. The costs related to cyber or other security threats or disruptions may not be fully insured or otherwise indemnified. Significant security incidents at competitor global investment firms in which we are not directly impacted could indirectly lead to increased costs from investor due diligence, revisions to insurance premiums **,** and more extensive and / or frequent regulatory inspections. Our information systems and technology may not continue to be able to accommodate our growth, and the cost of maintaining such systems may increase from its current level. For example, our existing systems may not be adequate to identify or control the relevant risks in investment strategies employed by new investment funds we may introduce. Any failure to accommodate growth ~~, particularly in the Global Credit segment,~~ or an increase in costs related to such information systems, could have a material adverse effect on us. In addition, we rely on third-party service providers for certain aspects of our business, including for certain information systems and technology and administration of our business development companies, **registered investment companies,** structured credit funds **,** and Global Investment Solutions segment. For example, Carlyle contracts information system backup and recovery services to certain ~~portfolio~~ companies. These third- party service providers ~~could~~ **have faced and continue to** face ongoing cybersecurity threats and, as a result, unauthorized individuals could improperly gain access to our confidential data. Any attack on ~~,~~ or interruption or deterioration in ~~,~~ the performance of these third parties or failures of their information systems and technology could also impair the quality of the funds' operations, affect our reputation, and adversely affect our businesses. Our technology, data **,** and intellectual property and the technology, data **,** and intellectual property of our portfolio companies are also subject to a heightened risk of theft, disruption **,** or compromise to the extent we and our portfolio companies engage in operations outside the United States, particularly in those jurisdictions that do not have comparable levels of protection of proprietary information and intangible assets, such as intellectual property and customer information and records. In addition, we and our portfolio

companies may be required to compromise protections or forgo rights to technology, data **,** and intellectual property in order to operate in or access markets in a foreign jurisdiction. Any such direct or indirect compromise of these assets could have a material adverse consequence on us or our investments. A disaster or a disruption in the infrastructure that supports our businesses, including a disruption involving electronic communications or other services used by us or third parties with whom we conduct business, or directly affecting our offices, could have a material adverse impact on our ability to continue to operate our business without interruption. Our disaster recovery programs may not be sufficient to mitigate the harm that may result from such a disaster or disruption. For example, ~~systematic~~ -- **systemic** risks such as a massive and prolonged global failure of Amazon or Microsoft' s cloud services could result in cascading catastrophic systems failures. We may also need to commit additional management, operational **,** and financial resources to identify new professionals to join our firm and to maintain appropriate operational and financial systems to adequately support expansion. The market for hiring talented professionals, including IT and cybersecurity professionals, is competitive and we may not be able to grow at the pace we desire. In addition, we ~~,~~ and our portfolio companies ~~,~~ may not be able to obtain or maintain sufficient insurance (including cyber insurance) on commercially reasonable terms or with adequate coverage levels against potential liabilities we may face in **40** connection with potential claims, which could have a material adverse effect on our business. We may face a risk of loss from a variety of claims, including related to securities, antitrust, contracts, cyber incidents, fraud, business interruption **,** and various other potential claims, whether or not such claims are valid. Insurance and other safeguards may only partially reimburse us for our losses, if at all, and if a claim is successful and exceeds or is not covered by our insurance policies, we may be required to pay a substantial amount in respect of such successful claim. Because of market conditions, premiums **,** and deductibles for certain insurance policies, particularly directors and officers, cyber **,** and property insurance, have increased substantially and may increase further ~~,~~ and **,** in some instances, certain insurance may become unavailable or available only for reduced amounts of coverage. Moreover, the dollar amount of claims and / or the number of claims we experience may also increase at any time, which may have the result of further increasing our costs. Certain losses of a catastrophic nature, such as wars, **systemic risk associated with cyber- kinetic warfare,** earthquakes **, floods** , typhoons, pandemics, terrorist attacks **,** or other similar events ~~,~~ may be uninsurable or may only be insurable at rates that are so high that maintaining coverage would cause an adverse impact on our business, our investment funds **,** and their portfolio companies. Losses related to the COVID- 19 pandemic have generally been excluded under most business property insurance policies and business interruption policies and **,** going forward **,** will not be covered under new policies. In general, losses related to terrorism **and catastrophic nation- state hacks** are becoming harder and more expensive to insure against. **In this respect,** ~~Some~~ **some** insurers are excluding ~~terrorism~~ coverage **of terrorist acts and catastrophic nation- state hacks** from their all- risk policies. In some cases, insurers are offering significantly limited coverage against terrorist acts for additional premiums, which can greatly increase the total cost of casualty insurance for a property. As a result, we, our investment funds **,** and their portfolio companies may not be insured or fully insured against terrorism or certain other catastrophic losses. Our portfolio companies also rely on data and processing systems and the secure processing, storage **,** and transmission of information ~~,~~ including highly sensitive financial ~~and~~ **,** medical **, and critical infrastructure** data. A disruption or compromise of these systems, including from a cyber- attack or cyber- incident, could have a material adverse effect on the value of these businesses. Our investment funds may invest in strategic assets having a national or regional profile or in infrastructure assets, the nature of which could expose them to a greater risk of being subject to a terrorist attack or security breach than other assets or businesses. Such an event may have adverse consequences on our investment or assets of the same type or may require portfolio companies to increase preventative security measures or expand insurance coverage. Failure to maintain the security of our information and technology networks, including personally identifiable information, intellectual property **,** and proprietary business information **,** could have a material adverse effect on us. In the ordinary course of our business, we collect and store sensitive data, including our proprietary business information and intellectual property, and personally identifiable information of our employees, investors, and potential investors, in our data centers, on our networks **, on our cloud environments,** and with our third- party service providers. Such data may be subject to U. S. and foreign data protection and privacy laws and other contractual obligations. The secure processing, maintenance **,** and transmission of this information are critical to our operations. Although we take various measures and have made, and will continue to make, significant investments to ensure the integrity of our systems and to safeguard against such failures or security breaches, including mechanisms for governance, strategy **,** and risk management, there can be no assurance that these measures and investments will provide adequate protection. ~~The~~ **In this respect, the** COVID- 19 pandemic ~~has~~ exacerbated these risks due to heavier **and continued** reliance on online communication and ~~the~~ **a** hybrid work environment, which may be less secure, and there has been a significant increase in **malicious** ~~hacking attempts by~~ cyber ~~- criminals~~ **activity involving ransomware, extortion, and business email compromise** . In ~~2022~~ **2023** , Carlyle experienced no material cyber incidents and responded promptly and effectively to routine events, such as **user errors,** phishing campaigns **,** and vendor breach notifications, resulting in no substantial harm to Carlyle ~~assets~~ . In addition, we and our employees have been and expect to continue to be the target of fraudulent calls and emails, the subject of impersonations **,** and fraudulent requests for money, including attempts to redirect material payment amounts to fraudulent bank accounts, and other forms of spam attacks, phishing or other social engineering, supply chain attacks, ransomware **,** or other events. We also have been, and could in the future be, the target of a type of wire transfer fraud known as business email compromise where a third party seeks to benefit from misrepresenting an employee or fund investor by improperly authorizing a wire transfer or change in wire instructions. While our policies and procedures have been **largely** effective against this fraud to date, a significant actual or potential theft, loss, corruption, exposure, fraudulent use or misuse of investor, employee **,** or other personally identifiable or proprietary business data, whether by third parties or as a result of employee malfeasance or otherwise, ~~non- compliance~~ **noncompliance** with our contractual or other legal obligations regarding such data or intellectual property **,** or a violation of our privacy and security policies with respect to such data could result in significant remediation and other costs, fines, litigation **,** or regulatory actions against us by the U. S. federal and state

governments, the ~~EU~~ **European Union,** or other jurisdictions **,** or by various regulatory organizations or exchanges. Such an event could also disrupt our operations and the services we provide to investors, damage our reputation, result in a loss of a competitive advantage, impact our ability to **41** provide timely and accurate financial data, and cause a loss of confidence in our services and financial reporting, which could adversely affect our business, revenues, competitive position **,** and investor confidence **. Use of artificial intelligence technology by us could lead to the exposure of our data or other adverse effects and such technology also may lead to more effective threat actors. Recent technological advances in artificial intelligence and machine learning technologies (collectively, " AI Technologies "), including, for example, the OpenAI ChatGPT application, create opportunities for us, our funds, investment vehicles and accounts, and portfolio companies, as well as risks. We use and plan to expand our use of AI Technologies in connection with our business and investment activities and our portfolio companies and investments also use such technologies. We and our portfolio companies continue to evaluate the rapidly evolving landscape of AI Technologies. Actual use of AI Technologies varies across our business, funds and portfolio companies, and investments. While we expect, from time to time, to adopt and adjust usage policies and procedures governing the use of AI Technologies by our personnel, there is a risk of misuse of such AI Technologies. In addition, AI Technologies are reliant on the collection and analysis of large amounts of data and complex algorithms. In this respect, it is not possible or practicable to incorporate all relevant data into models that AI Technologies utilize to operate, nor do we expect to be involved in the collection of such data or development of algorithms in the ordinary course of our business. Therefore, it is expected that the data in such models will contain a degree of inaccuracy and error, potentially to a material degree, and that such data and algorithms could otherwise be inadequate or flawed, which would likely degrade the effectiveness of AI Technologies and could adversely impact us and our portfolio companies and investments to the extent we or they rely on the work product of such AI Technologies. The volume and reliance on data and algorithms also make AI Technologies, and in turn us and our portfolio companies and investments, more susceptible to cybersecurity threats, including data poisoning and the compromise of underlying models, training data, or other intellectual property. We and our portfolio companies and investments could be exposed to risks to the extent third- party service providers, or any counterparties use AI Technologies in their business activities. In this respect, we are not able to control the way third- party products are developed or maintained or the way third- party services utilizing AI Technologies are provided to us. In addition, AI Technologies may be competitive with the business of our portfolio companies or increase the potential for obsolescence of a portfolio company' s products or services (particularly as the capabilities of AI Technologies improve) and, accordingly, the increased adoption and use of AI Technologies may have an adverse effect on our portfolio companies or their respective businesses. See " Risks Related to Our Company — Operational risks (including those associated with our business model), system security risks, breaches of data protection, cyberattacks, or actions or failure to act by our employees or others with authorized access to our networks, including our ability to insure against such risks, may disrupt our businesses, result in losses, or limit our growth. " Moreover, use of AI Technologies could include the input of our confidential information (including material non- public information) by third parties in contravention of non- disclosure agreements or by our personnel or other related parties in contravention of our policies and procedures (or by any such parties in accordance with our policies, procedures, and / or non- disclosure agreements) and could result in such confidential information becoming part of a dataset that is generally accessible by AI Technologies applications and users. AI Technologies and their current and potential future applications, including in the private investment and financial sectors, as well as the legal and regulatory frameworks within which they operate, continue to rapidly evolve. It is impossible to predict the full extent of current or future risks related thereto. Risks Related to Regulation and LitigationLaws and regulations relating to privacy, data protection, data transfers, data localization, and data security worldwide may limit the use and adoption of our services and adversely affect our business** . Legislators and regulators around the world identify data security and privacy as top priorities. As a result, we are subject to an increasing variety of federal, state, local, and international laws, directives, and regulations, as well as contractual obligations, relating to the collection, use, retention, security, disclosure, transfer, and other processing of personal information and other confidential data. The global legal frameworks for privacy, data protection, and data transfers are rapidly evolving and are likely to remain uncertain for the foreseeable future **. Certain of our activities may be subject to the General Data Protection Regulation (" GDPR "), U. S. state privacy laws, the Cayman Islands Data Protection Act (" DPA "), the UK Data 42 Protection Act (" UK GDPR "), the Personal Information Protection Law (the " PIPL "), and other existing and developing laws and regulations** . In February 2022, the SEC proposed rules regarding cybersecurity that would require registered investment advisers and registered funds to implement written policies and procedures designed to address cybersecurity risks, report significant cybersecurity incidents to the SEC using a proposed form and within a prescribed time period, and keep enumerated cybersecurity- related books and records. In addition, in March 2022, the SEC issued a proposed rule **, which was finalized in July 2023,** to **require** ~~mandate disclosure by all~~ public companies ~~of all~~ **to report material** cybersecurity incidents ~~. These disclosures would include information such as: management and the board' s role and oversight of cybersecurity risks, applicable policies and procedures, and how if at all risks and incidents are likely to impact the financial statements. Moreover, certain incidents would have mandatory reporting~~ on Form 8- K **and mandate disclosure of cybersecurity risk management, strategy, and governance** . In light of these proposed **and final** rules and the focus of federal regulators on cybersecurity generally in recent years, we expect increasing SEC enforcement activity related to cybersecurity matters, including by the SEC' s Office of Compliance Inspections and Examinations in its examination programs, where cybersecurity has been prioritized with an emphasis on, among other things, proper configuration of network storage devices, information security governance, and policies and procedures related to retail trading information security. Although we maintain cybersecurity controls designed to prevent cyber incidents from occurring, no security is impenetrable to cyberattacks. It is possible that current and future cyber enforcement activity will target practices

that we believe are compliant **,** but the SEC deems otherwise. In addition, many jurisdictions in which we operate have other laws and regulations relating to data privacy, cybersecurity, data transfers, data localization **,** and protection of personal information. **Our use of AI technologies could also subject us to additional cybersecurity risks as well as regulatory scrutiny. See " Risk Related to Our Company — Use of artificial intelligence technology by us could lead to the exposure of our data or other adverse effects and such technology also may lead to more effective threat actors. "** Any regulatory investigation into compliance with these laws and regulations would be costly and could lead to significant fines, service interruption, loss of licensure **,** and other harms to the Company. In the European Economic Area (" EEA "), the General Data Protection Regulation (" GDPR ") establishes requirements applicable to the processing of personal data, affords data protection rights to individuals, and imposes penalties for **violations of each EEA states' law implementing the GDPR, including those that result in** serious data breaches. In addition, Brexit took effect in January 2020, which ~~will~~ **has** ~~lead~~ - **led** to **the UK GDPR and** further legislative changes **that increase** ~~and reduces clarity as to~~ the ~~future~~ burden of **processing and** transferring **personal** data **of** ~~from the~~ EEA ~~to~~ **and UK residents. To satisfy** ~~the~~ **these requirements, we** ~~United Kingdom. We~~ may also need to make use of alternative data transfer mechanisms such as standard contractual clauses approved by the European Commission, or the SCCs. **Any** ~~On June 4, 2021, the European Commission adopted new standard contractual clauses (" SCCs ") under the GDPR for the transfer of personal data of EEA residents to jurisdictions outside the EEA. In addition, the EEA and U. S. governments are negotiating a framework for trans- Atlantic data transfers and complying with this framework may require a certification process and operational changes. These updates and any~~ future updates to data transfer rules may require us to expend significant resources to update our contractual arrangements and to **otherwise** comply with such obligations. Moreover, data protection authorities may require measures to be put in place in addition to SCCs for transfers to countries outside of the EEA. Our third- party service providers may also be affected by these changes. In addition to other impacts, we may experience additional costs to comply with these changes, and we and our customers face the potential for regulators in the EEA to apply different standards to the transfer of personal data from the EEA to the United States and other non- EEA countries. The UK and EEA are considering or have enacted a variety of other laws and regulations such as the Digital Operational Resilience Act (EEA), Online Safety Act (UK), and the Artificial Intelligence Act (EEA), all of which could have a material impact on Carlyle and its portfolio companies' ability to conduct our businesses. We cannot predict how these data protection laws or regulations may develop. China continues to strengthen its protections of personal information and tighten control over cross- border data transfers with the implementation of the Cybersecurity Law (" CSL "), Data Security Law (the " DSL ") **,** and the Personal Information Protection Law (the " PIPL "). These laws may affect the business of Carlyle and our portfolio companies in the following ways. First, Carlyle and our portfolio companies may be subject to these laws when conducting business and processing personal information or other data in China. Second, these laws may apply extra-territorially to the processing of personal information and other data originating in China when conducted by Carlyle or our portfolio companies outside of China. Third, these laws may impose new regulations on cross- border data transfers and transfers to third- party vendors conducted by Carlyle and our portfolio companies. The PIPL imposes several conditions that limit certain cross- border transfer of personal information of Chinese residents, while the DSL restricts transfer of " important data " outside of China. The scope of " important data " remains unclear but may include certain data collected and / or generated by Carlyle and our portfolio companies in China, in which case these restrictions could harm Carlyle and its portfolio companies that rely on the ability to freely transfer data outside China. Finally, Carlyle and our portfolio companies may be contractually bound by certain compliance obligations when dealing with counterparties in China as a result of these laws. In addition, the National Intelligence Law (" NIL ") **, coupled with the recently enacted Espionage Act,** allows authorities to request organizations like Carlyle and its portfolio companies to provide necessary support, assistance, and cooperation to the **Chinese** government. The NIL codifies broad police power, including the ability for intelligence officials to **43** enter relevant restricted areas and venues, learn from and question relevant organizations, and collect relevant files, materials **,** or items, including electronic information. The costs of compliance with, and other burdens imposed by the PIPL, CSL, DSL **,** and NIL, along with any other cybersecurity and related laws in China, could have an adverse impact on our business and increase our compliance burden. A determination by the Chinese government that Carlyle or its portfolio companies have violated one of these laws could result in a variety of penalties, including fines of up to 5 % of global revenues, warnings, disgorgement, suspension of business activities or licenses, shutting down websites or applications that collect sensitive information, and revocation of business licenses or relevant permits. Certain penalties can also apply to individual staff members responsible for a violation. The lack of clarity and regulatory guidance on some issues adds to the compliance risks. Any inability, or perceived inability, to adequately address privacy and data protection concerns, or comply with Chinese laws, regulations, policies, industry standards, contractual obligations, or other legal obligations could result in additional cost and liability and could damage our reputation and adversely affect our business and the business of our portfolio companies. Many other foreign countries and governmental bodies in jurisdictions where Carlyle and our portfolio companies conduct business have privacy and data protection laws and regulations that are more restrictive than those in the United States. For example, the Hong Kong Personal Data (Privacy) Ordinance, the Australian Privacy Act, and the Brazilian Bank Secrecy Law. Global laws in this area are rapidly increasing in the scope and depth of their requirements, which are often extra- territorial in nature, and global regulators are seeking to enforce their countries' laws outside of their borders. In addition, we frequently have added privacy compliance requirements as a result of our contractual obligations with counterparties. These legal and contractual obligations heighten our privacy obligations in the ordinary course of conducting our business in the **United States** ~~U. S.~~ and internationally. In the United States, federal privacy legislation is being considered by Congress and may lead to significant new obligations for us and our portfolio companies. In the interim, a number of state laws are being passed, such as the California Consumer Privacy Act (" CCPA "), which took effect in January 2020. The CCPA provides for enhanced consumer protections for California residents, a private right of action for certain data breaches that is expected to increase related litigation, and

statutory fines for CCPA violations. In addition, the CCPA requires covered companies to provide new disclosures to California residents and provides such residents new ways to opt- out of certain sales of personal information. California voters also approved the California Privacy Rights Act (" CPRA ") in November 2020. Effective starting on January 1, 2023, the CPRA made significant modifications to the CCPA, including by expanding rights with respect to certain sensitive personal information and creating a new state agency for enforcing the CCPA. Unless and until a federal privacy law that preempts state laws is enacted, states will continue to shape the data privacy environment nationally. For example, Virginia enacted the Virginia Consumer Data Protection Act (the " VCDPA "), effective January 1, 2023, Colorado passed the Colorado Privacy Rights Act (the " CPA "), effective July 1, 2023, Connecticut passed the Connecticut Data Privacy Act (the " CDPA "), effective July 1, 2023, and Utah passed the Utah Consumer Privacy Act (the " UCPA "), effective December 31, 2023. **Several other U. S. states enacted privacy laws in 2023 that will take effect in the years to come and** ~~Many~~ **many** other proposals exist in states across the **United States** ~~U. S.~~ that could increase our potential liability, increase our compliance costs, and affect our ability to process personal information integral to our business. Aspects of these state privacy statutes remain unclear, resulting in further legal uncertainty and potentially requiring us to modify our data practices and policies and to incur substantial additional compliance costs. Complying with various existing, proposed, or yet to be proposed laws, regulations, amendments to or re- interpretations of existing laws and regulations, and contractual or other obligations relating to privacy, data protection, data transfers, data localization, or information security may require us to make changes to our services to enable us or our customers to meet new legal requirements, incur substantial operational costs, modify our data practices and policies, and restrict our business operations. Any actual or perceived failure by us to comply with these laws, regulations, or other obligations may lead to significant fines, penalties, regulatory investigations, lawsuits, costs for remediation, and other liabilities. For instance, regulatory investigations or penalties related to data protection failures could lead to negative publicity and may cause our investors to lose confidence in the effectiveness of our security measures. Any inability, or perceived inability, to adequately address privacy and data protection concerns, or comply with applicable laws, regulations, policies, industry standards, contractual obligations, or other legal obligations also could result in additional cost and liability and could damage our reputation and adversely affect our business. **44 Extensive regulation in the United States and abroad affects our activities, increases the cost of doing business, and creates the potential for significant liabilities and penalties.** Our business is subject to extensive regulation, including periodic examinations, **inquiries, and investigations,** by governmental agencies and self- regulatory organizations in the jurisdictions in which we operate around the world. **These authorities have regulatory powers dealing with many aspects of financial services, including the authority to grant, and in specific circumstances to cancel, permissions to carry on particular activities.** Many of these regulators, including U. S. and foreign government agencies and self- regulatory organizations ~~and~~ **, as well as** state securities commissions in the United States, are empowered to conduct **examinations, inquiries,** investigations **,** and administrative proceedings that can result in fines, suspensions of personnel **, changes in policies, procedures or disclosure** or other ~~sanctions~~ -- **actions** , including censure, the issuance of cease- and- desist orders ~~or~~ **,** the suspension or expulsion of a broker- dealer or investment adviser from registration or memberships **or the commencement of a civil or criminal lawsuit against us or our personnel** . Even if an investigation or proceeding does not result in a sanction or the sanction imposed against us or our personnel by a regulator were small in monetary amount, the costs incurred in responding to such matters could be material and the adverse publicity relating to the investigation, proceeding **,** or imposition of ~~these~~ **those** sanctions could harm our reputation and cause us to lose existing investors or fail to gain new investors or discourage others from doing business with us. Some of our investment funds invest in businesses that operate in highly regulated industries, including in businesses that are regulated by the U. S. Federal Communications Commission and U. S. federal and state banking authorities. The regulatory regimes to which such businesses are subject may, among other things, condition our funds' ability to invest in those businesses upon the satisfaction of applicable ownership restrictions or qualification requirements. Our failure to obtain or maintain any regulatory approvals necessary for our funds to invest in such industries may disqualify our funds from participating in certain investments or require our funds to divest themselves of certain assets. In recent years, the SEC and its staff have focused on issues relevant to global investment firms and have formed specialized units devoted to examining such firms and, in certain cases, brought enforcement actions against the firms, their principals **,** and their employees. We have seen and expect to continue to see a greater level of SEC enforcement activity under the current ~~Administration~~ **administration** , and while we believe that we have a robust compliance program in place, it is possible this enforcement activity will target practices that we believe are compliant ~~and that were not targeted by the prior Administration~~ . Recent SEC focus areas have also included the use and compensation of, and disclosure regarding, operating partners or consultants, outside business activities of firm principals and employees and group purchasing arrangements **, books and records retention,** and general conflicts of interest disclosures. The SEC is also focused on adherence to practices disclosed in fund offering documents, management of conflicted transactions, management fee calculation, performance advertising **,** and investment due diligence practices. It is generally expected that the SEC' s oversight of global investment firms will continue to focus on concerns related to transparency, investor disclosure practices, investment risks and conflicts of interest, fees and expenses, liquidity, valuation of assets, and controls around material non- public information, which could impact Carlyle in various ways. For example, our private equity funds frequently engage operating executives and senior advisors who often work with our investment teams during due diligence, provide board- level governance **,** and support and advise portfolio company management. Operating executives and senior advisors generally are third parties, are not considered Carlyle employees **,** and typically are engaged by us pursuant to consulting agreements, and the investors in our private equity funds may bear the cost of the operating executive or senior advisor compensation, as permitted under the relevant fund legal documents. In some cases, an operating executive or senior advisor may be retained by a portfolio company directly and **,** in such instances **,** the portfolio company may compensate the operating executive or senior advisor directly (meaning that investors in our private equity funds may indirectly bear the cost of the operating executive' s or senior advisor' s

compensation). While we believe we have made appropriate and timely disclosures regarding the engagement and compensation of our operating executives and senior advisors, the SEC staff may disagree. The SEC has also signaled that it will continue to focus on issues specific to private investment funds, including performance advertising, the inclusion of preferred liquidity and disclosure terms in side letters, transparency of fund fees and expenses, and reporting of information to the SEC on Form ADV and Form PF, including proposed amendments to Form ADV that would require enhanced disclosure regarding cybersecurity incidents and ESG practices and ~~proposed~~ **final** amendments to Form PF that ~~would~~ **will** introduce " current reporting " requirements for certain events and require enhanced disclosure regarding fund investments and structures. **In addition, in February 2024, the SEC and CFTC jointly adopted amendments that expand the information that private fund advisers must report on their Form PF filings. The compliance date for these joint amendments to Form PF is expected to be in the first half of 2025.** Any new rulemaking by the SEC in these areas could have an impact on our business practices and result in additional operational, administrative **,** and compliance burden and costs and could potentially result in reductions to our revenue, earnings **,** and cash flow. See " Risks Related to Regulation and Litigation — Financial **45** regulations and changes thereto in the United States could adversely affect our business and the possibility of increased regulatory focus could result in additional burdens and expenses on our business. " We also regularly are subject to requests for information **, inquiries,** and informal or formal investigations by the SEC and other regulatory authorities, with which we routinely cooperate. In the current **regulatory** environment, even historical practices that have been previously examined are being revisited. For example, as part of a sweep investigation of financial services and investment advisory firms, in October 2022, we received a request for information from the SEC related to the preservation of certain types of electronic business communications (e. g., text messages and messages on WhatsApp, WeChat, and similar applications). We intend to cooperate fully with the SEC' s inquiry. These additional regulatory requirements will increase our compliance costs and may expose us to liabilities and penalties if we fail to comply with the applicable laws, rules **,** and regulations. We regularly rely on exemptions from various requirements of the Securities Act of 1933, as amended (the " Securities Act "), the Exchange Act, the Investment Company Act, the Commodity Exchange Act, and the U. S. Employee Retirement Income Security Act of 1974, as amended (" ERISA "), in conducting our asset management activities in the United States. If for any reason these exemptions were to become unavailable to us, we could become subject to regulatory action or third- party claims and our business could be materially and adversely affected. ~~For example, in 2014, the SEC amended Rule 506 of Regulation D under the Securities Act to impose " bad actor " disqualification provisions that ban an issuer from offering or selling securities pursuant to the safe harbor in Rule 506 if the issuer, or any other " covered person, " is the subject of a criminal, regulatory or court order or other disqualifying event under the rule which has not been waived by the SEC. The definition of " covered person " under the rule includes an issuer' s directors, general partners, managing members and executive officers; affiliates who are also issuing securities in the offering; beneficial owners of 20 % or more of the issuer' s outstanding equity securities; and promoters and persons compensated for soliciting investors in the offering. Accordingly, our ability to rely on Rule 506 to offer or sell securities would be impaired if we or any " covered person " is the subject of a disqualifying event under the rule and we are unable to obtain a waiver from the SEC.~~ Similarly, in conducting our asset management activities outside the United States, we rely on available exemptions from ~~the~~ regulatory regimes of various foreign jurisdictions. These exemptions from regulation within the United States and abroad are sometimes highly complex and may, in certain circumstances, depend on compliance by third parties whom we do not control. If for any reason these exemptions were to become unavailable to us, we could become subject to regulatory action or third- party claims and our business could be materially and adversely affected. Moreover, the requirements imposed by our regulators are designed primarily to ensure the integrity of the financial markets and to protect investors in our funds and are not designed to protect our stockholders. Consequently, these regulations often serve to limit our activities and impose burdensome compliance requirements. See Item 1 " Business — Regulatory and Compliance Matters. " We may become subject to additional regulatory and compliance burdens as we expand our product offerings and investment platform, including registered product offerings for retail investors. For example, we have **several** ~~a number of~~ closed- end investment companies in our Global Credit and Global Investment Solutions segments that are subject to the Investment Company Act and the rules thereunder, which, among other things, impose regulatory restrictions on principal transactions between, and joint transactions among, the investment company and certain of its affiliates, including its investment adviser. Certain of these investment companies are subject to additional securities law requirements due to their status as a publicly ~~-~~traded issuer, as well as the listing standards of the applicable national securities exchange. Other jurisdictions, particularly in Europe and the United Kingdom, impose similar (if not greater) regulatory burdens on registered product offerings. We expect to offer more of these registered investment products in the future to U. S. and non- U. S. investors. These additional regulatory requirements will increase our compliance costs and may expose us to liabilities and penalties if we fail to comply with the applicable laws, rules **,** and regulations. We are subject to U. S. and foreign anti- corruption, anti- bribery, and anti- money laundering laws, including the U. S. Foreign Corrupt Practices Act, as amended (" FCPA "), the U. S. domestic bribery statute, and the U. S. Travel Act, and other anti- corruption, anti- bribery, and anti- money laundering laws in the countries in which we conduct activities. Anti- corruption laws are interpreted broadly and prohibit us from authorizing, offering, or providing, directly or indirectly, improper payments or things of value to recipients in the public or private sector **. In February 2024, the U. S. Department of the Treasury' s Financial Crimes Enforcement Network (" FinCEN ") proposed a rule that would require registered investment advisers and exempt reporting advisers (" ERAs ") to, among other measures, adopt an anti- money laundering and countering the financing of terrorism (" AML / CFT ") program and file certain reports with FinCEN. The proposed rule would also delegate authority to the SEC to examine registered investment advisers' and ERAs' compliance with these requirements. If this proposal is adopted, it could impose additional regulatory obligations related to AML / CFT on our investment advisory business** . In addition, we are subject to the accounting and internal controls provisions of the FCPA, which require us to maintain accurate books and records and a system of internal controls sufficient to detect and prevent corrupt conduct. We are also subject to U. S.

export controls and economic sanctions administered by the U. S. Commerce Department, the Office of Foreign Assets Control (“ OFAC ”) of the U. S. Department of the Treasury, and the U. S. Department of State. Such export control laws and regulations and economic sanctions are based on U. S. foreign policy and national security goals, and are enforced against targeted countries, jurisdictions, territories, regimes, entities, organizations **,** and individuals. Laws in non- U. S. jurisdictions, including those addressing anti- bribery, anti- corruption, anti- money laundering, economic sanctions **,** or export control, may impose stricter or more onerous requirements than such laws of the United States, and complying with these foreign laws may disrupt our business or cause us to incur significantly more costs to comply with those laws. For example, in the ~~UK~~ **United Kingdom** , we are subject to the UK Proceeds of Crime Act 2002 regarding the **46** prevention of money laundering and the financing of terrorism, as well as the UK Bribery Act 2010 prohibiting private and public sector bribery. Different laws may also contain conflicting provisions, making compliance with all laws more difficult. We cannot predict the nature, scope **,** or effect of future regulatory requirements to which we ~~might~~ **may** be subject or the manner in which existing laws might be administered, interpreted **,** or enforced. Our funds’ portfolio companies’ compliance policies and procedures may not prevent all instances of money laundering or bribery, or other prohibited transactions, including those arising from actions by employees, representatives, or other agents, for which we or they might be held responsible. These various anti- corruption, anti- money laundering, export control, and sanctions laws and regulations relate to several aspects of our businesses, including servicing existing fund investors, finding new fund investors **,** and sourcing new investments, as well as the activities of our funds’ portfolio companies, and require ongoing monitoring of both investors and portfolio assets. U. S. government regulators, including the U. S. Department of Justice, the SEC **,** and OFAC, have devoted more resources to enforcement of the FCPA and export control and sanctions laws as enforcement has become more of a priority in recent years. Several other countries, including countries where we and our funds’ portfolio companies maintain operations or conduct business, have also significantly expanded their enforcement activities, ~~especially~~ **particularly** regarding anti- corruption. Recently, the U. S. government has also used sanctions and export controls to address broader foreign and international economic policy goals. While we have developed and implemented policies and procedures designed to ensure compliance by us and our personnel with the FCPA and other anti- corruption laws, as well as export control and economic sanctions laws, we cannot ensure that none of our employees, representatives, contractors, partners, and agents will take actions in violations of our policies and applicable law, for which we may be ultimately held responsible. Any determination that we have violated these laws could subject us to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation, disbarment **,** and a general loss of investor confidence, any one of which could have a material adverse effect on our results of operations, financial condition **,** and cash flow, as well as our reputation. In addition, the Iran Threat Reduction and Syria Human Rights Act of 2012 (the “ ITRA ”) expanded the scope of U. S. sanctions against Iran and Section 219 of the ITRA amended the Exchange Act to require companies subject to SEC reporting obligations under Section 13 of the Exchange Act to disclose in their periodic reports specified dealings or transactions involving Iran, or other individuals and entities targeted by certain sanctions promulgated by OFAC, by the reporting company or any of its affiliates, including in our case some of our portfolio companies, during the period covered by the relevant periodic report. In some cases, the ITRA requires companies to disclose transactions even if they were permissible under U. S. law. In addition, the ITRA imposes an obligation to separately file with the SEC a notice that specified activities have been disclosed in our quarterly and annual reports, and the SEC is required to post this notice of disclosure on its website and send the report to the U. S. President and certain U. S. Congressional committees. Disclosure of ITRA- specified activity, even if such activity is legally permissible and not subject to sanctions under applicable law, and any fines or penalties actually imposed on us or our affiliates as a result of any impermissible activities, could harm our reputation and have a negative impact on our business. In the past, we have disclosed pursuant to Section 13 of the Exchange Act, certain permissible dealings and transactions and **,** to date, we have not received notice of any investigation into such activities. ~~On~~ **In** January ~~18,~~ 2022, the U. S. Department of Justice Antitrust Division and the FTC launched a joint public inquiry aimed at strengthening enforcement against illegal mergers, citing evidence that many industries across the economy are becoming more concentrated and less competitive ~~.~~ **and, in July 2023, the Justice Department and the FTC released a draft update to the merger guidelines, which were finalized in December 2023, that describe and guide the agencies’ review of mergers and acquisitions to determine compliance with federal** ~~Antitrust~~ **antitrust laws. In this respect, antitrust** regulators in several foreign jurisdictions have announced similar antitrust enforcement initiatives. These initiatives are expected to increase scrutiny of mergers and acquisitions and to result in the adoption of more stringent guidelines for pre- approval of mergers. As a result, the process of obtaining pre- approval from the FTC and other non- U. S. antitrust authorities for mergers and acquisitions undertaken by the investment funds we manage is expected to become more challenging, more time consuming, and more expensive. If certain proposed acquisitions or dispositions of portfolio companies by our managed investment funds are delayed or rejected by antitrust regulators, it could have an adverse impact on our ability to generate future performance revenues and to fully invest the available capital in our funds, as well as reduce opportunities to exit and realize value from our fund investments. If we fail to comply with this multitude of laws and regulations, even where conflicts of law arise, we could be exposed to claims for damages, civil or criminal penalties, incarceration of our employees, restrictions on our operations (including disbarment) **,** and other liabilities, especially as non- U. S. regulators increase their enforcement activities, which could materially and adversely affect our business, results of operations, financial condition, cash flow **,** and our reputation. In addition, we may be subject to successor liability for FCPA violations or other acts of bribery, or violations of applicable anti- corruption, sanctions **,** or export control laws committed by companies in which we or our funds invest or which we or our funds acquire **. 47 Financial regulations and changes thereto in the United States could adversely affect our business and the possibility of increased regulatory focus could result in additional burdens and expenses on our business** . The Dodd- Frank Wall Street Reform and Consumer Protection Act (the “ Dodd- Frank Act ”), enacted in 2010, has imposed significant changes on almost every aspect of the U. S. financial services industry, including aspects of our

business. On May 24, 2018, the Economic Growth, Regulatory Relief and Consumer Protection Act (the " Reform Act ") was signed into law. The Reform Act amends various sections of the Dodd- Frank Act, including by modifying the Volcker Rule to exempt certain insured depository institutions ~~. The Reform Act and various other proposals focused on deregulation of the U. S. financial services industry may have the effect of increasing competition for our credit- focused businesses or otherwise reducing investment opportunities, which could adversely affect our business~~ . The Volcker Rule, as amended by the Reform Act, generally prohibits any " banking entity " (broadly defined as any insured depository institution, subject to certain exceptions including for depository institutions that do not have, and are not controlled by a company that has, more than $ 10 billion in total consolidated assets ~~and~~ **or** significant trading assets and liabilities, any company that controls such an institution, a non- U. S. bank that is treated as a bank holding company for purposes of U. S. banking law and any affiliate or subsidiary of the foregoing entities) from sponsoring, acquiring **,** or retaining an ownership interest in a fund that is not subject to the provisions of the 1940 Act in reliance upon either Section 3 (c) (1) or Section 3 (c) (7) of the 1940 Act. The Volcker Rule also authorizes the imposition of additional capital requirements and certain other quantitative limits on such activities engaged in by certain nonbank financial companies that have been determined to be systemically important by the Financial Stability Oversight Council (" FSOC ") and subject to supervision by the Federal Reserve, although such entities are not expressly prohibited from sponsoring or investing in such funds. In July 2019, U. S. federal regulatory agencies adopted amendments to the Volcker Rule regulations to implement the Volcker Rule amendments included in the Reform Act ~~,~~ and **,** also in 2019 **,** such U. S. federal regulatory agencies adopted certain targeted amendments to the Volcker Rule regulations to simplify and tailor certain compliance requirements relating to the Volcker Rule. In June 2020, U. S. federal regulatory agencies adopted additional revisions to the Volcker Rule' s ~~current~~ restrictions on banking entities sponsoring and investing in certain covered hedge funds and private equity funds, including by adopting new exemptions allowing banking entities to sponsor and invest without limit in credit funds, venture capital funds, customer facilitation funds **,** and family wealth management vehicles (the " Covered Fund Amendments "). The Covered Fund Amendments also loosen certain other restrictions on extraterritorial fund activities and direct parallel or co- investments made alongside covered funds. The Covered Fund Amendments should therefore expand the ability of banking entities to invest in and sponsor private funds. The Covered Fund Amendments, the Reform Act **,** and such regulatory developments and various other proposals focused on deregulation of the U. S. financial services industry may have the effect of increasing competition for our businesses **or otherwise reducing investment opportunities, which could adversely affect us** . In June 2010, the SEC approved Rule 206 (4)- 5 under the Advisers Act regarding " pay to play " practices by investment advisers involving campaign contributions and other payments to government clients and elected officials able to exert influence on such clients. The rule prohibits investment advisers from providing advisory services for compensation to a government client for two years, subject to very limited exceptions, after the investment adviser, its senior executives **,** or its personnel involved in soliciting investments from government entities make contributions to certain candidates and officials in a position to influence the hiring of an investment adviser by such government client. Any failure on our part to comply with the rule could expose us to significant penalties, loss of fees, and reputational damage. In August 2017, FINRA' s " pay to play " regulations went into effect. These FINRA rules effectively prohibit the receipt of compensation from state or local government agencies for solicitation and distribution activities within two years of a prohibited contribution by a broker- dealer or one of its covered associates. There have also been similar laws, rules **,** and regulations and / or policies adopted by a number of states and municipal pension plans, which prohibit, restrict **,** or require disclosure of payments to (and / or certain contracts with) state officials by individuals and entities seeking to do business with state entities, including investment by public retirement funds. The Dodd- Frank Act also imposes a regulatory structure on the " swaps " market, including requirements for clearing, exchange trading, capital, margin, reporting, and recordkeeping. The CFTC has finalized many rules applicable to swap market participants, including business conduct standards for swap dealers, reporting and recordkeeping, mandatory clearing for certain swaps, exchange trading rules applicable to swaps, initial and variation margin requirements for uncleared swap transactions **,** and regulatory requirements for cross- border swap activities. These requirements could reduce market liquidity and adversely affect our business, including by reducing our ability to enter swaps. The Dodd- Frank Act authorizes federal regulatory agencies to review and, in certain cases, prohibit compensation arrangements at financial institutions that give employees incentives to engage in conduct deemed to encourage inappropriate risk taking by covered financial institutions. On May 16, 2016, the SEC and other federal regulatory agencies proposed a rule that would apply requirements on incentive- based compensation arrangements of " covered financial institutions, " including certain registered investment advisers and broker- dealers above a specific asset threshold. This rule, if adopted, could limit our ability to recruit and retain investment professionals and senior management executives. However, the proposed rule remains **48** pending and may be subject to significant modifications. In addition, as directed under the Dodd- Frank Act, on October 26, 2022, the SEC adopted final rules under which companies listed on the NYSE and Nasdaq **are** ~~will be~~ required to adopt " clawback " policies that mandate recovery by companies of certain incentive- based compensation awarded to current and former executives in the event of an accounting restatement. In May 2018, the Economic Growth, Regulatory Relief **,** and Consumer Protection Act became law, which modified automatic additional regulatory compliance issues for financial entities that were deemed " Systemically Important Financial Institutions " (SIFI) from $ 50 billion AUM to $ 250 billion AUM. There is ~~legislative~~ risk ~~under the current Administration~~ that **future legislation could revert** such designation ~~will revert~~ back to $ 50 billion and expand its application to include private equity asset management firms. Following the 2020 presidential and congressional elections in the United States, there has been an increased risk of legislative and regulatory action that could adversely limit and affect our and our funds' portfolio companies' business. For example, proposed legislation that was introduced into the U. S. Congress in July 2019 was reintroduced in October 2021, containing a number of provisions that ~~, if they were to become law,~~ would adversely impact alternative asset management firms. Among other things, the bill ~~would~~ **proposed to** : (1) subject private funds and certain holders of economic interests therein to joint and several liability for all liabilities of portfolio companies; (2) require

private funds to offer identical terms and benefits to all limited partners; (3) require disclosure of names of each limited partner invested in a private fund, as well as sensitive fund and portfolio company- level information; (4) impose a limitation on the deductibility of interest expense only applicable to companies owned by private funds; (5) modify settled bankruptcy law to target transactions by private equity funds; (6) increase tax rates on carried interest; and (7) prohibit portfolio companies from paying dividends or repurchasing their shares or outsourcing jobs at portfolio companies during the first two years following the acquisition of the portfolio company. In addition, in August 2021, legislation was introduced in the Senate that would require holders of carried interest to recognize a specified amount of deemed compensation income each year regardless of whether the investment partnership recognizes income or gain and regardless of whether and when the holders receive distributions in respect of their carried interests. If ~~these proposed bills or parts thereof, or other~~ similar legislation ~~,~~ were to become law, it could negatively impact us, our funds' portfolio companies **,** and our investors. The SEC' s amended rule for investment adviser marketing became effective in November 2022. The rule increases regulatory obligations and potential scrutiny and imposes more prescriptive requirements on investment advisers' marketing activities, including but not limited to prohibitions on advertisements that are misleading or contain material statements that an investment adviser cannot substantiate as well as requirements for performance advertising and the use of **testimonials, endorsements, and** placement agent arrangements. The rule impacts the marketing of certain of our funds and other investment advisory functions. Compliance with the new rule entails compliance and operational costs. ~~In September 2022~~ **The SEC has also already instituted and settled multiple actions against investment advisers for violating the marketing rule** , **and publications by** the SEC staff **have indicated** ~~published a risk alert indicating~~ that **it** ~~the staff~~ will **remain focused on investment advisers' ongoing** ~~conduct a number of specific national initiatives, as well as a broad review through the examination process, for~~ compliance with the ~~new~~ marketing rule. Future legislation, regulation or guidance may have an adverse effect on the fund industry generally and / or us specifically. Financial services regulation, including regulations applicable to our business, has increased significantly in recent years, and may in the future be subject to further enhanced governmental scrutiny and / or increased regulation, including resulting from changes in U. S. executive administration or Congressional leadership. The SEC has ~~also signaled~~ **adopted certain rules and proposed multiple other rules** that ~~it intends to pursue additional regulation~~ **will impact the business operations and compliance obligations** of ~~private~~ **Carlyle' s investment advisers and** ~~fund~~ **funds** ~~fees and conflicts of interest, including potentially requiring greater transparency of fund fees and expenses~~ : • In ~~February~~ **August** ~~2022~~ **2023** , the SEC ~~proposed~~ **adopted** new rules and amendments to existing rules under the Advisers Act **(collectively, the " Private Fund Adviser Rules ")** specifically related to ~~registered~~ **investment** advisers and their activities with respect to private funds ~~(the~~ **they** ~~" SEC Proposed Rule "). If enacted, the proposed rules and amendments could have a significant impact on advisers~~ -- **advise** ~~to private funds, including Carlyle~~ . In particular, the ~~SEC has proposed~~ **Private Fund Adviser Rules require registered investment advisers** to: **prepare and distribute to** ~~limit circumstances in which a fund manager can be indemnified by a~~ private fund **investors quarterly statements containing detailed information about compensation, fees and expenses, portfolio investments, capital inflows and outflows, and performance, among other things** ; ~~increase reporting requirements by private funds to investors concerning performance, fees and expenses; require registered advisers to~~ obtain an annual audit for **the** private funds **that they manage;** and ~~also~~ require **registered advisers** ~~such fund' s auditor to notify the SEC upon the occurrence of certain material events; enhance requirements, including the need~~ to obtain a fairness **or valuation** opinion and make certain disclosures ~~,~~ in connection with adviser- led secondary transactions ~~(also known as general partner- led secondaries); prohibit~~ **. In addition, the Private Fund Adviser Rules restrict all investment** advisers from engaging in **the following practices unless they satisfy** certain ~~practices~~ **disclosure** , ~~such as~~ **and in some cases consent** , **requirements:** ~~without limitation,~~ charging ~~accelerated fees~~ **private fund clients** for ~~unperformed services or~~ fees and expenses associated with **regulatory** ~~an~~ **and** ~~examination to~~ **investigation- related expenses, charging non- pro rata fee and expense allocations, reducing the amount of any clawback of advisory fees by actual, potential or hypothetical taxes, and borrowing money from a** private fund ~~clients~~ - **client** ~~; and impose limitations and new disclosure requirements regarding~~ **. The Private Fund Adviser Rules also prohibit investment advisers from providing** preferential treatment ~~of~~ **to** investors ~~in~~ **with regard to liquidity and information rights unless they meet specified conditions, and require advisers to make certain disclosures to** private ~~funds~~ - **fund investors** ~~in side letters or other arrangements~~ with ~~an adviser~~ **regard to preferential treatment provided to investors in that fund** . The ~~SEC also proposed amendments to the existing books and records and~~ compliance ~~rules~~ **dates** for ~~investment~~ **the Private Fund** ~~advisers~~ - **Adviser Rules are in September 2024 or March 2025. Although there is a pending legal challenge to the Private Fund Adviser Rules, it is uncertain whether such legal 49 challenge will succeed. While the full extent of the Private Funds Adviser Rules' impact cannot yet be determined, it is generally anticipated** that **they** ~~complement these rules and require that all registered advisers document their annual compliance review in writing. The SEC has indicated that it~~ will ~~seek to have a final vote to adopt these proposed regulations in 2023. If adopted, including with modifications, this new SEC Proposed Rule could~~ have a significant effect on private fund advisers and their operations, including **by** increasing **regulatory and** compliance **costs and** burdens and **heightening** ~~associated regulatory costs, increasing litigation risk, reducing the ability to receive expense or indemnification reimbursements, and enhancing~~ the risk of regulatory action ~~, including public~~ **. It is expected that the private funds advised by Carlyle will bear (either directly or indirectly) certain** regulatory ~~sanctions~~ and **compliance costs relating** ~~may result in a change~~ to ~~our practices and create additional regulatory uncertainty. Further, we note that in connection with~~ the ~~SEC Proposed~~ **Private Fund Adviser** ~~Rule~~ **Rules . The Private Fund Adviser Rules** ~~, if such rule were to be enacted, it~~ could also ~~significantly increase~~ **divert time, attention, and resources of Carlyle' s investment advisers and its personnel away from managing the Fund' s investment activities and overseeing its portfolio companies. For these reasons, the Private Fund Adviser Rules could have a material negative impact on the operations and financial performance of Carlyle' s investment adviser entities and the private funds that** ~~the~~ **they** ~~cost of insurance~~ **manage. In addition** , ~~specifically D & O~~ **the SEC amended the books** and ~~E & O insurance~~

records and compliance rules under the Advisers Act to require , ~~or may even make such insurance coverage unavailable~~ **respectively, registered investment advisers to private funds to retain certain records evidencing their compliance with the Private Fund Adviser Rules and all registered investment advisers to document their annual compliance review** . • In **May** ~~January and August 2022~~ **2023** , the SEC ~~proposed~~ **adopted** changes to Form PF, a confidential form relating to reporting by private funds and intended to be used **by the Financial Stability Oversight Counsel (" FSOC ")** for systemic risk oversight purposes. **This amendment** ~~These proposals, which represent an expansion~~ --- **expands** ~~of~~ existing reporting obligations **by requiring large hedge fund advisers to make a filing within 72 hours of certain current reporting events including extraordinary investment losses and certain events related to margin and redemptions** , ~~if~~ **private equity fund advisers to make quarterly filings of adviser- led secondaries and removal of the fund' s general partner, and large private equity fund advisers to provide additional information regarding general partner clawbacks and fund strategy and borrowing in their annual Form PF filings. The compliance date for certain of these expanded Form PF reporting requirements was in December 2023 and the compliance date for the other requirements is June 2024. In addition, in February 2024, the SEC and CFTC jointly** adopted **amendments that expand the information that private fund advisers must report on their Form PF filings. The compliance date for these joint amendments to Form PF is expected to be in the first half of 2025. • In July 2023** , **the SEC adopted new and amended rules that require public companies such as Carlyle to describe their processes for assessing and managing material risks from cybersecurity threats, inform boards of directors regarding these processes, and promptly disclose any material cybersecurity incident through a Form 8- K filing. The compliance dates for these rules were December 2023. In addition, in February 2022, the SEC proposed rules regarding registered investment advisers' and funds' cybersecurity risk management, which** would require **them** ~~private fund managers, including us,~~ to **adopt and implement cybersecurity policies and procedures, enhance disclosures concerning cybersecurity incidents and risks in regulatory filings, and investment advisers to promptly** report **certain cybersecurity incidents** to the SEC **. Moreover, in March 2023, the SEC proposed changes to Regulation S- P, its financial privacy rules, which would require, among other things, that investment companies, broker- dealers, and SEC- registered investment advisers notify affected individuals of a breach involving their personal financial information** within **30** ~~one business day~~ **days** ~~the occurrence~~ of **becoming aware** ~~certain fund- related and portfolio company events. The SEC has indicated~~ that it **occurred. This** ~~will seek to have a final vote to adopt~~ **adopted rule, and either or both of** these **proposals, could increase our compliance costs and potential regulatory liability related to cybersecurity. See " Risks Related to Regulation and Litigation — Laws and** regulations ~~in 2023. Increased regulations~~ **relating to privacy, data protection, data transfers, data localization,** and **data security worldwide may limit the** ~~disclosure obligations could result in our incurring higher costs if new laws or disclosure obligations require us~~ **use and adoption of** ~~to spend more time, hire additional personnel, or~~ **our** ~~buy new technology to comply effectively~~ **services and adversely affect our business** . **"** • In February ~~2022~~ **2023** , the SEC ~~issued~~ **proposed extensive amendments** ~~two~~ - **to** ~~releases~~ **the custody rule for SEC- registered investment advisers. If adopted, the amendments would require, among other things, the adviser to: obtain certain contractual terms from each advisory client' s qualified custodian; document** that ~~proposed~~ **privately- offered securities cannot be maintained by a qualified custodian; and promptly obtain verification from an independent public accountant of any purchase** , ~~respectively~~ **sale** , ~~rule~~ **or transfer of privately- offered securities. The** amendments **also would apply** to **all assets of a client, including real estate, contracts, and other assets that generally are not considered securities under the federal securities laws. If adopted, these amendments could expose our registered investment advisers to additional regulatory liability, increase compliance costs, and impose limitations on our investing activities. • In 2023, the SEC adopted new or amended rules that** accelerate the filing deadlines for companies to make filings of beneficial ownership and ~~to~~ expand the scope of instances where such a filing is required, ~~and rule proposals to~~ require certain asset managers to file with the SEC on a monthly basis certain data related to their short sales activity **, and require annual reporting of how they voted on say- on- pay proxy matters** . The ~~SEC has indicated that it will seek to have a final vote to adopt~~ **adoption of** these **rules is expected to require us** ~~proposed regulations in 2023. If these proposals are adopted, we may need~~ to devote additional resources to fulfilling **these** ~~our beneficial ownership and short- sale~~ reporting obligations and ~~there~~ may ~~be~~ **result in** additional regulatory attention focused on such activities. ~~•~~ In October 2022, the SEC proposed a new rule and related amendments that would impose substantial obligations on registered investment advisers to conduct initial due diligence and ongoing monitoring of a broad universe of service providers that we may use in our investment advisory business. If these proposed rules take effect, **50** they could increase limitations on our ability to use service providers in connection with our investment advisory business, impose additional costs and burdens on our use and monitoring of service providers, and subject us to heightened regulatory scrutiny. • **In July 2023, the SEC proposed new predictive data analytics rules, which would require registered investment advisers (and broker- dealers) to eliminate or neutralize (rather than disclose and mitigate) certain conflicts of interest posed by covered technologies including artificial intelligence and machine- learning, with respect to their interactions with clients and investors in pooled investment vehicles. If adopted, this rule could expose Carlyle to additional regulatory uncertainty, liability, and increased compliance and other costs. In order to limit their potential liability under this rule, our investment adviser entities could choose to change or discontinue some of their activities, or refrain from engaging in activities related to such technologies, which could be detrimental to the funds, their investors, and their financial performance. See " Risks Related to Our Company — Use of artificial intelligence technology by us could lead to the exposure of our data or other adverse effects and such technology also may lead to more effective threat actors. " •** The SEC has also **adopted or** proposed numerous new and amended rules that would apply to market participants that we regularly interact with as counterparties or to our other business activities, including broker- dealers' execution of trades and clearance and settlement of trades. ~~The SEC has indicated that it will seek to have a final vote to adopt many of these~~ **These** ~~proposed regulations in 2023. If these proposed~~ rules ~~become effective, they~~ could affect our business by making it more costly

financially or burdensome for us to engage in certain business transactions. In addition, an amended SEC rule and subsequent guidance would, beginning in January 2025, prohibit broker dealers from providing price quotations for certain private debt security offerings unless information about the issuer of these securities is current and publicly available. This rule could affect our ability to trade in certain private debt securities. **•** In September **2023, the SEC adopted amendments to its fund names rule to require that funds subject to the Investment Company Act of 1940 whose names suggest that its investments incorporate one or more ESG factors must adopt a policy to invest at least 80 % of their assets consistently with this policy. The compliance date for this amendment to the names rule is December 2025. Between September** 2022 **and February 2024** , the SEC announced charges against ~~15~~ **approximately 40** broker- dealers and ~~one affiliated~~ **/ or** investment ~~adviser~~ **advisory firms** for widespread and longstanding failures by the firms and their employees to maintain and preserve electronic communications. The firms admitted the facts set forth in their respective SEC orders, acknowledged that their conduct violated recordkeeping provisions of the federal securities laws, agreed to pay combined penalties of **approximately** ~~more than~~ $ 1. ~~1~~ **3** billion, and agreed to implement improvements to their compliance policies and procedures to settle these matters. As part of a sweep investigation of financial services and investment advisory firms, in October 2022, we received a request for information from the SEC related to the preservation of certain types of electronic business communications (e. g., text messages and messages on WhatsApp, WeChat, and similar applications). We intend to cooperate fully with the SEC' s inquiry. It is difficult to determine the full extent of the impact on us of any new laws, regulations **,** or initiatives that may be proposed or whether any of the proposals will become law. Any changes in the regulatory framework applicable to our business, including the changes described above, may impose additional costs on us, impact our ability to generate revenue, require the attention of our senior management **,** or result in limitations on the manner in which we conduct our business. Moreover, we anticipate there may be an increase in regulatory investigations of the trading and other investment activities of private funds, including our investment funds. Compliance with any new laws or regulations (including recent heightened SEC scrutiny regarding adviser compliance with advisers' own internal policies) could make compliance more difficult and expensive, affect the manner in which we conduct our business **,** and adversely affect our profitability. Changing regulations regarding derivatives and commodity interest transactions could adversely impact various aspects of our business. The regulation of derivatives and commodity interest transactions in the United States and other countries is a rapidly changing area of law and is subject to ongoing modification by governmental and judicial action. We and our affiliates enter into derivatives transactions for various purposes, including to manage the financial risks related to our business. Accordingly, the impact of this evolving regulatory regime on our business is difficult to predict, but it could be substantial and adverse. Managers of certain pooled investment vehicles with exposure to certain types of derivatives may be required to register with the CFTC as commodity pool operators (" CPOs ") and / or commodity trading advisors (" CTAs ") and become members of the National Futures Association (the " NFA "). As such, certain of our or our subsidiaries' risk management or **51** other commodities interest- related activities may be subject to CFTC oversight. Consequently, certain CFTC rules expose global investment firms, such as us, to increased registration and reporting requirements in connection with transactions in futures, swaps **,** and other derivatives regulated by the CFTC. These regulations have required us to reassess certain business practices related to our pooled vehicles, consider registration of certain entities with the CFTC **,** or file for additional exemptions from such registration requirements. In addition, as a result of their derivatives- related activities, certain of our entities ~~also~~ may be subject to a wide range of other regulatory requirements, such as: • potential compliance with certain commodities interest position limits or position accountability rules; • administrative requirements, including recordkeeping, confirmation of transactions and reconciliation of trade data; and • mandatory central clearing and collateral requirements. Our business may incur increased ongoing costs associated with monitoring compliance with the CFTC registration and exemption obligations across platforms and complying with the various reporting and record- keeping requirements. In addition, newly instituted and amended regulations could significantly increase the cost of entering into derivative contracts (including through requirements to post collateral that could adversely affect our available liquidity), materially alter the terms of derivative contracts, reduce the availability of derivatives to protect against risks that we encounter, reduce our ability to restructure our existing derivative contracts, and increase our exposure to less creditworthy counterparties. If we reduce our use of derivatives as a result of such regulations (and any new regulations), our results of operations may become more volatile and our cash flows may be less predictable, which could adversely affect our ability to satisfy our debt obligations or plan for and fund capital expenditures. The short- term and long- term impact of the Basel capital standards ~~is~~ **remains** uncertain. In June 2011, the Basel Committee on Banking Supervision, an international body comprised of senior representatives of bank supervisory authorities and central banks from 27 countries, including the United States, announced the final framework for a comprehensive set of capital and liquidity standards, commonly referred to as " Basel III, " for internationally active banking organizations and certain other types of financial institutions. The Basel III standards were revised in 2017 as part of a package of reforms referred to as " Basel IV " **(or more recently " Basel III Endgame ")** by the banking industry. These standards generally require banks to hold more capital, predominantly in the form of common equity, than under the previous capital framework, reduce leverage **,** and improve liquidity standards. U. S. federal banking regulators **, including the Federal Reserve, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation,** have adopted, and continue to adopt, final regulations to implement these standards for U. S. banking organizations. The ongoing adoption of these rules could restrict the ability of banks to maintain certain levels or types of capital market exposures under the present structure of their balance sheets, and cause these entities to raise additional capital in order to stay active in our marketplaces. As a result, their businesses, results of operations, financial condition **,** or prospects could be materially adversely affected, which in turn could have unintended adverse consequences for us, through higher borrowing costs, reduced access to certain types of credit **,** and increased costs and difficulty for us or our funds to enter into transactions in the normal course of our business. Moreover, these increased regulatory responsibilities and increased costs could reduce trading by a number of market participants, which could in turn adversely impact liquidity and increase volatility in the markets

and expose our funds to greater risks in connection with their trading activities. **Regulatory initiatives in jurisdictions outside the United States could adversely affect our business.** Similar to the environment in the United States, the current environment in jurisdictions outside the United States in which we operate, in particular the EU and the UK, has become subject to an expanding body of regulation. Governmental regulators and other authorities in the EU and the UK have proposed or implemented a number of initiatives and additional rules and regulations that could adversely affect our business. ~~New prudential~~ **Prudential** regimes for EU and UK investment firms. **From** ~~On December 5, 2019, a new EU legislative package replacing the existing prudential framework for EU investment firms was published in the Official Journal of the European Union, which took effect on~~ June 26, 2021 **,** ~~. The legislation consists of~~ the Investment Firm Regulation and the Investment Firm Directive (together **,** " IFR / IFD ") **replaced the prudential framework that applied previously to EU investment firms** . IFR / IFD represents a complete overhaul of " prudential " regulation (i. e., capital adequacy, liquidity adequacy, governance, remuneration policies and practices, public transparency and regulatory reporting) in the EU and substantially increases regulatory capital requirements for certain investment firms and imposes more onerous remuneration rules, and revised and extended internal governance, disclosure, reporting, liquidity, and group " prudential " consolidation requirements **52** (among other things). IFR / IFD affects AlpInvest, one of our subsidiaries, because it is an alternative investment fund manager in the Netherlands with MiFID top- up permissions to provide investment services. **It is possible that in the future, CIM Europe may also have to comply with IFR / IFD in relation to its MiFID top- up permissions; however, Luxembourg does not currently apply the regime to AIFMs with MiFID top- ups.** The UK has implemented its own version of IFR / IFD, the Investment Firms Prudential Regime (the " IFPR "), which took effect from January 1, 2021. The IFPR applies to our subsidiaries that are UK investment firms under the post- Brexit UK- retained Markets in Financial Instruments Directive (as restated, " MiFID II "), namely CECP ~~and~~ **,** CELF **and subject to FCA approval, AlpInvest Partners LLP** . Under the IFPR, among other requirements, both CECP and CELF **, and subject to FCA approval, AlpInvest Partners LLP,** are required to maintain a more onerous policy on remuneration, set an appropriate ratio between the variable and fixed components of total remuneration and meet requirements on the structure of variable remuneration. These requirements may make it more difficult for us to attract and retain staff **in certain circumstances** . IFPR also resulted in increased regulatory capital and liquidity adequacy requirements for CECP, in particular, which may continue to increase the costs of doing business and may impede intra- group capital and cash flows. AIFMD. The AIFMD was implemented in most jurisdictions in the EEA, on July 22, 2014. The AIFMD regulates alternative investment fund managers (" AIFMs ") established in the EEA that manage alternative investment funds (" AIFs "). The AIFMD also regulates and imposes regulatory obligations in respect of the marketing in the EEA by AIFMs (whether established in the EEA or elsewhere) of AIFs (whether established in the EEA or elsewhere). The UK implemented AIFMD while it was still a member of the EU and " onshored " it as part of UK law, such that similar requirements continue to apply in the UK notwithstanding Brexit. Abingworth is authorized in the UK as an AIFM by the FCA. AlpInvest, one of our subsidiaries, obtained authorization in 2015 and is licensed as an AIFM in the Netherlands. ~~Additionally~~ **Moreover** , in 2017, one of our subsidiaries, Carlyle Real Estate SGR S. p. A, was registered as an AIFM in Italy and in 2018, one of our subsidiaries, CIM Europe, obtained authorization as an AIFM in Luxembourg. **On November 10, 2023, the European Commission published a near- final directive amending the AIFMD, commonly referred to as " AIFMD II. " Assuming AIFMD II is adopted promptly and published in the Official Journal without delay in 2024, most of the changes will come into effect in 2026, subject to some grandfathering periods for certain requirements. AIFMD II imposes a number of amendments to the AIFMD, including more onerous delegation requirements, enhanced substance requirements, additional liquidity management provisions for AIFMs to the extent that they manage open- ended AIFs, and revised regulatory reporting and investor disclosures requirements. It also imposes significant new requirements relating to the activities of funds that originate loans (which may affect a number of our funds), including new restrictions on the structure that such funds may take and leverage limits for funds with material loan origination activities. In addition, AIFMD II introduces new conditions for non- EEA AIFMs, such as certain of our U. S. affiliates, to be able to make use of the national private placement regimes of EEA states, including a condition that the jurisdiction of neither of the AIFM and AIF have been identified as non- cooperative third countries for tax purposes nor deemed by the EU not to comply fully with the standards laid down in Article 26 of the OECD Model Tax Convention on Income and on Capital and thereby to ensure an effective exchange of information in tax matters. This gives rise to a risk that certain of our AIFs may not be able to take advantage of such regimes to raise capital from EEA investors, potentially with little notice.** Given the significance of **AIFMD II** ~~this review process~~ as well as its potential impact on the European fund industry framework, we ~~have been~~ **continue to** ~~considering~~ --- **consider** ~~the~~ **its** potential impact ~~of AIFMD II~~ on our business, particularly with regard to **our funds that engage in loan origination,** delegation of certain AIFM duties to third- countries that may affect both operating models of CIM Europe and AlpInvest, **any** extension of the directive to third country firms **,** and a push towards harmonization of the Collective Investment in Transferable Securities (" UCITS ") and AIFMD frameworks. AIFMD II has the potential to limit market access for our non- EU funds. Moreover, compliance with AIFMD II may, among other things, increase the cost and complexity of raising capital, may slow the pace of fundraising, limit operations, increase operational costs **,** and disadvantage our investment funds as bidders for and potential owners of private companies located in the EEA when compared to non- AIF / AIFM competitors ~~. It is not yet clear to what extent, if any, the UK would reflect AIFMD II in its domestic rules~~ . CBDF Directive and CBDF Regulation. In August 2021, two main legislative instruments, Directive (EU) 2019 / 1160 (the " CBDF Directive ") and Regulation (EU) 2019 / 1156 (the " CBDF Regulation "), came into effect. The CBDF Regulation and CBDF Directive lay out, among other things, general principles to be adhered to by fund managers when drafting pre- marketing and marketing communications. The legislative instruments also harmonize the pre- marketing requirements across the EEA by requiring EU AIFMs to notify their local regulator of their intention to pre- market in certain EEA jurisdictions within two weeks of pre- marketing having begun. CIM Europe and AlpInvest began to file such pre-

marketing notifications with the CSSF for any new fund and we are working to incorporate the relevant requirements under the CBDF Directive and CBDF Regulation into the firm' s global marketing policy. **53** Solvency II. The European solvency framework and prudential regime for insurers and reinsurers, under the Solvency II Directive 2009 / 138 / EC (" Solvency II "), took effect in full on January 1, 2016. Solvency II is a regulatory regime that imposes economic risk- based solvency requirements across all EU ~~Member~~ **member** ~~States~~ **states** and consists of three pillars: Pillar I ~~–~~**,** quantitative capital requirements, based on a valuation of the entire balance sheet; Pillar II ~~–~~**,** qualitative regulatory review, which includes governance, internal controls, enterprise risk management **,** and supervisory review process; and Pillar III ~~–~~**,** market discipline, which is accomplished through reporting of the insurer' s financial condition to regulators and the public. Solvency II is supplemented by European Commission Delegated Regulation (E. U.) 2015 / 35 (the " Delegated Regulation "), other European Commission " delegated acts " and binding technical standards, and guidelines issued by the European Insurance and Occupational Pensions Authority. The Delegated Regulation sets out detailed requirements for individual insurance and reinsurance undertakings, as well as for groups, based on the overarching provisions of Solvency II, which together make up the core of the single prudential rulebook for insurance and reinsurance undertakings in the European Union. Solvency II sets out stronger capital adequacy and risk management requirements for European insurers and reinsurers and, in particular, dictates how much capital such firms must hold against their liabilities and introduces a risk- based assessment of those liabilities. In addition, Solvency II imposes, among other things, substantially greater quantitative and qualitative capital requirements for insurers and reinsurers as well as other supervisory and disclosure requirements. While we are not subject to Solvency II, many of our European insurer or reinsurer fund investors are subject to this directive, as applied under applicable domestic law. Solvency II also may impact insurers' and reinsurers' investment decisions and their asset allocations. Moreover, insurers and reinsurers will be subject to more onerous data collation and reporting requirements. As a result, there is potential for Solvency II to have an adverse indirect effect on our businesses by, among other things, restricting the ability of European insurers and reinsurers to invest in our funds and imposing on us extensive disclosure and reporting obligations for those insurers and reinsurers that do invest in our funds. A broad review of Solvency II was carried out by the European Commission in 2020 (the " Solvency II 2020 review "), with input from the European Insurance and Occupational Pensions Authority (" EIOPA "). This included a related public consultation launched by the European Commission in July 2020. On December 17, 2020, EIOPA submitted its opinion on the Solvency II 2020 review to the European Commission. The Solvency II 2020 review is expected to result in amendments to various aspects of Solvency II, although the extent of such amendments is currently unknown. Following this, on September 22, 2021, the European Commission published proposed legislation to amend the Solvency II Directive. The proposals are ~~under review of the~~ subject to the EU ordinary legislative process ~~involving~~ **and are still being considered by** the European Parliament and the European Council, with the implementation date of the revised Solvency II Directive currently unknown. It is unclear at this stage the extent to which the proposed amendments to **Solvency II will have an indirect effect on our businesses. Post- Brexit, Solvency II was onshored in the UK. In November 2022, His Majesty' s Treasury (" HM Treasury ") issued its response to its consultation on a review of Solvency II, outlining the areas of reform that would be delivered through changes to the UK Prudential Regulation Authority' s (" PRA ") rules and legislation. Two consultation papers have since followed, the first published on June 29, 2023, and the second on September 28, 2023. The first consultation paper focused on simplifying the existing framework with the intent of reducing the administrative and reporting requirements (and in turn, costs) for UK insurance firms. The second consultation paper included proposals to reform insurers' matching adjustment mechanism, with the intention of widening the categories of assets that insurers can hold in their portfolios. The intended implementation date for the majority of the changes proposed in the consultation papers is December 31, 2024, with the reforms to the matching adjustment reforms taking effect from June 30, 2024. It is unclear at this stage the extent to which the proposed amendments to the UK' s version of** Solvency II will have an indirect effect on our businesses. MiFID II. The recast Markets in Financial Instruments Directive and Markets in Financial Instruments Regulation (collectively referred to as " MiFID II ") came into effect on January 3, 2018. Although the UK has now withdrawn from the EU, its rules implementing the recast Markets in Financial Instruments Directive continue to have effect and the Markets in Financial Instruments Regulation has been ~~on- shored~~ **onshored** into UK law (subject to certain amendments to ensure it operates properly in a UK- specific context) in connection with such withdrawal. MiFID II amended the existing MiFID regime and, among other requirements, introduced new organizational and conduct of business requirements for investment firms in the EEA. Certain requirements of MiFID II also apply to AIFMs with a MiFID " top- up " permission, such as AlpInvest. MiFID II extended MiFID requirements in a number of areas such as the receipt and payment of inducements (including investment research), suitability and appropriateness assessments, conflicts of interest, record- keeping, costs and charges disclosures, best execution, product design and governance, and transaction and trade reporting. Under MiFID II, national competent authorities are also required to establish position limits in relation to the maximum size of positions that a relevant person can hold in certain commodity derivatives. The limits apply to contracts traded on trading venues and their economically equivalent OTC contracts. The position limits established, as amended from time to time, and our ability to rely on any exemption thereunder may affect the size and types of investments we may make. Failure to comply with MiFID II and **54** its associated legislative acts could result in sanctions from national regulators, the loss of market access **,** and a number of other adverse consequences that would have a detrimental impact on our business. Certain aspects of MIFID II and Markets in Financial Instruments Regulations (" MiFIR ") are subject to review and change in both the EU and the UK **.** Swiss Marketing Regulations. The Swiss Financial Services Act (FinSA) and the Financial Institution Act (FinIA) came into force on January 1, 2020, with a transition period that ended on December 31, 2021. FinSA seeks to protect clients of financial service providers and to establish comparable conditions for the provision of financial services by financial service providers (FSP), and thus contributes to enhancing the reputation and competitiveness of Switzerland ~~'~~**'** s financial center. FinIA introduces coordinated supervision for the various categories of financial institutions:

portfolio managers, trustees, managers of collective assets, fund management companies **,** and securities firms. The new Swiss regulations have an impact on the offering and marketing foreign investment fund shares into Switzerland on a cross- border basis and creates new requirements for financial service providers. Anti- Money Laundering. During 2020, two new EU Anti- Money Laundering (AML) Directives came into force: the fifth AML EU Directive (AMLD5) and the sixth AML EU Directive (AMLD6). AMLD5 was implemented into UK law on January 10, 2020. The changes under AMLD5 include new more stringent customer due diligence measures and requirements to report discrepancies between information held and the Companies House register and to conduct risk assessments prior to the launch or use of new products ~~,~~ and business practices. AMLD5 has added complexity to our internal processes and any perceived shortcomings in our adoption of AMLD5 could create reputational risks to our business. AMLD6 harmonizes the definition of money laundering across the EU, expands the number of offenses that fall under the definition of money laundering and extends criminal liability to include punishments for legal persons, including partnership entities. On July 20, 2021, the European Commission presented an ambitious package of legislative proposals to strengthen the EU' s anti- money laundering and countering the financing of terrorism (AML / CFT) rules, including the creation of a new pan- EU supervisory authority to combat money laundering. The UK government opted out of AMLD6 **. However, the HM Treasury launched a consultation on reforming the UK' s AML / CFT regime in June 2023 and is expected to propose some amendments to the existing regime** . Securitization Regulation. Regulation (EU) 2017 / 2402 (the " Securitization Regulation ") is a ~~new~~ framework for European securitizations **,** which came into effect on January 1, 2019. There is a risk that a non- EU AIFM that markets funds in the EU that invest in securitization positions could be within scope of certain requirements under the Securitization Regulation. To the extent a non- EU AIFM is within the scope of the Securitization Regulation, it could only hold a securitization exposure where the originator, sponsor **,** or original lender retains 5 % of the securitization. If our non- EU AIFMs fall within the scope of the Securitization Regulation, it could affect the asset values of certain of our funds, force divestment of certain assets at depressed prices, and increase the operating cost of our CLOs. The UK has adopted the Securitization Regulation ~~and therefore similar requirements continue to apply in the UK~~ notwithstanding Brexit. ~~The~~ **However, the** UK **intends to repeal** ~~Government announced in December 2022 that it~~ **its current implementation and diverge from** ~~would consult on reforms to UK financial services regulation, including~~ the **EU' s** Securitization Regulation **. It has published draft legislation (the " Securitisation Regulations 2023 ") as part of a policy statement identifying several areas for revision in the United Kingdom. The Securitisation Regulations 2023 are still under review and so the final rules remain unclear, and we continue to monitor industry practice and its implementation** . ESG and Sustainable Finance Regulation. New regulatory initiatives related to ESG and sustainable finance that are or will be applicable to us, our funds **,** and their portfolio companies could adversely affect our business. In 2018, the European Commission adopted an " action plan on financing sustainable growth " (the " Action Plan "). The Action Plan is, among other things, designed to define and reorient investment towards more sustainable economic activities. The Action Plan contemplates, among other things, creating an EU green bond standard and establishing EU labels for green financial products ~~;~~ **,** clarifying asset managers' and institutional investors' duties regarding sustainability in their investment decision- making processes ~~;~~ **,** increasing disclosure requirements in the financial services sector around sustainability ~~;~~ **,** increasing the transparency of companies on their ESG policies and related processes and management systems ~~;~~ **,** and introducing a " green supporting factor " in the EU prudential rules for banks and insurance companies to incorporate climate risks and other environmental factors into banks' and insurance companies' risk management policies. On June 22, 2020, the Official Journal of the European Union published a classification system that establishes a list of environmentally sustainable economic activities and sets out four overarching conditions that an economic activity has to meet in order to qualify as environmentally sustainable (Regulation (EU) 2020 / 852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019 / 2088, " Taxonomy Regulation "). The Taxonomy Regulation, among other things, ~~introduces~~ **introduced** mandatory disclosure and reporting requirements and supplements the framework set out in the Sustainable Financial Disclosure Regulation (Regulation (EU) 2019 / 2088 of the European Parliament and of the Council of 27 November 2019 on sustainability - related disclosures in the financial services sector, " SFDR "), which requires certain disclosures in relation to whether and, if so, how sustainability **55** risks and negative impacts on environmental and social factors are taken into account in the investment process and the likely impacts of sustainability risks on the returns of the financial products. Financial products that have as their objective " sustainable investment " or that promote binding environmental or social characteristics are required to disclose that objective or those characteristics in pre- contractual disclosures required pursuant to the AIFMD and report on an ongoing basis their performance in achieving that objective or those characteristics in periodic reports produced pursuant to the AIFMD. In addition, if a financial product does not promote environmental or social characteristics or does not have as its objective " sustainable investment, " the information to be disclosed in accordance with applicable sectoral legislation must also be followed by a statement indicating that the financial product does not take into account EU criteria for environmentally sustainable economic activities. The disclosure requirements in the SFDR are supplemented by Commission Delegated Regulation (EU) 2022 / 1288 of 6 April 2022, which requires enhanced disclosures in pre- contractual documents, on websites and in periodic reports. **The European Supervisory Authorities published a proposal on December 4, 2023, which amends certain of the disclosure requirements under SFDR. In September 2023, the European Commission launched a consultation on SFDR in the form of a questionnaire, the product of which, including the amended rules, are commonly referred to as " SFDR II. " Compliance with any new requirements under SFDR II may lead to increased management burdens and costs. The consultation did not contain much by way of policy suggestions or draft amendments and, although the scope of questions gave some indication of the Commission' s thinking on reform, we cannot guarantee that our current approach to compliance will meet future regulatory requirements, reporting frameworks, or best practices, which could increase the risk of related enforcement actions.** For us, this primarily impacts our AIFMs and the funds ~~that~~ they manage by requiring certain firm- level disclosures on

our website relating to how sustainability risks are integrated into investment processes, consideration of adverse impacts of investment decisions on sustainability factors **,** and transparency of remuneration policies on the integration of sustainability risk, as well as inclusion of certain information in pre- contractual and periodic disclosures required pursuant to the AIFMD. We have been working with external counsel to prepare such disclosures and to ensure that relevant internal teams understand the investor relations and other implications of product categorization and reporting. In respect of public website disclosure requirements for private funds, we intend to continue to comply with and monitor EU public transparency requirements while also complying with securities offering laws, such as the Securities Act. Commission Delegated Regulation (EU) 2021 / 1255 amends Delegated Regulation (EU) 231 / 2013 to require that sustainability risks are integrated into the investment decision-making, risk management **,** and compliance functions and processes of EU AIFMs. These requirements became effective and ~~apply~~ **have applied** to us ~~beginning~~ **since** August ~~1,~~ 2022. Commission Delegated Regulation (EU) 2021 / 1253, amending Regulation (EU) 2017 / 565, requires, among other things, certain firms to carry out a mandatory assessment of the sustainability preferences of clients ~~;~~ **,** integrate sustainability into risk management policies ~~;~~ **,** and consider sustainability factors in the product approval and governance process ~~. These requirements~~ **, which also** became effective and ~~apply~~ **have applied** to us ~~beginning~~ **since** August ~~2,~~ 2022. There is a risk that a significant reorientation in the market following the implementation of these sustainable finance regulations and further measures could be adverse to our portfolio companies if they are perceived to be less valuable as a consequence of, among other things, their carbon footprint or allegations or evidence of " greenwashing. " There is also a risk that market expectations in relation to the SFDR categorization of financial products could adversely affect our ability to raise capital. In this respect, sustainable finance initiatives continue to evolve rapidly **,** and it is not possible at this stage to fully assess how our business will be affected with certainty. We are monitoring developments in relation to EU sustainable finance as well as corporate sustainability reporting and proposals for laws requiring due diligence of supply chains. Guidance from EU policymakers and financial supervisors changes ~~the frame of reference~~ frequently ~~, for example, a recent consultation paper on guidance on the use of ESG- related terms in fund names~~ . We, our funds **,** and their portfolio companies are subject to a risk that similar measures might be introduced in other jurisdictions in which we or they currently have investments or plan to invest in the future. **Moreover, on January 5, 2023, the Corporate Sustainability Reporting Directive (" CSRD ") came into force. Broadly, CSRD amends and strengthens the rules introduced on sustainability reporting for companies, banks, and insurance companies under the Non- Financial Reporting Directive (2014 / 95 / EU) (" NFRD "). CSRD will require a much broader range of companies to produce detailed and prescriptive reports on sustainability-related matters within their financial statements, including large EU companies (including EU subsidiaries of non- EU parent companies), EU and non- EU- companies (including small and midsize enterprises) with listed securities on EU-regulated markets (except micro- undertakings), and non- EU companies with significant turnover and a legal presence on EU markets. 56 The reporting requirements will be phased in from 2024, with the first reports including audited information on sustainability- related matters being published in 2025 to cover the 2024 fiscal year. There is still uncertainty around the specific requirements of CSRD reporting as the sector- specific reporting standards under CSRD are still due to be published within delegated acts and only the draft standards are currently available. There can be no assurance that adverse developments with respect to such risks will not adversely affect assets held by our funds in certain countries or the returns from these assets.** The FCA ~~has~~ introduced a ~~new~~ regulatory framework **that** focused on implementing the recommendations of the Financial Stability Board Taskforce on Climate- related Financial Disclosures (" TCFD ") ~~and~~ , in particular, by introducing mandatory TCFD- aligned disclosure requirements for certain FCA authorized firms. These rules are set out in **the** ~~a new~~ ESG Sourcebook in the Business Standards section of the FCA Handbook of Rules and Guidance (" ESG Sourcebook "). The rules capture certain asset managers including, so far as relevant, certain private fund advisors such as CECP and investment portfolio managers such as CELF, as well as insurers and FCA- regulated pension providers. There is a phased approach to the implementation of these rules. For the largest in- scope firms (those with over £ 50 billion in AUM calculated as a 3- year rolling average), the rules applied beginning January 1, 2022, with the first public disclosures to be made by June 30, 2023. For those below this threshold but above £ 5 billion in AUM (calculated as a 3- year rolling average), the rules **applied** ~~will apply~~ beginning January 1, 2023, with disclosures to be made by June 30, 2024. On ~~October 25~~ **November 28** , ~~2022~~ **2023** , the UK FCA published **rules** ~~a further consultation~~ and ~~proposal~~ **guidance** for sustainability disclosure requirements **(" SDR ")** and sustainability labels for investment products (" ~~CP22~~ **PS23** / ~~20~~ **16** "), which specifies, among other requirements, an anti- greenwashing rule and sustainability- related disclosure requirements in respect of certain financial products and firms. ~~CP22 / 20~~ **The new rules have been added to the ESG Sourcebook and** ~~focuses~~ -- **focus** on **UK managers and** UK- managed funds and **do** ~~investment portfolios and does~~ not cover overseas **managers or** products marketed in the UK. However, the FCA has indicated that it intends to undertake a further consultation on expanding the scope of these requirements potentially to cover **portfolio managers (particularly discretionary wealth management services, although the scope of the extension is unclear and could be much broader),** overseas products **,** and pension products ~~. CP22 / 20 proposes~~ **, which could capture more substantively our UK advisors** ~~an~~ **and** ~~anti~~ **non** - ~~greenwashing~~ **UK entities in future. The only** rule **under SDR** that **applies** ~~will apply~~ to all FCA- regulated firms ~~and~~ is ~~expected to become effective immediately on~~ the ~~publication of the final~~ **new anti- greenwashing** ~~rules~~ - **rule** , which ~~is currently anticipated~~ **applies when communicating with** ~~for~~ - **or approving** ~~June 30, 2023. Additional requirements, which are subject to consultation and subsequent amendments, will also create certain~~ financial **promotions directed at UK clients** ~~product- and firm- related disclosures and are provisionally set to become effective~~ from ~~June 30~~ **May 31** , 2024 ~~and at certain periodic intervals afterwards~~ . This regime diverges from other international sustainability- related disclosure regimes, including the EU SFDR and the SEC proposals. We are monitoring these developments ~~and~~ **, particularly** how they may impact our businesses **. Additional regulatory costs may be incurred if following an extension, SDR materially applies to our UK authorized entities and / or funds in future. Such new rules may also have an impact on our fund investment strategies**

and financial returns, as a result. In March 2021, the SEC announced the establishment of an enforcement task force to examine ESG practices and disclosures by public companies and investment managers. In 2022, the SEC commenced enforcement actions against at least two investment advisers relating to ESG disclosures and policies and procedures failures, and we expect that there will be a greater level of enforcement activity in this area in the future. In addition, in May 2022, the SEC announced two rule proposals that would result in more stringent regulations of ESG funds and ESG- related claims: (i) the proposed rule on " Enhanced Disclosures by Certain Investment Advisers and Investment Companies about Environmental, Social, and Governance Investment Practices " (the " ESG Funds Reporting Rule ") and (ii) the proposed rule on " Investment Company Names, " which would amend Rule 35d- 1 (**the "** Names Rule **"**) under the 1940 Act. ~~Among other changes, these~~ **These** proposals would prevent registered funds other than ESG- focused funds (as defined in the SEC' s enhanced disclosure proposal) from using ESG terminology such as " green, " " sustainable **,** " or " ESG- focused " in their names and require funds that integrate ESG factors into their investment strategies to provide enhanced disclosures regarding ESG strategies, how ESG (including greenhouse gas emissions) is integrated into investment decision- making, and how funds engage with portfolio companies on ESG matters. ~~In addition, under~~ **Under** the ESG Funds Reporting Rule, funds that make ESG factors a significant or primary consideration in investment decisions would be required, subject to certain exceptions, to report on portfolio company greenhouse gas emissions, including carbon footprint and weighted average carbon intensity **. In September 2023, the SEC adopted amendments to the Names Rule to require that funds which are subject to the Investment Company Act of 1940 whose names suggest that its investments incorporate one or more ESG factors must adopt a policy to invest at least 80 % of their assets consistently with this policy. The compliance date for this amendment to the Names Rule is December 2025**. In 2022, the SEC also proposed extensive rules aimed at enhancing and standardizing climate- related disclosures in an effort to foster greater consistency, comparability **,** and reliability of climate- related information **. The proposed rules build on the mandatory framework and disclosures implemented in the UK under TCFD**. The proposal, if adopted, would require domestic registrants and foreign private issuers to include certain climate- related information in their registration statements and annual reports, including data regarding greenhouse gas emissions and information regarding climate- related risks and opportunities and related financial impacts, governance, and strategy. Although the ultimate date of effectiveness and the final form and substance of the requirements for the proposed rule is not yet known and the ultimate scope and impact on our business is **57** uncertain, compliance with the proposed rule, if finalized, may result in increased legal, accounting **,** and financial compliance costs **,** and make some activities more difficult, time- consuming **,** and costly **. The SEC, in its Fall 2023 Reg Flex Agenda, has confirmed that it is delaying the date for final action on the climate change disclosure rules until April 2024 (i. e., a year after the initially proposed timeframe for adoption)**. Moreover, the SEC has also announced that it is working on proposals for mandatory disclosure of certain other ESG- related matters, including with respect to board diversity and human capital management. At this time, there is uncertainty regarding the scope of such proposals or when they would become effective. As regulations develop, we will consider the implications for our business of the overlapping global measures, and how they fit together. Compliance with any new laws or regulations increases our regulatory burden and could make compliance more difficult and expensive, increase the risk that we are subject to enforcement, affect the manner in which we or our portfolio companies conduct our businesses **,** and adversely affect our profitability. Compliance with sustainable finance frameworks of this nature, including the Taxonomy Regulation ~~and~~ **,** the SFDR, ~~may~~ **and CSRD, has and will continue to** create an additional compliance burden and increased legal, compliance, governance, reporting **,** and other costs to us, our funds **,** and their portfolio companies because of the need to collect certain information to meet the disclosure requirements ~~;~~ **,** the need to update or develop new policies and processes to meet regulatory requirements and associated ESG commitments, claims **,** and initiatives ~~;~~ **,** and changes to the manner in which we, our funds or **,** their portfolio companies conduct business. In addition, where there are uncertainties regarding the operation of sustainable finance frameworks, a lack of official, conflicting **,** or inconsistent regulatory guidance, a lack of established market practice **,** and / or data gaps or methodological challenges affecting the ability to collect relevant data us and our portfolio companies may be required to engage third party advisors and / or service providers to ~~fulfil~~ **fulfill** the requirements, thereby exacerbating any increase in compliance burden and costs. Appointed Representative Arrangements. Appointed representative arrangements are an area of increased regulatory focus in the United Kingdom. The FCA ~~is~~ **has** ~~reemphasizing~~ **reemphasized** the need for principals to take effective responsibility for, and have appropriate systems in place to adequately supervise, their appointed representatives. CECP is a principal firm that bears responsibility for CIC. On December 8, 2022, the FCA ~~released~~ updated **the** rules ~~(PS22 / 11)~~ on appointed representatives **,** which include more extensive obligations on principal firms ~~. Working with external counsel~~ , **and** we ~~are monitoring developments in this area~~ **have updated our policies and procedures to take account of the amended rules** to ensure CIC and CECP remain compliant. Leveraged Transactions. In May 2017, the European Central Bank (" ECB ") issued guidance on leveraged transactions, which applies to significant credit institutions supervised by the ECB in member states of the **Eurozone** ~~Euro zone~~ . Under the guidance, credit institutions should have in place internal policies that include a definition of " leveraged transactions. " Loans or credit exposures to a borrower should be regarded as leveraged transactions if: (i) the borrower' s post- financing level of leverage exceeds a total debt to EBITDA ratio of 4. 0 times ~~;~~ **,** or (ii) the borrower is owned by one or more " financial sponsors. " For these purposes, a financial sponsor is an investment firm that undertakes private equity investments in and / or leveraged buyouts of companies. Following these guidelines, credit institutions in the Eurozone could in the future limit, delay **,** or restrict the availability of credit and / or increase the cost of credit for our investment funds or portfolio companies involved in leveraged transactions. This policy area remains under close scrutiny and further guidance could be issued on short notice in the future. CSPD. In March 2018, the European Commission published a proposal for a ~~new~~ directive governing credit servicers, credit purchasers **,** and the recovery of collateral in connection with loans (the " Credit Servicers and Purchasers Directive " or " CSPD "). The policy aim behind the CSPD is the development of a well- functioning secondary market for non- performing loans. The CSPD was finalized and published in the

Official Journal of the European Union on December 8, 2021, and entered into force on December 28, 2021. Member ~~States~~ **states** are required to adopt and apply measures implementing the CSPD by December 30, 2023, and entities carrying on credit servicing activities from December 30, 2023, will be required to obtain authorization under the CSPD by June 29, 2024. The CSPD applies to, among others, " credit servicers " and " credit purchasers " and would impose a number of new requirements relating to licensing, conduct of business **,** and provision of information. The definition of " credit servicer " in the Commission proposal is sufficiently broad that it could be construed to include asset managers. The Directive limits the scope of the requirements for credit servicers and credit purchasers to the servicing or purchasing of credit agreements originally issued by a credit institution established in the ~~EU~~ **European Union** or its subsidiaries established in the ~~EU~~ **European Union** . This is subject, however, to individual ~~Member~~ **member** ~~State~~ **state** discretion. Such ~~Member~~ **member** ~~States~~ **states** may choose to extend the CSPD requirements to credit agreements that are not issued by an EU credit institution. Subject to the aforementioned potential extension of scope by individual ~~Member~~ **member** ~~States~~ **states** , the servicing of loans originally advanced by credit funds (rather than, for example, an EU bank) will fall outside the scope of the CSPD. Asset managers are unlikely to act as principal credit purchasers. However, they may **58** purchase in- scope credit agreements as agent on behalf of the funds or separately managed accounts for whom they are acting and therefore may in practice be required to discharge the associated obligations on behalf of underlying clients. Compliance with these rules could involve a material cost to our business. Hong Kong Security Law. On June 30, 2020, the National People' s Congress of China passed a national security law (the " National Security Law "), which criminalizes certain offenses including secession, subversion of the Chinese government, terrorism **,** and collusion with foreign entities. The National Security Law also applies to ~~non- permanent~~ **nonpermanent** residents. Although the extra- territorial reach of the National Security Law remains unclear, there is a risk that the application of the National Security Law to conduct outside Hong Kong by ~~non- permanent~~ **nonpermanent** residents of Hong Kong could limit the activities of or negatively affect us, our investment funds **,** and / or portfolio companies. The National Security Law has been condemned by the United States, the United Kingdom **,** and several EU countries. The United States and other countries may take action against China, its leaders **,** and leaders of Hong Kong, which may include the imposition of sanctions. Escalation of tensions resulting from the National Security Law, including conflict between China and other countries, protests **,** and other government measures, as well as other economic, social **,** or political unrest in the future, could adversely impact the security and stability of the region and may have a material adverse effect on countries in which we, our investment funds **,** and portfolio companies or any of their respective personnel or assets are located. In addition, any downturn in Hong Kong' s economy could adversely affect our financial statements and our investments ~~,~~ or could have a significant impact on the industries in which we participate, and may adversely affect our operations, our investment funds **,** and portfolio companies, including the retention of investment and other key professionals located in Hong Kong. Chinese Regulations. In August 2014, the China Securities Regulatory Commission (the " CSRC "), the Chinese securities regulator, promulgated the Interim Regulations on the Supervision and Administration of Private Investment Funds (the " CSRC Regulations "). The CSRC Regulations adopt a broad definition of private investment funds, including private equity funds. In accordance with the CSRC Regulations and other relevant PRC laws, regulations **,** and authorizations, the CSRC has become the principal regulator of private equity funds in China. In December 2020, the CSRC further promulgated Several Provisions on Strengthening the Regulation of Private Investment Funds, pursuant to which the CSRC strengthened its regulations on private investment funds and private investment fund managers. **In July 2023, the State Council of the People' s Republic of China promulgated the first administrative regulation in the private fund (including private equity and venture capital funds) sector in China, the Regulations on Supervision and Administration of Private Investment Funds, which took effect in September 2023 and set out high-level principles and rules regarding major issues in the industry.** CSRC has designated the Asset Management Association of China (the " AMAC "), an industry body, with responsibility to introduce and promote regulations toward a degree of self-regulation across private equity funds in China. In recent years, regulations, directives **,** and guidelines from the AMAC have continued to regulate private investment funds incorporated in China. For example, the AMAC has issued " Guidelines for Internal Control of Privately- raised Investment Fund Managers " (February 2016), " Administrative Measures for Information Disclosure of Privately- raised Investment Fund " (February 2016), " Announcement on Further Regulating Relevant Matters Concerning the Registration of the Managers of the Privately- Raised Funds " (February 2016), " Measures for the Administration of Private Placement of Private Investment Funds " (April 2016), " Private Equity Fund Contract Guidelines No. 1, No. 2 and No. 3 " (April 2016), " Administrative Measures for Private Investment Fund Services " (March 2017), " Implementing Guidelines on the Administration of Investor Suitability for Fund Raising Institutions " (July 2017), " Guidelines on the Valuation of the Private Equity Investments of Privately- raised Investment Funds (for Trial Implementation) " (July 2018), " Guidelines on the Name of Privately- raised Investment Funds " (November 2018), " Notice on Privately- raised Fund Manager Registration " (December 2018), " Notice on Privately- raised Investment Fund Filing " (December 2019), " Notice on Facilitating the Application of Privately- raised Fund Manager Registration " (February 2020), and " Notice on Strengthening the Self- Regulatory Management of Privately- raised Fund Information Submission and Optimizing Industry Services " (February 2021), in addition to the regulations and directives from the CSRC and the AMAC. If a private equity fund wishes to accept capital contributions from a PRC governmental body or authority, ~~then~~ that fund ~~will~~ also ~~need~~ **needs** to subject itself (including specific conditions ~~as regards~~ **regarding** the general partner and / or the private investment fund manager) to the supervision of the National Development and Reform Commission (the " NDRC "). If a private equity fund wishes to accept capital contributions from a PRC insurance company, ~~then~~ that fund ~~will~~ also ~~need~~ **needs** to subject itself (including specific conditions ~~as regards~~ **regarding** the general partner and / or the private investment fund manager) to the supervision of the China Banking and Insurance Regulatory Commission (the " CBIRC "). In accordance with the NDRC' s regulations on governmental fund of funds' participation in equity investment funds, and / or the CBIRC' s regulations on insurance companies, the private investment fund is subject to requirements relating to the industry focus, investment scope, investment

restrictions, risk control **,** and information disclosure. The general partner and / or the private investment fund manager are also subject to additional restrictions and qualification requirements and are required to fulfill reporting and filing obligations to the NDRC and / or the CBIRC (in addition to any reporting or filing obligations to the CSRC, the AMAC, local financial bureaus **,** or others). These **59** regulations may have an adverse effect on us and / or our renminbi (RMB)- denominated investment funds by, among other things, increasing the regulatory burden and costs of raising money for RMB- denominated investment funds if we admit investors that are regulated by the above regulators. Data Privacy. Many foreign countries and governmental bodies, including the European Union and other relevant jurisdictions where Carlyle and our portfolio companies conduct business, have laws and regulations concerning the collection and use of PII and other data obtained from their residents or by businesses operating within their jurisdiction that are more restrictive than, and could in some cases conflict with, those in the United States. See " Risks Related to Regulation and Litigation — Laws and regulations relating to privacy, data protection, data transfers, data localization, and data security worldwide may limit the use and adoption of our services and adversely affect our business " for more information. Other Similar Measures. Our investment businesses are subject to risk that similar measures might be introduced in other countries in which our investment funds currently have investments or plan to invest in the future, or that other legislative or regulatory measures that negatively affect their respective portfolio investments might be promulgated in any of the countries in which they invest. The reporting related to such initiatives may divert the attention of our personnel and the management teams of our portfolio companies. Moreover, sensitive business information relating to us or our portfolio companies could be publicly released. See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — Our funds make investments in companies that are based outside of the United States, which may expose us to additional risks not typically associated with investing in companies that are based in the United States " and Item 1 " Business — Regulatory and Compliance Matters " for more information. **Increasing scrutiny from stakeholders on sustainability matters, including our ESG reporting, exposes us to reputational and other risks.** We, our funds **,** and their portfolio companies face increasing public scrutiny related to **sustainability and** ESG activities as well as ESG policies, processes **,** and / or performance, including from fund investors, stockholders, regulators **,** and other stakeholders. We and they risk damage to our brand and reputation, if we or they fail or are perceived to have failed to act responsibly in **several** ~~a number of~~ areas, such as diversity, equity **,** and inclusion, environmental stewardship, support for local communities, corporate governance and transparency **,** and considering ESG factors in our investment processes. In addition, different stakeholder groups have divergent views on **sustainability and** ESG **- related** matters, including in the countries in which we operate and invest, as well as states and localities where we serve public sector clients. This divergence increases the risk that any action or lack thereof with respect to ESG matters will be perceived negatively by at least some stakeholders and adversely impact our reputation and business. If we do not successfully manage **various sustainability and** ESG- related expectations across the varied interests of our stakeholders, it could erode stakeholder trust, impact our reputation, and constrain our investment opportunities. Adverse incidents with respect to **sustainability and** ESG **- related** activities or ~~ESG~~ policies, processes **,** and / or performance, including any statements regarding the investment strategies of our funds or our funds' ESG efforts or initiatives that are or are perceived to be inaccurate or misleading, could impact the value of our brand, or the brands of our funds or their portfolio companies, the cost of our or their operations **,** and relationships with investors, all of which could adversely affect our business and results of operations. In particular, there has been significant negative publicity and investor and regulatory focus on the phenomenon of " greenwashing " (i. e., making inaccurate or misleading statements regarding the sustainability or ESG- related characteristics of a product, business, or business practice). We could suffer significant reputational damage and regulatory scrutiny if we are subject to " greenwashing " accusations, including with respect to statements regarding the investment strategies of our funds or the ESG **or sustainability** efforts and initiatives of us, our funds **,** and our portfolio companies. Such accusations could also result in litigation and adversely impact our ability to raise capital and attract new investors. Although we consider application of our ~~ESG~~ **sustainability** strategy to be an opportunity to enhance or protect the performance of our investments over the long- term, we cannot guarantee that our ~~ESG~~ **sustainability** strategy, which depends in part on qualitative judgments, will positively impact the financial or ESG performance of any individual investment or our funds as a whole. Similarly, to the extent we **engage** or a third- party ~~ESG~~ **sustainability** advisor 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. Successful engagement efforts on the part of us or a third- party **sustainability or** ESG advisor will depend on our or any such third- party advisor' s ability to identify and analyze material **sustainability or** ESG **- related** and other factors and their value, and there can be no assurance that the strategy or techniques employed will be successful. In addition, our ~~ESG~~ **sustainability** strategy, including the ~~ESG strategy and~~ associated procedures and practices, is expected to change over time. **60** We and many of our portfolio companies undertake voluntary reporting on various ~~ESG~~ **sustainability** matters, including, for example, greenhouse gas emissions, supply chain practices, and human capital management. The standards for tracking and reporting on ~~ESG~~ **sustainability** matters are relatively new, have not been harmonized, and continue to evolve and we may fail to successfully implement or comply with these rapidly developing ~~ESG~~ **sustainability** standards and requirements. Moreover, in conducting ESG reporting, we may seek to align with particular disclosure frameworks and / or reporting standards, which are evolving. Our selection of disclosure frameworks and reporting standards ~~,~~ may change from time to time and may result in a lack of consistent or meaningful comparative data from period to period, as well as significant revisions to ESG goals, initiatives, commitments, or objectives or reported progress in achieving the same. Due to the lack of a single, comprehensive ~~ESG~~ **sustainability** strategy that is utilized across all asset managers, we and our portfolio companies may utilize a combination of frameworks ~~,~~ or develop proprietary frameworks where necessary and relevant. In addition, we and our portfolio companies' selection of reporting frameworks or standards, and other methodological choices, such as the use of certain performance metrics, levels of quantification, value chain reporting, or materiality standards, may vary over time and may not always align with evolving investor and activist expectations or market practices. We and our portfolio companies may

suffer reputational damage if our or their ESG disclosure is viewed as falling short of best practices, or if such reporting indicates ESG performance that does not meet investor, activist, employee, customer, or other stakeholder expectations. With respect to both voluntary and mandated ESG disclosures, we and our portfolio companies may not successfully implement measurement processes and disclosure controls and procedures that meet evolving investor, activist, or regulatory expectations. In addition, enhancements to such processes and controls may be costly and give rise to significant administrative burdens. For example, collecting, measuring, and reporting **sustainability or** ESG **- related** information and metrics can be costly, difficult **,** and time consuming, is subject to evolving reporting standards, and can present numerous operational, reputational, financial, legal **,** and other risks. If we or our portfolio companies do not successfully implement controls related to reporting **sustainability or** ESG **- related** information, this could result in legal liability and reputational damage, which could impact our ability to attract and retain investors and employees. It ~~is~~ **remains** unclear what impact the United Kingdom' s exit from the European Union will have on the Company or the fund portfolio companies. ~~The~~ **Following the** UK **' s exit from** ~~held a referendum in June 2016 on whether to remain a member state of~~ the **EEA** ~~EU, in which a majority of voters voted to leave the EU. The UK officially left the EU~~ on January 31, 2020, and ~~a~~ **the expiration of the** transition period ~~of 11 months commenced on this date to allow for the negotiation of a new trade agreement. This transition period ended~~ on December 31, 2020 **, EEA " passporting rights " facilitating market access in the EEA by UK firms, and into the UK by EEA firms, are no longer available** . Various EU laws have been adopted into domestic UK legislation and certain transitional regimes and deficiency-correction powers exist to ease the transition. The UK and the ~~EU~~ **EEA** announced, on December 24, 2020, that they had reached agreement on a ~~new~~ Trade and Cooperation Agreement (the " TCA "), which addresses the future relationship between the parties. The TCA was approved by the UK Parliament on December 30, 2020 ~~. Due to the TCA only being agreed shortly before the end of the transition period~~ , **and** ~~it applied on a provisional basis in the EU until it~~ was formally ratified by the European Parliament and has applied permanently ~~from~~ **since** May 1, 2021. ~~The TCA covers, for example, measures to preserve tariff- free trade in goods and the ability of UK nationals to travel to the EU on business but defers other issues.~~ While the TCA includes a commitment by the UK and the ~~EU~~ **EEA** to keep their markets open for persons wishing to provide financial services through a permanent establishment, it does not substantively address future cooperation in the financial services sector or reciprocal market access into the ~~EU~~ **EEA** by UK- based firms under equivalence arrangements or otherwise. While the TCA provides clarity in some areas, the impact of Brexit on our business operations in the UK and the ~~EU~~ **EEA** , and on the private investment funds industry and global financial markets more broadly, remains uncertain. This is driven in part by the ongoing uncertainty relating to equivalence and the extent to which the ~~EU~~ **EEA** will grant reciprocal access to UK firms in the financial services sector. **The** ~~As a new agreement, the~~ implications and operation of the TCA may also be subject to change and / or develop at short notice **. The UK has put in place a temporary regime, the TMPR, to allow EU AIFMs to continue to market those funds in the UK that were in existence on December 31, 2020, on broadly the same terms as previously applied. However, the TMPR expired on December 31, 2023** . As of January 1, 2021, our UK FCA- authorized affiliates, CECP and CELF, ceased to be entitled to exercise single market passport rights to provide investment services in or into the EEA on a cross- border services basis. In addition, Abingworth is no longer able to exercise a single market passport to market its funds in the EEA. Certain EEA investor- facing activities previously carried on by CECP and CELF have been reorganized so that they are performed ~~now~~ by different, EEA established affiliates under alternative licensing arrangements. We also may continue to make changes to the arrangements in the future. These arrangements may subject us to additional regulatory obligations and may impede our ability to raise capital from EEA investors. **61** In this respect and otherwise, uncertainty about the way in which these and other complex issues will be resolved could adversely affect us, our investment funds **,** and portfolio companies (especially if our investment funds include, or expose them to, businesses that depend on access to the single market, the customs union, or whose value is affected adversely by the UK' s future relationship with the EU). The size and importance of the UK' s economy, coupled with uncertainty or unpredictability about the precise nature of its future legal, political **,** and economic relationship with the EU following the implementation of the TCA (and any subsequent discussions between the UK and EU in respect of matters not within its scope) may continue to cause instability, significant currency fluctuations **,** and / or other adverse effects on international markets, international trade agreements **,** and / or other existing cross- border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory **,** or otherwise). In addition, Brexit could have a destabilizing effect if any other member states were to consider withdrawing from the EU. The decision for any other member state to withdraw from the EU could exacerbate such uncertainty and instability and may present similar and / or additional potential risks and consequences for us, our investment funds **,** and fund portfolio companies **. Moreover, the development of the UK' s future legislative approach and the extent to which the UK diverges from EU legislation remains uncertain. The Financial Services and Markets Act 2023 (" FSMA 2023 ") is a significant piece of legislation that received Royal Assent on June 29, 2023. FSMA 2023 provides the foundations for a major overhaul and restructuring of the UK' s regulatory framework for financial services, payment services, and financial marketing infrastructure post- Brexit, through the repeal of retained EU legislation, as well as migration of much of that law into regulatory rulebooks, and new powers for the UK regulators. It is likely that legislative reform will be slow, and the HM Treasury confirmed that it expects it will take a number of years to complete the process of revoking retained EU law alone. To the extent that the UK materially diverges from the EU regime, compliance with two diverging regulatory regimes in the EU and UK requirements may continue to increase the operational burden and cost to our operations in these jurisdictions** . These complex issues and other by- products of Brexit ~~, such as the tightening of credit in the UK commercial real estate market,~~ may ~~also~~ increase the costs of having operations, conducting business **,** and making investments in the UK and Europe. As a result, the performance of our funds that are focused on investing in the UK **,** and to a lesser extent across Europe, may be disproportionately affected compared to those funds that invest more broadly across global geographies or are focused on different regions. The uncertainty surrounding the precise nature of the UK' s future legal relationship with the EU may continue to be a source of significant

exchange rate fluctuations and / or other adverse effects on international markets. Unhedged currency fluctuations have the ability to adversely affect our funds and their underlying portfolio companies. ~~Moreover, the development of the UK' s future legislative approach remains uncertain. The UK may elect in the future to repeal, amend or replace EU laws, which could exacerbate the uncertainty and result in divergent UK national laws and regulations.~~ Changes to the regulatory regimes in the UK or the EU and its member states could materially affect our business prospects and opportunities and increase our costs. In addition, Brexit could potentially disrupt the tax jurisdictions in which we operate and affect the tax benefits or liabilities in these or other jurisdictions in a manner that is adverse to us and / or our funds. **We** ~~Any of the foregoing could materially and adversely affect our business, results of operations and financial condition. LIBOR and certain other " benchmarks "~~ are ~~the~~ subject **to substantial risk** of **litigation** ~~recent national, international,~~ and ~~other~~ regulatory ~~guidance~~ **proceedings** and ~~proposals for reform. These reforms have resulted in plans to phase out and eventually replace LIBOR, which~~ may ~~cause such benchmarks~~ **face significant liabilities and damage** to ~~perform differently than in the past or~~ **our professional reputation** ~~have other consequences that cannot be predicted. Since January 1, 2022, U. S. banks have not been allowed to issue any new debt tied to LIBOR, which will cease to be published at the end of June 2023. The U. S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U. S. financial institutions, formally recommended SOFR~~ as ~~its preferred alternative rate for LIBOR. While we have seen an increase in market acceptance of SOFR, there is no guarantee that this trend will continue. To address the transition away from LIBOR, we have amended our credit agreements and related loan documentation to provide for an agreed upon methodology, such as SOFR, to calculate new benchmark rate spreads. In April 2022, for example, we amended our revolving facility to reference SOFR, among other changes in terms. We have evaluated and continue to evaluate our CLOs to identify any discrepancy between the interest rate an issuer pays on its liabilities compared to the interest rate on the underlying assets, or the amounts payable under~~ a ~~derivative used to hedge its currency or interest rate exposure. For our more recent generation of CLOs, we have incorporated provisions to address the transition from LIBOR; however, certain older CLOs have not yet come up for amendment or refinancing and as such may not currently contain clear LIBOR transition procedures. In January 2022, for example, we priced our first CLO to SOFR. As the market fully transitions from LIBOR, we expect that there will be short- term rate mismatches, which could adversely impact the returns on our CLOs. If the transition from LIBOR results in an overall increase to borrowing costs, higher interest expense could negatively affect the financial results and valuations of our funds' portfolio companies. There is no guarantee that a transition from LIBOR to an alternative, such as SOFR, will not~~ result ~~in financial market disruptions, significant increases or volatility in risk- free benchmark rates, or borrowing costs to borrowers, any~~ of **litigation** ~~which could have a material adverse effect on our business, result of operations, financial condition,~~ and ~~share price~~ **regulatory allegations and negative publicity** . In the ordinary course of business, we are subject to the risk of substantial litigation and face significant regulatory oversight. In recent years, the volume of claims and the amount of potential damages claimed in such proceedings against the financial services industry have generally been increasing. The investment decisions we make in our asset management business and the activities of our investment professionals on behalf of portfolio companies of our carry funds may subject them and us to the risk of third- party litigation arising from investor dissatisfaction with the performance of those investment funds, alleged conflicts of interest, the activities of our portfolio companies **,** and a variety of other litigation claims and regulatory inquiries and actions. From time to time, we and our portfolio companies have been and may be subject to regulatory actions and shareholder class action suits relating to transactions in which we have agreed to acquire public companies. To the extent that investors in our investment funds suffer losses resulting from fraud, gross negligence, willful misconduct **,** or other similar misconduct, investors may have remedies against us, our investment funds, our principals **,** or our affiliates. Heightened standards of care or additional fiduciary duties may apply in certain of our managed accounts or other advisory contracts. To the extent we enter into agreements with clients containing such terms or applicable law mandates a heightened standard of care or duties, we could, for example, be liable to certain clients for acts of simple negligence or breach of such duties, which might include the allocation of a client' s funds to our affiliated funds. Even in the absence of misconduct, we may be exposed to litigation or other adverse consequences where investments perform poorly and investors in or alongside our funds experience losses. The general partners and investment advisers to our investment funds, including their directors, officers, other employees **,** and affiliates, are generally indemnified by our funds with respect to their conduct in connection with the management of the business and affairs of our investment funds. If a particular fund has an indemnification obligation to us, **62** but such fund' s assets have been depleted or distributed to the relevant fund investors, such fund may have insufficient assets to cover its indemnification obligation and the Company could suffer financial losses. Defending against litigation could be costly. Such litigation costs may not be recoverable from insurance or other indemnification. Carlyle has previously recovered significant amounts of insurance proceeds. As a general matter, we expect that the cost of insurance will increase significantly, and we do not believe we will recover the same amount of insurance proceeds as we have in prior years ~~. Further, we note that in connection with the prohibited activities rule under the SEC Proposed Rule discussed above, if such rule were to be enacted, it could substantially increase our exposure to litigation generally, including by way of a simple negligence standard as opposed to a gross negligence standard~~ . The laws and regulations governing the limited liability of such issuers and portfolio companies vary from jurisdiction to jurisdiction, and in certain contexts the laws of certain jurisdictions may provide not only for carve- outs from limited liability protection for the issuer or portfolio company that has incurred the liabilities, but also for recourse to assets of other entities under common control with, or that are part of the same economic group as, such issuer. For example, if one of our portfolio companies is subject to bankruptcy or insolvency proceedings in a jurisdiction and is found to have liabilities under the local consumer protection, labor, tax **,** or bankruptcy laws, the laws of that jurisdiction may permit authorities or creditors to file a lien on, or to otherwise have recourse to, assets held by other portfolio companies (including the Company) in that jurisdiction. There can be no assurance that the Company will not be adversely affected as a result of the foregoing risks. If any litigation or regulatory actions were brought against us and resulted in a finding of substantial legal liability, the lawsuit

could materially adversely affect our business, results of operations **,** or financial condition **,** or cause significant reputational harm to us, which could materially impact our business. Recently, there has been an elevated level of focus put on our industry and companies in which our funds are invested, including increased focus on externalities of business activities **,** such as ESG considerations. See " Risks Related to Regulation and Litigation — Extensive regulation in the United States and abroad affects our activities, increases the cost of doing business and creates the potential for significant liabilities and penalties. " We depend to a large extent on our business relationships and our reputation for integrity and high- caliber professional services to attract and retain investors and to pursue investment opportunities for our funds. As a result, allegations of improper conduct by private litigants (including investors in or alongside our funds), regulators **,** or employees, whether the ultimate outcome is favorable or unfavorable to us, as well as negative publicity and press speculation about us, our investment activities, the private equity industry in general **,** or our workplace, whether or not valid, may harm our reputation, which may be more damaging to our business than to other types of businesses. In addition, with a workforce composed of many highly paid professionals, we face the risk of litigation relating to claims for compensation, which may, individually or in the aggregate, be significant in amount. The cost of settling any such claims could negatively impact our business, results of operations **,** and financial condition. Our affiliated subsidiaries serve as the general partners of many of our managed funds and could have liability for certain fund obligations. Our affiliated subsidiaries serve as a general partner of many of our funds. As such, under applicable law and the fund partnership agreements, our subsidiaries could have liability for obligations of our funds if such funds have insufficient assets to pay such obligations themselves, including contractual obligations, obligations to repay fund indebtedness, uninsured contingent obligations for litigation damages awards **,** or taxes determined to be owed by the funds. In general, the funds indemnify us for such obligations; but if the relevant funds' assets have been depleted or distributed to fund investors, such fund may be unable to pay such indemnification obligation to us, and we could suffer significant loss and expense. Employee misconduct or fraud could harm us and subject us to significant legal liability and reputational harm, which could impair our ability to attract and retain investors in our funds. Fraud, other deceptive practices **,** or other misconduct at our portfolio companies could similarly subject us to liability and reputational damage and also harm performance. There have been a number of highly publicized cases involving fraud or other misconduct by employees in the financial services industry in recent years, and there is a risk that our employees or advisors could engage in misconduct or fraud that adversely affects our business. Misconduct or fraud by employees, advisors **,** or other third- party service providers could cause significant losses. Employee misconduct or fraud could include, among other things, binding the Company to transactions that exceed authorized limits or present unacceptable risks and other unauthorized activities or concealing unsuccessful investments (which, in either case, may result in unknown and unmanaged risks or losses), or otherwise charging (or seeking to charge) inappropriate expenses or engaging in inappropriate or unlawful behavior or actions directed toward other employees. It is not always possible to deter misconduct or fraud by employees or service providers, and the precautions we take to detect and prevent this activity may not be effective in all cases. In the current hybrid work environment **,** we may have less of an ability to supervise our employees, which could expose us to an enhanced risk of misconduct or fraud. **63** Our ability to attract and retain investors and to pursue investment opportunities for our investment funds depends heavily upon the reputation of our professionals, ~~especially~~ **particularly** our senior Carlyle professionals. Because of our diverse business and the regulatory regimes under which we operate, we are subject to a number of obligations and standards (and related policies and procedures) arising from our asset management business and our authority over the assets managed by our asset management business. The violation of these obligations and standards (and related policies and procedures) by any of our employees would adversely affect us and our investment funds and investors. For example, we could lose our ability to raise new investment funds if any of our " covered persons " is the subject of a criminal, regulatory **,** or court order or other disqualifying event. See " Risks Related to Regulation and Litigation — Extensive regulation in the United States and abroad affects our activities, increases the cost of doing business and creates the potential for significant liabilities and penalties. " In addition, in certain jurisdictions, we may be liable for certain social media statements made by our employees. For example, any statements an employee makes online in a personal capacity (whether or not such employee identifies online as an employee of the Company) could still be attributed to Carlyle under certain regulations. Expressing personal views in a way that implies corporate endorsement could create misunderstandings and have adverse consequences for us and our employees. Our business often requires that we deal with confidential matters of great significance to companies in which our investment funds may invest. If our employees, advisors **,** or other third- party service providers were to use or disclose confidential information improperly, we could suffer serious harm to our reputation, financial position **,** and current and future business relationships, as well as face potentially significant litigation. It is not always possible to detect or deter employee misconduct or fraud, including financial fraud, the misappropriation of funds of our business or our investment funds **,** or inappropriate or unlawful behavior or actions directed toward other employees, and the extensive precautions we take to detect and prevent this activity may not be effective in all cases. If any of our employees were to engage in misconduct or fraud or were to be accused of such misconduct or fraud, whether or not substantiated, our business and our reputation could be adversely affected and a loss of investor confidence could result, which would adversely impact our ability to raise future funds. In recent years, the U. S. Department of Justice (the " DOJ ") and the SEC have devoted greater resources to enforcement of the FCPA. In addition, the United Kingdom and other jurisdictions have significantly expanded the reach of their anti- bribery laws. While we have developed and implemented policies and procedures designed to ensure compliance by us and our personnel with the FCPA and the UK anti- bribery laws, such policies and procedures may not be effective in all instances to prevent violations. Any determination that we have violated the FCPA, the UK anti- bribery laws **,** or other applicable anticorruption laws could subject us to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation **,** and a general loss of investor confidence, any one of which could adversely affect our business prospects, financial position **,** or the market value of our common stock. In addition, we will also be adversely affected if there is fraud, other deceptive practices **,** or other misconduct

by personnel of the portfolio companies in which our funds invest, including such activities that predate our acquisition of the portfolio company. For example, improper or illegal conduct by personnel at our portfolio companies or failure by such personnel to comply with anti- bribery, trade sanctions, anti- harassment, legal **,** and regulatory requirements could adversely affect our business and reputation. Such misconduct or fraud could also undermine any due diligence efforts with respect to such companies and could negatively affect the valuation of a fund' s investments. Certain policies and procedures implemented to mitigate potential conflicts of interest and address certain regulatory requirements may reduce the synergies across our various businesses and inhibit our ability to maintain our collaborative culture. We consider our " One Carlyle " ~~philosophy~~ **culture** and the ability of our professionals to communicate and collaborate across funds, industries **,** and geographies one of our significant competitive strengths. As a result of the expansion of our platform into various lines of business in the asset management industry, our acquisition of new businesses, and the growth of our managed account business, we are subject to a number of actual and potential conflicts of interest and subject to greater regulatory oversight than ~~that to which we would otherwise be subject~~ if we had ~~just~~ one line of business. For example, certain regulatory requirements mandate us to restrict access by certain personnel in our funds to information about certain transactions or investments being considered or made by those funds. In addition, as we continue to expand our platform, the allocation of investment opportunities among our investment funds is expected to become more complex. In addressing these conflicts and regulatory requirements across our various businesses, we have and may continue to implement certain policies and procedures, such as information barriers. As a practical matter, the establishment and maintenance of such information barriers means that collaboration between our investment professionals across various platforms or with respect to certain investments may be limited, reducing potential synergies that we cultivate across these businesses ~~through our " One Carlyle " approach~~ . For example, although we maintain ultimate control over the Global Investment Solutions segment' s constituent firm, AlpInvest, we have ~~erected~~ **established** an information barrier between the management teams at AlpInvest and the rest of Carlyle. See " Risks Related to Our Business Operations — ~~Industry~~ Risks Related to the Assets We Manage — Our Global **64** Investment Solutions business is subject to additional risks. " In addition, we may come into possession of material ~~,~~ non- public information with respect to issuers in which we may be considering making an investment. Consequently, we may be precluded from providing such information or other ideas to our other businesses that could benefit from such information. Our failure to deal appropriately with conflicts of interest in our investment business could damage our reputation and adversely affect our businesses. As we have expanded and as we continue to expand the number and scope of our businesses, we increasingly confront potential conflicts of interest relating to our funds' investment activities. **In this respect, investment manager conflicts of interest continue to be a significant area of focus for regulators and the media. Because of our size and the variety of businesses and investment strategies that we pursue, we may face a higher degree of scrutiny compared with investment managers that are smaller or focus on fewer asset classes. Certain of our funds may have overlapping investment objectives, including funds that have different fee structures and / or investment strategies that are more narrowly focused. Potential conflicts may arise with respect to allocation of investment opportunities among us, our funds, and our affiliates, including to the extent that the fund documents do not mandate a specific investment allocation.** For example, **we may allocate an investment opportunity that is appropriate for two or more investment funds in** a ~~with such requirements or policies could harm our reputation with fund investors.In addition,we may cause~~ different funds ~~to~~ **may** invest in a single ~~portfolio~~ company ~~,for example,~~ where the fund that made ~~an~~ **the** initial investment no longer has capital available to invest **or a follow- on opportunity arises** .We **may** also ~~may~~ cause different funds that we manage to purchase different classes of **debt or** securities in the same portfolio company.For example,one of our ~~CLO~~ funds could acquire a debt security **or bank loan** issued by the same company in which one of our **buyout** ~~private equity~~ funds owns common equity securities **or several of our funds could be invested in different tranches of a company' s debt** .A direct conflict of interest could arise between ~~the debt holders~~ decision to acquire material ~~,~~ non-public information about a company while pursuing an investment opportunity for a particular fund ~~may give~~ **gives** rise to a potential conflict of interest ~~that~~ **when it** results in our having to restrict the ability of other funds to take any action **with respect to that company** . ~~Certain of~~ **Our affiliates or portfolio companies may be service providers or counterparties to** our funds ~~, managed accounts~~ **or portfolio companies and receive fees or other compensation** ~~or~~ **for services that are not shared with our fund investors. In such instances, we may be incentivized to cause our funds or portfolio companies to purchase such services from our affiliates or portfolio companies rather than an unaffiliated service provider even though a third- party service provider could potentially provide higher quality services or offer them at a lower cost. In addition, conflicts of interest may exist in the valuation of our investments, as well as the personal trading of employees and the allocation of fees and expenses among us, our funds and their portfolio companies, and our affiliates. Moreover, in certain, infrequent instances we may purchase an** investment **alongside one of our** ~~vehicles may have overlapping investment objectives, including co-~~ investment funds **or sell** ~~and~~ - **an investment to one of our investment** funds ~~that have different fee structures,~~ and ~~potential~~ conflicts may arise ~~with~~ **in** respect **of the** ~~to our decisions regarding how to allocate~~ **allocation** ~~investment opportunities among those funds~~ , **pricing** ~~managed accounts or investors. For example~~ , different funds may invest in a single...... direct conflict of interest could arise between and **timing of** ~~among the debt holders and the equity holders if~~ such ~~a portfolio company was to develop insolvency concerns, and that conflict would have to be carefully managed by us. It is also possible that in the event the company goes through a bankruptcy proceeding, the interests of the fund holding the debt securities or loans may be subordinated, recharacterized or otherwise adversely affected by virtue of the involvement and actions of the fund holding the equity in the portfolio company. In such a case, the debt security or loan could be converted into equity and the prospects of repayment greatly diminished. Conflicts of interest may also exist in the valuation of our~~ investments and ~~regarding decisions about the allocation of specific investment opportunities among us and our funds and the allocation of fees and costs among us, our investment funds and their portfolio companies and conflicts could also arise in respect of~~ the ultimate disposition of such investments. **A failure** ~~Due to changes in the tax treatment of carried interest under~~

~~the TCJA and / or future legislation, conflicts of interest may arise with investors in certain of our funds in connection with the general partner' s decisions with respect to the sequence and timing of disposals of investments in such funds. To the extent we fail~~ to appropriately deal with **these** ~~any such~~ conflicts, ~~it~~ **among others,** could negatively impact our reputation and ability to raise additional funds ~~and the willingness of counterparties to do business with us~~ or result in ~~regulatory liability or~~ potential litigation **or regulatory action** against us. ~~The~~ **Any steps taken by the SEC to preclude or limit certain conflicts of interest would make it more difficult for our funds to pursue transactions that may otherwise be** ~~alternative~~ - - **attractive to the fund and its investors, which may adversely impact fund performance. Risks Related to Our Business OperationsRisks Related to the Assets We ManageThe** asset management business is intensely competitive **. The asset management business is intensely competitive** , with competition based on a variety of factors, including investment performance, business relationships, quality of service provided to ~~investors~~ **clients** , investor ~~liquidity~~ **availability of capital** and willingness to invest, fund terms (including fees **and liquidity terms**), brand recognition, types of products offered, consideration of ESG issues **,** and business reputation. Our investment business, as well as our investment funds, competes with a number of private ~~equity~~ funds, specialized investment funds, **funds structured for individual investors,** hedge funds, **funds of hedge funds and other sponsors managing pools of capital, as well as** corporate buyers, traditional asset managers, ~~real estate development companies,~~ commercial banks, **65** investment banks **,** and other financial institutions (**including** ~~as well as~~ sovereign wealth funds **),** and **we expect that competition will continue to increase. For example, certain traditional asset managers have developed their own private equity and retail platforms and are marketing** other ~~institutional investors)~~ **asset allocation strategies as alternatives to fund investments** . In addition, developments in financial technology ~~(~~ **,** or fintech ~~)~~ , such as ~~a~~ distributed ledger technology ~~(~~ **,** or blockchain ~~)~~ , have the potential to disrupt the financial industry and change the way financial institutions, as well as asset managers, do business. ~~Several~~ **A number of** factors ~~, among others,~~ serve to increase our competitive risks: • a number of our competitors in some of our businesses have greater financial, fundraising, technical, **research,** marketing **,** and other resources and more personnel than we do; • some of our funds may not perform as well as competitors' funds or other available investment products; • fund investors may reduce their investments in our funds or decrease their allocations in new funds based on a variety of factors, such as the occurrence of an economic downturn, their available capital, regulatory requirements, a desire to consolidate their relationships with investment firms **,** or other considerations; • several of our competitors have significant amounts of capital, and many of them have similar investment objectives to ours, which may create additional competition for investment opportunities and may reduce the size and duration of pricing inefficiencies that ~~otherwise could be~~ **many alternative investment strategies seek to** ~~exploited~~ -- **exploit** ; • some of ~~these~~ **our** competitors ~~(including~~ **, particularly** strategic competitors ~~)~~ **,** may ~~also~~ have a lower cost of capital ~~and access to funding sources that are not available to us~~ , which may **be exacerbated by limits on the deductibility of interest expense** ~~create competitive disadvantages for our funds with respect to investment opportunities~~ ; • some of our competitors may have higher risk tolerances, different risk assessments **,** or lower return thresholds ~~than us~~ , which could allow them to consider a wider variety of investments and to bid more aggressively ~~or more quickly~~ than us for investments that we want to make **or seek exit opportunities through different channels, such as special purpose acquisition vehicles** ; • some of our competitors may be subject to less regulation and **,** accordingly **,** may have more flexibility to undertake and execute certain businesses or investments than we do and / or bear less compliance expense than us; • some of our competitors may have more flexibility than us in raising certain types of investment funds under the investment management contracts they have negotiated with their investors; • some of our competitors may be more successful than us in development of new products to address investor demand for new or different investment strategies and / or regulatory changes, including with respect to products with mandates that incorporate ESG considerations, or products that are **developed for individual investors or that** ~~targeted~~ -- **target** ~~toward retail or~~ insurance capital; • some of our competitors may have better expertise or be regarded by investors as having better expertise in a specific asset class or geographic region than we do; • our competitors that are corporate buyers may be able to achieve synergistic cost savings in respect of an investment, which may provide them with a competitive advantage in bidding for an investment; • our competitors have instituted or may institute low cost, high speed financial applications and services based on artificial intelligence and new competitors may enter the asset management space using new investment platforms based on artificial intelligence ~~; • special purpose acquisition companies (" SPACs ") may continue to compete with our funds for investment opportunities and drive up asset prices~~ ; • there are relatively few barriers to entry impeding the formation of new investment firms, and the successful efforts of new entrants into our various businesses, including former " star " portfolio managers at large diversified financial institutions as well as such institutions themselves, is expected to continue to result in increased competition; • some investors may prefer to pursue investments directly instead of investing through one of our funds; **66** • some investors may prefer to invest with an ~~asset~~ **investment** manager that is not publicly traded or is smaller with only one or two investment products that it manages; and • other industry participants ~~may~~ **will** , from time to time, seek to recruit our investment professionals and other employees away from us. We may lose investment opportunities in the future if we do not match investment prices, structures, products **,** or terms offered by ~~our~~ competitors. Alternatively, we may experience decreased rates of return and increased risks of loss if we match investment prices, structures **, products,** and terms offered by ~~our~~ competitors. Moreover, if we are forced to compete with other asset managers on the basis of price, we may not be able to maintain our current fund fee and carried interest terms. We have historically competed primarily on the performance of our funds, and not on the level of our fees or carried interest relative to those of our competitors. However, there is a risk that fees and carried interest in the ~~asset~~ **investment** management industry will decline, without regard to the historical performance of a manager. Fee or carried interest income reductions on existing or future funds, without corresponding decreases in our cost structure, would adversely affect our revenues and profitability. ~~The~~ **In addition, the** attractiveness of our investment funds relative to investments in other investment products could decrease depending on economic conditions. **Moreover** ~~In addition~~ , ~~to the extent that~~ any **new or incremental regulatory measures** ~~changes in tax law make debt financing less attractive to~~

~~certain categories of borrowers, this could adversely affect the investment opportunities~~ for **the U. S. financial services industry may increase costs and create regulatory uncertainty and additional competition for many of** our ~~credit- focused~~ funds ~~. Such competitive pressure could adversely affect our ability to make successful investments and limit our ability to raise future investment funds, either of which would adversely impact our business, revenue, results of operations and cash flow~~ . See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — Our investors may negotiate to pay us lower management fees and the economic terms of our future funds may be less favorable to us than those of our existing funds, which could adversely affect our revenues. " **This competitive pressure could adversely affect our ability to make successful investments and limit our ability to raise future investment funds, either of which would adversely impact our business, revenue, results of operations, and cash flow. Poor performance of our investment funds would cause a decline in our revenue, income, and cash flow, may obligate us to repay carried interest previously paid to us, and could adversely affect our ability to raise capital for future investment funds.** In the event that any of our investment funds were to perform poorly, our revenue, income **,** and cash flow ~~could~~ **would** decline. Investors could also demand lower fees or fee concessions for existing or future funds, which would likewise decrease our revenue or require us to record an impairment of intangible assets and / or goodwill in the case of an acquired business. In some of our funds, such as our carry funds, a reduction in the value of the portfolio investments held in such funds could result in a reduction in the carried interest we earn or in our management fees. In our CLOs, defaults or downgrades of the CLOs' underlying collateral obligations could cause failures of certain over collateralization tests and the potential for insufficient funds to pay expected management fees on any such CLO, which would result in either a temporary deferral or permanent loss of such management fees. See " Risks Related to Our Business Operations — ~~Industry~~ Risks Related to the Assets We Manage — Our CLO business and investment into CLOs involves certain risks. " We also could experience losses on our investment of our own capital into our funds as a result of poor performance by our investment funds. If, as a result of poor performance of later investments in a carry fund' s life, the fund does not achieve certain investment returns for the fund over its life, we will be obligated to repay the amount by which carried interest that was previously distributed to us exceeds the amount to which we are ultimately entitled. These repayment obligations may be related to amounts previously distributed to our senior Carlyle professionals prior to the completion of our initial public offering, with respect to which our stockholders did not receive any benefit. See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — We may need to pay " giveback " obligations if and when they are triggered under the governing agreements with our investors " and Note ~~10~~ **9** to the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10- K. Poor performance of our investment funds **could** ~~may also~~ make it more difficult for us to raise new capital. Investors in our funds may decline to invest in future investment funds we raise. Investors and potential investors in our funds continually assess our investment funds' performance, and our ability to raise capital for existing and future investment funds and avoid excessive redemption levels will depend on our investment funds' continued satisfactory performance. Accordingly, poor fund performance may deter future investment in our funds and thereby decrease the capital invested in our funds and **,** ultimately, our management fee ~~income~~ **revenue. 67 The historical returns attributable to our funds, including those presented in this report, should not be considered as indicative of the future results of our funds or of our future results or of any returns expected on an investment in our common stock** . We have presented in this Annual Report on Form 10- K information relating to the historical performance of our investment funds. The historical and potential future returns of the investment funds that we advise, however, are not directly linked to returns in our common stock. Therefore, any continued positive performance of the investment funds that we advise will not necessarily result in positive returns on an investment in our common stock. However, poor performance of the investment funds that we advise would cause a decline in our revenue from such investment funds ~~,~~ and could therefore have a negative effect on our performance, our ability to raise future funds **,** and in all likelihood the returns on an investment in our common stock. Moreover, with respect to the historical returns of our investment funds: • our historical returns derive largely from the performance of our existing funds, and we may create new funds in the future that reflect a different asset mix and different investment strategies, as well as a varied geographic and industry exposure as compared to our present funds, and any such new funds could have lower returns than our existing or previous funds; • the performance of our carry funds reflects our valuation of the unrealized investments held in those funds using assumptions that we believe are reasonable under the circumstances, but the actual realized return on these investments will depend on, among other factors, future operating results and the value of assets and market conditions at the time of disposition all of which may differ from the assumptions on which the valuations in our historical returns are based, which may adversely affect the ultimate value realized from those unrealized investments; • in recent years, there has been increased competition for private equity investment opportunities resulting from the increased amount of capital invested in alternative investment funds, high liquidity in debt markets **,** and strong equity markets, and the increased competition for investments may reduce our returns in the future; • the rates of returns of some of our funds in certain years have been positively influenced by a number of investments that experienced rapid and substantial increases in value following the dates on which those investments were made, which may not occur with respect to future investments; • our investment funds' returns in some years have benefited from investment opportunities and general market conditions, including lower interest rates and rates of inflation than present market conditions, that may have been significantly more favorable for generating positive performance than current market conditions or market conditions that we may experience in the future and may not repeat themselves; • our current or future investment funds might not be able to avail themselves of comparable investment opportunities or market conditions, and the circumstances under which our funds may make future investments may differ significantly from those conditions prevailing in the past; • newly- established funds may generate lower returns during the period that they take to deploy their capital; and • the introduction of fund- level leverage in more recent funds has increased the rates of returns in those funds compared to what they would have been without the use of such leverage. Our **performance in** recent ~~performance~~ **years** has **generally** benefited from recent high multiples and asset prices. In the current market environment, we expect that earning

such returns on new investments will be much more difficult than in the past and the future internal rate of return for any current or future fund may vary considerably from the historical internal rate of return generated by any particular fund or for our funds as a whole. Future returns will also be affected by the risks described elsewhere in this report, including risks of the industries and businesses in which a particular fund invests. See Part II, Item 7 " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Segment Analysis — Fund Performance Metrics " for additional information. **68** Risk management activities may adversely affect the return on our and our funds' investments. When managing our exposure to market risks, we may (on our own behalf or on behalf of our funds) from time to time use forward contracts, options, swaps, caps, collars **,** and floors or pursue other strategies or use other forms of derivative instruments to limit our exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates, currency exchange rates **,** and commodity prices. The scope of risk management activities undertaken by us **is selective and** varies based on the level and volatility of interest rates, prevailing foreign currency exchange rates, the types of investments that are made **,** and other changing market conditions. ~~The~~ **We do not seek to hedge our exposure in all currencies or all investments, which means that our exposure to certain market risks are not limited. Where applicable, we** use ~~of~~ hedging transactions and other derivative instruments to reduce the effects of a decline in the value of a position ~~does~~ **, but they do** not eliminate the possibility of fluctuations in the value of the position or prevent losses if the value of the position declines **. However, such activities can establish other positions designed to gain from those same developments, thereby offsetting the decline in the value of the position** . Such transactions may also limit the opportunity for gain if the value of a position increases. Moreover, it may not be possible to limit the exposure to a market development that is so generally anticipated that a hedging or other derivative transaction cannot be entered into at an acceptable price. Currency fluctuations, in particular, can have a substantial effect on our cash flow and financial condition. The success of any hedging or other ~~derivative~~ **derivatives** ~~transaction~~ **transactions** generally will depend on our ability to correctly predict market changes, the degree of correlation between price movements of a derivative instrument ~~and~~ **,** the position being hedged, the creditworthiness of the counterparty **,** and other factors. As a result, while we may enter into such a transaction in order to reduce our exposure to market risks, the transaction may result in poorer overall firm or investment performance than if it had not been executed. Such transactions may also limit the opportunity for gain if the value of a hedged position increases. While such hedging arrangements may reduce certain risks, such arrangements themselves may entail certain other risks. These arrangements may require the posting of cash collateral at a time when a fund has insufficient cash or illiquid assets such that the posting of the cash is either impossible or requires the sale of assets at prices that do not reflect their underlying value. Moreover, these hedging arrangements may generate significant transaction costs, including potential tax costs, which may reduce the returns generated by the firm or a fund. See " Risks Related to Regulation and Litigation — Changing regulations regarding derivatives and commodity interest transactions could adversely impact various aspects of our business. " **Pending** ~~Ongoing trade negotiations~~ and potential for further regulatory reform may create regulatory uncertainty for our portfolio companies and our investment strategies and adversely affect the profitability of our portfolio companies **, our business sectors, and our business** . Since March 2018, the United States has imposed, or threatened to impose, a series of various tariffs on a variety of goods imported into the United States, with an emphasis on those imported from China ~~and~~ **,** the ~~EU~~ **European Union, and Mexico** . These ~~new~~ tariffs, or other changes in U. S. trade policy, have resulted in, and may continue to trigger, retaliatory actions by affected countries, particularly China. In October 2022, the United States Trade Representative (" USTR ") announced the public comment phase of its four- year, statutorily mandated review of the China Section 301 tariffs. Following the announcement, the USTR solicited additional information from interested parties in regard to their investigation. **Based upon administration officials' public statements, it appears increasingly likely that such review will continue into 2024.** However, it is unclear if any tariffs will be removed, modified, or increased as a result of the investigation. The U. S. government has also implemented and expanded a number of economic sanctions programs and export controls that target Chinese entities and nationals on national security grounds, and has imposed restrictions on our ability to acquire and retain interests in the securities of certain Chinese entities. These initiatives target, for example, China' s response to political demonstrations in Hong Kong, China' s conduct concerning the treatment of Uighurs and other ethnic minorities in its Xinjiang province, and certain Chinese entities designated by the U. S. government as Communist Chinese military companies, among other things. Geopolitical tensions ~~globally~~ remain elevated and further changes to foreign direct investment laws remain possible. ~~The~~ **In August 2023, the** U. S. ~~government is advancing plans~~ **Department of the Treasury issued an Advanced Notice of Proposed Rulemaking** to create an outbound investment screening regime to prevent U. S. capital from contributing to the development of force- multiplying technologies in **the semiconductor, quantum, and artificial intelligence sectors in** certain jurisdictions, such as China. ~~The~~ **An ongoing** concern among **U. S.** policymakers is that U. S. investment, particularly in China, facilitates the transfer or buildup of technology and know- how that could strengthen another country' s civil and military capabilities to the detriment of the United States. Another ~~major~~ **ongoing** concern is U. S. supply chain security — the ability to ensure access to critical goods and services in the face of disruptions arising from conflict, economic coercion, or natural disasters. An outbound investment screening could, depending **69** upon scope, limit our ability to make certain investments without obtaining U. S. government approval. ~~Furthermore~~ **In addition** , foreign direct investment laws in non- U. S. jurisdictions ~~can~~ also **may** require approvals, which can delay the investment or divestment of assets in a fund **. The U. S. government also may, through law or regulation, decide to modify the U. S. export controls regime to further restrict technology exports to certain jurisdictions. The majority of U. S. states have passed or may consider foreign direct investment laws. Most of these laws are aimed at preventing ownership of real property, directly or indirectly, by persons or entities from " countries of concern, " including China. The evolution of these laws remains fluid but could result in certain restrictions on a fund' s ability to invest in certain types of real property in a state** . Any governmental action, including such actions noted above, has the potential to increase costs, decrease margins, reduce the competitiveness of products and services offered by current and future portfolio companies **,** and

adversely affect the revenues and profitability of companies whose businesses rely on goods imported from or exported to any country impacted by such policies. In addition, these actions may adversely affect our suppliers and certain other customers of our portfolio companies, which could amplify the negative impact on our operating results or future cash flows. **Our asset management business depends in large part on our ability to raise capital from third- party investors. If we are unable to raise capital from third- party investors, we would be unable to collect management fees or deploy their capital into investments and potentially collect carried interest, which would materially reduce our revenue and cash flow and adversely affect our financial condition.** We raised $ ~~81~~ **118** . ~~2~~ **3** billion in new capital commitments ~~across 2021 and 2022~~ **in the last three years** , with ~~2022~~ **2023** fundraising being driven by ~~$ 2. 0 billion in additional~~ third- party capital raised ~~for~~ **in** our strategic **solutions business** ~~investment in Fortitude~~ , fundraising ~~on~~ **in** our **Asia Buyout business** ~~CLO Platform and our retail credit product~~ (~~CTAC~~ **Carlyle Japan partners and Carlyle Asia Partners**) **,** and ~~the launch of~~ our ~~third Credit Opportunities~~ **flagship Secondaries and Co- Invest** ~~fund~~ **funds** ~~,~~ within our ~~Global Credit segment, and coupled with fundraising for our Global Private Equity and~~ Global Investment Solutions ~~funds~~ **segment** . We cannot assure that our prior success in raising capital will continue in the future. In this respect, we anticipate the fundraising landscape will continue to be increasingly competitive as ~~the pace of capital deployment across the industry has resulted in fund products coming back to market faster and with larger target fund sizes than with prior vintages, and~~ limited partners ~~are~~ **continue to** ~~reassessing~~ --- **reassess** their portfolio allocation targets in light of market volatility and their liquidity requirements. As a result, fundraising in certain products — particularly in corporate private equity strategies — may take longer to complete and fund sizes may not meet levels they otherwise would in a more favorable market environment. Slowdowns in fundraising may also delay catch- up management fees that would be charged to fund investors in subsequent closings and smaller fund sizes could result in lower management fees in the future. Our ability to raise capital from third- party investors depends on a number of factors, including certain factors that are outside our control. Certain of these factors **,** such as **economic and market conditions (including** the performance of the stock market **)** , the pace of distributions from our funds and from the funds of other asset managers **,** or the asset allocation rules or regulations or investment policies to which such third- party investors are subject, whether by their own policy or the laws and regulations of their respective jurisdictions, could inhibit or restrict the ability of third- party investors to make investments in our investment funds. For example, state politicians and lawmakers across a number of states, including ~~Florida~~ **Maryland** and Pennsylvania, have continued to put forth proposals or expressed intent to take steps to reduce or minimize the ability of their state pension funds to invest in alternative asset classes, including by proposing to increase the reporting or other obligations applicable to their state pension funds that invest in such asset classes. Such proposals or actions would potentially discourage investment by such state pension funds in alternative asset classes by imposing meaningful compliance burdens and costs on them, which could adversely affect our ability to raise capital from such state pension funds. Other states could potentially take similar actions, which may further impair our access to capital from an investor base that has historically represented a significant portion of our fundraising. Third- party investors in private equity, real assets **,** and private credit funds typically use distributions from prior investments to meet future capital calls. In cases where valuations of existing investments fall, the investment pace is delayed and / or the pace of distributions slows, investors may be unable or unwilling to make new commitments or fund existing commitments to third- party management investment funds such as those advised by us. Moreover, many funds sponsored by us and our competitors have **in** ~~recently~~ -- **recent years** invested more rapidly than in the past. As a result, investors may delay making new commitments until such time these investments start distributing capital. ~~Although many investors have increased and signaled that they expect to maintain the amount of commitments they are making to alternative investment funds, there~~ **There** can be no assurance that historical or current levels of commitments to our funds will continue. For example, there is a continuing shift away from defined benefit pension plans to defined contributions plans, which could reduce the amount of assets available for us to manage on behalf of certain of our clients. In addition, investors may downsize their investment allocations to alternative managers, including private funds and fund of funds vehicles, to rebalance a disproportionate weighting of their overall investment portfolio among asset classes. Investors may also seek to consolidate **70** their investments with a smaller number of investment managers or prefer to pursue investments directly instead of investing through our funds, each of which could impact the amount of allocations they make to our funds. For example, certain institutional investors are demonstrating a preference to in- source their own investment professionals and to make direct investments in alternative assets without the assistance of alternative asset advisers like us. Such institutional investors may become our competitors and could cease to be our clients. Moreover, as some existing investors cease or significantly curtail making commitments to alternative investment funds, we may need to identify and attract new investors in order to maintain or increase the size of our investment funds. The ongoing changes in international and domestic tax regulations, including BEPS, may adversely impact the tax neutrality of our funds, which could in turn limit investment in our funds from certain classes of investors. We are working to create avenues through which we expect to attract a new base of individual investors. There can be no assurances that we can find or secure commitments from those new investors. Our ability to raise new funds could similarly be hampered if the general appeal of private equity and alternative investments were to decline. An investment in a private equity, credit **,** or real estate fund is more illiquid and the returns on such investment may be more volatile than an investment in securities for which there is a more active and transparent market. Private equity, credit **,** and real estate investments could fall into disfavor as a result of concerns about liquidity and short- term performance. Such concerns could be exhibited, in particular, by public pension funds, which have historically been among the largest investors in alternative assets. Concerns with liquidity could cause such public pension funds to reevaluate the appropriateness of alternative investments. In addition, the evolving preferences of our fund investors may necessitate that alternatives to the traditional investment fund structure, such as managed accounts, smaller funds **,** and co- investment vehicles, become a larger part of our business going forward. Certain investors have also implemented or may implement restrictions against investing in certain types of asset classes or sectors, such as hydrocarbons, which could affect our ability to raise new funds focused on those asset classes, such as funds focused on

conventional energy or natural resources, and which could have a negative impact on our ability to exit certain of our energy investments, or our ability to invest capital in our conventional energy funds. Given that funds focused on investing in carbon-based energy ~~(" Carbon Energy Funds ")~~ remain a part of our business (~~6~~ **4** % of total AUM as of December 31, ~~2022~~ **2023**), the persistence of weakened market fundamentals in the energy sector could translate into future performance below investor expectations which, together with negative sentiments around carbon energy funds, could result in less investor demand for these funds in the future. ~~Our future investments in carbon- based energy are expected to be made primarily through our non-controlling interest in NGP in the United States and Carlyle International Energy Partners outside the United States.~~ If we ~~, or NGP,~~ were unable to raise the next generation of our energy **-** related funds, at the same levels or at all, our fee- paying AUM and future management fees could be adversely impacted. This could increase our cost of raising capital at the scale we have historically achieved. ~~We evaluate our equity method investment in NGP for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable, but no less than quarterly. For example, challenges with fundraising or lower future management fees could cause an impairment of our investment in NGP in the future. As of December 31, 2022, we continue to believe that our investment in NGP is not impaired.~~ Moreover, fund investors, shareholders **,** and prospective investors, including pension funds, are increasingly focused on ESG matters and certain investors consider ESG factors in determining whether to invest in our funds and our common stock. In addition, some fund investors use third- party benchmarks or scores to assess our ESG practices and may use this as an input to decide whether to commit capital to us or invest in our funds and, further, may condition capital commitments to us on our taking or refraining from taking certain actions ~~. Investment funds that specialize in companies that perform well in such assessments are increasingly popular~~ . ESG ratings may vary widely in methodology, which often are not fully publicly disclosed by ratings providers. Investors and stockholders may choose not to invest in our funds or exclude our common stock from their investments for a range of reasons, including if our ESG practices or ratings do not fit their investment profiles, if we fail or are perceived to fail to demonstrate adequate progress toward ESG goals, initiatives, commitments, or objectives (including with respect to any climate- related targets and corresponding timelines), which could adversely impact our reputation and our ability to raise capital, impair our ability to maintain the size of our funds, and could cause the price of our common stock to decrease. Conversely, anti- ESG sentiment has also gained momentum across the United States, with several states having enacted or proposed " anti- ESG " policies, legislation **,** or issued related legal opinions. For example, boycott bills target financial institutions that " boycott " or " discriminate against " companies in certain industries (e. g., energy and mining) and prohibit state entities from doing business with such institutions and / or investing the state' s assets (including pension plan assets) through such institutions, and ESG investment prohibitions require that state entities or managers / administrators of state investments make investments based solely on pecuniary factors without consideration of ESG factors. If investors subject to such legislation viewed our funds or ESG practices, including our climate- related goals and commitments, as being in contradiction of such " anti- ESG " policies, legislation **,** or legal opinions, such investors may not invest in our funds, our ability to maintain the size of our funds could be impaired, and it could negatively affect the price of our common stock. The failure to successfully raise capital commitments to new investment funds may also expose us to credit risk in respect of financing that we may provide to such funds. When existing capital commitments to a new investment fund are **71** insufficient to fund in full a new investment fund' s participation in a transaction, we may lend money to or borrow money from financial institutions on behalf of such investment funds to bridge this difference and repay this financing with capital from subsequent investors to the fund. Our inability to identify and secure capital commitments from new investors to these funds may expose us to losses (in the case of money that we lend directly to such funds) or adversely impact our ability to repay such borrowings or otherwise have an adverse impact on our liquidity position. ~~Finally~~ **Moreover** , if we seek to expand into other business lines, we may ~~also~~ be unable to raise a sufficient amount of capital to adequately support such businesses. The failure of our investment funds to raise capital in sufficient amounts could result in a decrease in our AUM **,** as well as management fee and transaction fee revenue, or could result in a decline in the rate of growth of our AUM and management fee and transaction fee revenue, any of which could have a material adverse impact on our revenues and financial condition. Our past experience with growth of AUM provides no assurance with respect to the future. **We have increasingly undertaken business initiatives to increase the number and type of investment products we offer to retail investors, which could expose us to new and greater levels of risk.** Although retail investors have been part of our historic distribution efforts, we have increasingly undertaken business initiatives to increase the number and type of investment products we offer to high ~~-~~ net ~~-~~ worth individuals, family offices **,** and other mass affluent investors. In some cases **,** we seek to distribute our unregistered funds to such retail investors indirectly through feeder funds sponsored by brokerage firms, private banks **,** or other similar third- parties ~~,~~ and **,** in other cases **,** directly to ~~the~~ qualified clients of private banks, independent investment advisors **,** and brokers. **We also** ~~In other cases, we~~ offer registered investment products specifically designed for direct investment by both retail and institutional investors. Our initiatives to access retail investors entail the investment of resources and our objectives may not be fully realized. Accessing retail investors and selling retail directed products exposes us to new and greater levels of risk, including heightened litigation and regulatory enforcement risks. To the extent we distribute retail products through new channels, including through unaffiliated firms, we may not be able to effectively monitor or control the manner of their distribution, which could result in litigation against us, including with respect to, among other things, claims that products distributed through such channels are distributed to customers for whom they are unsuitable or distributed in any other inappropriate manner. Although we seek to ensure that, through both due diligence and supervisory procedures, retail investors conduct themselves responsibly when accessing our investment products through these channels, to the extent that our investment products are being distributed through third parties, we are exposed to reputational damage and possible legal liability to the extent such third parties improperly sell our products to investors. Similarly, the hiring of employees to oversee independent advisors and brokers presents risks if they fail to follow training, review **,** and supervisory procedures. In addition, the distribution of retail products through new channels, whether directly or through market

intermediaries, could expose us to additional regulatory risk in the form of allegations of improper conduct and / or actions against us by state and federal regulators in the United States and regulators in jurisdictions outside the United States with respect to, among other things, product suitability, conflicts of interest **,** and the adequacy of disclosure to customers to whom our products are distributed through those channels **. As we may seek to expand the distribution of products to retail investors outside of the United States, we are increasingly exposed to risks in non- U. S. jurisdictions. While many of the risks we face in non- U. S. jurisdictions are similar to those that we face in the distribution of products to retail investors in the United States, securities laws and other applicable regulatory regimes can be extensive, complex, and vary by jurisdiction. In addition, the distribution of products to retail investors outside of the United States may involve complex structures and market practices that vary by local jurisdiction. As a result, this expansion subjects us to additional complexity, litigation, and regulatory risk. In addition, our initiatives to expand our retail investor base, including outside of the United States, requires the investment of significant time, effort, and resources, including the potential hiring of additional personnel, the implementation of new operational, compliance, and other systems and process and the development or implementation of new technology. There is no assurance that our efforts to grow the assets we mange on behalf of retail investors will be successful. Our investors may negotiate to pay us lower management fees and the economic terms of our future funds may be less favorable to us than those of our existing funds, which could adversely affect our revenues** . In connection with raising new funds or securing additional investments in existing funds, we negotiate terms for such funds and investments with existing and potential investors. The outcome of such negotiations could result in our agreement to terms that are materially less favorable to us than the terms of prior funds we have advised or funds advised by our competitors. Such terms could restrict our ability to raise investment funds with investment objectives or strategies that compete with existing funds, reduce fee revenues we earn, reduce the percentage of profits on third- party capital that we share in or add **72** expenses and obligations for us in managing the fund **,** or increase our potential liabilities, all of which could ultimately reduce our profitability. In addition, a change in terms that increases the amount of fee revenue the fund investors are entitled to could result in a significant decline in revenue generated from transaction fees. For instance, our more recent generations of U. S., Europe **,** and Asia buyout funds have increased the percentage of transaction fees that are shared with fund investors from 80 % to 100 % of the allocable fees we generate. Given this change in terms, and to the extent we change our fee practices for other successor funds, we could experience a meaningful decline in the amount of transaction fee revenue we earn. In particular, if our fund investors do not continue to agree that we are permitted to retain fees we derive from capital markets transactions involving our portfolio companies, the ability of our GCM group to produce fee revenue could be significantly hindered. Further, as institutional investors increasingly consolidate their relationships with investment firms and competition becomes more acute, we may receive more requests to modify the terms of our new funds, including reductions in management fees. Any agreement to or changes in terms less favorable to us could result in a material decrease in our profitability. Moreover, certain institutional investors have publicly criticized certain fund fee and expense structures, including management fees. We have received and expect to continue to confront requests from a variety of investors and groups representing investors to decrease fees and to modify our carried interest and incentive fee structures, which could result in a reduction in or delay in the timing of receipt of the fees and carried interest and incentive fees we earn. In addition to negotiating the overall fund rate of the management fees offered, certain fund investors have negotiated alternative management fee structures in several of our investment funds. For example, certain funds have offered a management fee rate discount for certain investors that came into the first closing of each fund. In certain cases, we have agreed to charge management fees based on invested capital or net asset value as opposed charging management fees on committed capital. Further, the SEC' s focus on certain fund fee and expense arrangements may lead to increased publicity that could cause fund investors to further resist certain fees and expense reimbursements. Any modification of our existing fee or carry arrangements or the fee or carry structures for new investment funds could adversely affect our results of operations. See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — The ~~alternative~~ asset management business is intensely competitive. " We may need to pay " giveback " obligations if and when they are triggered under the governing agreements with our investors. If, at the end of any of the life of our Global Private Equity and Global Credit carry funds (or earlier with respect to certain of our funds), the carry fund has not achieved investment returns that (in most cases) exceed the preferred return threshold or (in almost all cases) the general partner receives net profits over the life of the fund in excess of its allocable share under the applicable partnership agreement, we will be obligated to repay an amount equal to the extent to which carried interest that was previously distributed to us exceeds the amounts to which we are ultimately entitled. This repayment obligation is known as a " giveback " obligation. As of December 31, ~~2022~~ **2023** , we had accrued a giveback obligation of $ ~~40~~ **44** . ~~9~~ **0** million, representing the giveback obligation that would need to be paid by the firm if the carry funds were liquidated at their current fair values at that date, and of which approximately $ ~~22~~ **23** . ~~0~~ **7** million is attributable to us. The remaining obligations are related to amounts previously distributed to our senior Carlyle professionals, the majority of which relates to the accrued giveback obligation from CSP III and the Legacy Energy Funds. When payment of a giveback obligation is anticipated (or " realized "), the portion of this liability that is expected to be borne by the common stockholders (i. e., the amount not expected to be funded by Carlyle professionals) has the effect of reducing our Distributable Earnings. Any remaining giveback obligation required to be funded on behalf of our funds would generally be due upon the liquidation of the remaining assets from the funds. If, as of December 31, ~~2022~~ **2023** , all of the investments held by our carry funds were deemed worthless, the amount of realized and distributed carried interest subject to potential giveback would have been $ 1. ~~5~~ **6** billion, on an after- tax basis where applicable. As of December 31, ~~2022~~ **2023** , we have realized $ ~~239~~ **242** . ~~3~~ **4** million in aggregate giveback obligations since inception, which were funded primarily through collection of employee receivables related to giveback obligations and from Carlyle professionals and other non- controlling interests for their portion of the obligation. Of the $ ~~239~~ **242** . ~~3~~ **4** million in aggregate giveback obligations realized from inception to December 31, ~~2022~~ **2023** , $ ~~70~~ **72** . ~~6~~ **3** million was attributable to

Carlyle. See Part II, Item 7 " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Key Financial Measures — Investment Income. " Although a giveback obligation is specific to each person who received a distribution, and not a joint obligation, the governing agreements of our funds generally provide that to the extent a recipient does not fund his or her respective share, then we may have to fund such additional amounts beyond the amount of carried interest we retained, although we generally will retain the right to pursue any remedies that we have under such governing agreements against those carried interest recipients **73** who fail to fund their obligations. As of December 31, ~~2022~~ **2023** , approximately $ ~~18~~ **20** . ~~9~~ **3** million of our $ ~~40~~ **44** . ~~9~~ **0** million accrued giveback obligation is attributable to various current and former senior Carlyle professionals. We have historically withheld a portion of the cash from carried interest distributions to individual senior Carlyle professionals and other employees as security for their potential giveback obligations. We may need to use or reserve cash to repay such giveback obligations instead of using the cash for other purposes. See Part I, Item 1 " Business — Structure and Operation of Our Investment Funds — Incentive Arrangements / Fee Structure " and Part II, Item 7 " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Contractual Obligations — Contingent Obligations (Giveback) " and Notes ~~3~~ **2** and ~~10~~ **9** to the consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10- K. Third- party investors in substantially all of our carry funds have the right to remove the general partner of the fund for cause, to accelerate the liquidation date of the investment fund without cause by a simple majority vote **,** and to terminate the investment period under certain circumstances and investors in certain of the investment funds we advise may redeem their investments. These events would lead to a decrease in our revenues, which could be substantial. The governing agreements of almost all of our carry funds provide that, subject to certain conditions, third- party investors in those funds have the right to remove the general partner of the fund for cause or to accelerate the liquidation date of the investment fund without cause by a simple majority vote. In addition, our investment vehicles that are structured as " funds of one, " or separately managed accounts, have a single investor or a few affiliated investors that typically have the right to terminate the investment period or cause a dissolution of the vehicle under certain circumstances. These actions would result in a reduction in management fees we would earn from such investment funds, vehicles, or accounts, and could result in a significant reduction in the expected amounts of total carried interest and incentive fees from those investment funds, vehicles, or accounts. Carried interest and incentive fees could be significantly reduced as a result of our inability to maximize the value of investments by an investment fund during the liquidation process or in the event of the triggering of a " giveback " obligation. Finally, the applicable investment funds, vehicles, or accounts would cease to exist after completion of liquidation and winding- up. In addition, the governing agreements of certain of our investment funds provide that in the event certain " key persons " in our investment funds do not meet specified time commitments with regard to managing the fund (for example, certain of the investment professionals serving on the investment committee or advising the fund), then investors in certain funds have the right to vote to terminate the investment period by a simple majority vote in accordance with specified procedures, accelerate the withdrawal of their capital on an investor- by- investor basis, or the fund' s investment period will automatically terminate and the vote of a simple majority of investors is required to restart it. While we believe that our investment professionals have appropriate incentives to remain in their respective positions, based on equity ownership, profit participation **,** and other contractual provisions, we are not able to guarantee the ongoing participation of the management team members in respect of our funds. In addition to having a significant negative impact on our revenue, earnings **,** and cash flow, the occurrence of a key person event with respect to any of our investment funds would likely result in significant reputational damage to us and could negatively impact our future fundraising efforts. ~~For example, the~~ AlpInvest funds generally provide for suspension of the investment period if there is a key person event, the right of **a simple majority or** a supermajority of investors to remove the general partner with cause and, in some cases, without cause, but generally have not provided for liquidation without cause. Where AlpInvest funds include " key person " provisions, they are focused on specific **,** existing AlpInvest personnel, as applicable. In addition, because our investment funds generally have an adviser that is registered under the Advisers Act, the management agreements of each of our investment funds would be terminated upon an " assignment " to a third- party of these agreements without appropriate investor consent, which assignment may be deemed to occur in the event these advisers were to experience a change of control. We cannot be certain that consents required to assignments of our investment management agreements will be obtained if a change of control occurs. " Assignment " of these agreements without investor consent could cause us to lose the fees we earn from such investment funds. Third- party investors in our investment funds with commitment-based structures may not satisfy their contractual obligation to fund capital calls when requested by us, which could adversely affect a fund' s operations and performance. Investors in our carry funds make capital commitments to those funds that we are entitled to call from those investors at any time during prescribed periods. We depend on investors fulfilling their commitments when we call capital from them in order for those funds to consummate investments and otherwise pay their obligations (for example, management fees) when due. Any investor that did not fund a capital call would generally be subject to several possible penalties, including having a significant amount of its existing investment forfeited in that fund. However, the impact of the penalty is directly correlated to **74** the amount of capital previously invested by the investor in the fund and if an investor has invested little or no capital, for instance, early in the life of the fund, then the forfeiture penalty may not be as meaningful. Investors may also negotiate for lesser or reduced penalties at the outset of the fund, thereby inhibiting our ability to enforce the funding of a capital call. Our use of subscription lines of credit to purchase an investment prior to calling capital from fund investors could increase the prevalence of defaulting limited partners. Should the value of an investment funded through a fund line- of- credit decline, especially early in a fund' s life- cycle where minimal capital has been contributed by the fund' s investors, a limited partner may decide not to fund its commitment. In addition, third- party investors typically use distributions from prior investments to meet future capital calls. In cases where valuations of investors' existing investments fall and the pace of distributions slows, investors may be unable to make new commitments to third- party managed investment funds such as those advised by us. If investors were to fail to satisfy a significant amount of capital calls for any particular fund or funds, the

operation and performance of those funds could be materially and adversely affected. In addition, our failure to comply with applicable pay- to- play laws, regulations **,** and / or policies adopted by a number of states and municipal pension funds, as well as the New York Attorney General' s Public Pension Fund Reform Code of Conduct, may, in certain instances, excuse a public pension fund investor from its obligation to make further capital contributions relating to all or any part of an investment or allow it to withdraw from the fund. If a public pension fund investor were to seek to be excused from funding a significant amount of capital calls for any particular fund or funds, the operation and performance of those funds could be materially and adversely affected. **Valuation methodologies for certain assets in our funds can involve subjective judgments, and the fair value of assets established pursuant to such methodologies may be incorrect, which could result in the misstatement of fund performance and accrued performance allocations.** There are often no readily ascertainable market prices for a substantial majority of illiquid investments of our investment funds. We determine the fair value of the investments of each of our investment funds at least quarterly based on the fair value guidelines set forth by generally accepted accounting principles in the United States (" U. S. GAAP "). The fair value measurement accounting guidance establishes a hierarchal disclosure framework that ranks the observability of market inputs used in measuring financial instruments at fair value. The observability of inputs is impacted by a number of factors, including the type of financial instrument, the characteristics specific to the financial instrument **,** and the state of the marketplace, including the existence and transparency of transactions between market participants. Financial instruments with readily available quoted prices, or for which fair value can be measured from quoted prices in active markets, will generally have a higher degree of market price observability and a lesser degree of judgment applied in determining fair value. Investments for which market prices are not observable include, but are not limited to, illiquid investments in operating companies, real estate, energy ventures, infrastructure projects, structured vehicles **,** and other funds, and encompass all components of the capital structure, including equity, mezzanine, debt, preferred equity **,** and derivative instruments such as options and warrants. Fair values of such investments are determined by reference to the market approach (i. e., multiplying a key performance metric of the investee company or asset, such as EBITDA, by a relevant valuation multiple observed in the range of comparable public entities or transactions, adjusted by management as appropriate for differences between the investment and the referenced comparables), the income approach (i. e., discounting projected future cash flows of the investee company or asset and / or capitalizing representative stabilized cash flows of the investee company or asset) **,** and other methodologies such as prices provided by reputable dealers or pricing services, option pricing models ~~and~~ **,** replacement costs **, and estimates of net asset value for fund interests** . The determination of fair value using these methodologies takes into consideration a range of factors including but not limited to the price at which the investment was acquired, the nature of the investment, local market conditions, the multiples of comparable securities, current and projected operating performance **,** and financing transactions subsequent to the acquisition of the investment. These valuation methodologies involve a significant degree of management judgment. For example, as to investments that we share with another sponsor, we may apply a different valuation methodology than the other sponsor does and / or derive a different value than the other sponsor has derived on the same investment, which could cause some investors and regulators to question our valuations. Because there is significant uncertainty in the valuation of, or in the stability of the value of, illiquid investments, the fair values of such investments as reflected in an investment fund' s net asset value do not necessarily reflect the prices that would be obtained by us on behalf of the investment fund when such investments are realized. Realizations at values significantly lower than the values at which investments had been reflected in prior fund net asset values would result in reduced earnings or losses for the applicable fund, and potentially the loss of carried interest and incentive fees. Changes in values attributed to investments from quarter to quarter may result in volatility in the net asset values and results of operations **75** that we report from period to period. In addition, a situation where asset values turn out to be materially different than values reflected in prior fund net asset values could cause investors to lose confidence in us, which could in turn result in difficulty in raising additional funds. The **due diligence process** ~~financial projections of our portfolio companies could prove inaccurate. Our funds generally establish the capital structure of portfolio companies on the basis of financial projections prepared by the management of such portfolio companies. These projected operating results will normally be based primarily on judgments of the management of the portfolio companies. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. General economic conditions, which are not predictable, along with other factors may cause actual performance to fall short of the financial projections that were used to establish a given portfolio company' s capital structure. Because of the leverage~~ that we **undertake** ~~typically employ~~ in ~~our~~ **connection with** investments **by** ~~, this could cause a substantial decrease in the value of~~ our ~~equity holdings in the portfolio company. The inaccuracy of financial projections could cause us to misstate the values of our fund' s investments~~ - **investment** ~~and, therefore, our accrued performance allocations, and ultimately cause our~~ funds ~~' performance to~~ **may not reveal** ~~fall~~ - **all** ~~short of our expectations~~ **facts that may be relevant in connection with an investment** . Before making private equity and other investments, we conduct due diligence that we deem reasonable and appropriate based on the known facts and circumstances applicable to each investment. The objective of the due diligence process is to identify attractive investment opportunities based on ~~the~~ known facts and circumstances and initial risk assessment surrounding an investment and, depending on our ownership or control of private equity investments, prepare a framework that may be used from the date of an acquisition to drive operational achievement and value creation. When conducting due diligence, we may be required to evaluate important and complex business, financial, regulatory, tax, accounting, environmental (including climate change), social, governance **,** and legal issues. Outside consultants, legal advisors, accountants **,** and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, we rely on the resources available to us, including information provided by the target of the investment and, in some circumstances, third- party investigations and analysis. The due diligence process may at times be subjective with respect to newly ~~-~~organized companies for which only limited information is available. Due to intense competition in the marketplace **,** we may have less time than in

the past to complete our due diligence or our competitors may review less due diligence thereby increasing the speed with which they complete their review. We cannot be certain that the due diligence investigation ~~that~~ we carry out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. In this respect, information and data provided or utilized by third- party advisors during diligence may be incomplete, inaccurate **,** or unavailable, and may cause us to incorrectly identify, prioritize, assess **,** or analyze or omit to examine in detail the investee entity' s ESG practices and / or related risks and opportunities. Moreover, considering ESG factors when evaluating an investment could result in the selection or exclusion of certain investments based on our or a third party advisor' s view of certain ESG- related and other factors or could cause a fund to not make an investment that it may have otherwise made, which carries risk that our funds may perform differently than investment funds that do not take the same ESG factors into account in a ~~congruent~~ **similar** manner. In addition, ESG factors are only some of the many factors we consider in making an investment, and there is no guarantee that our consideration of ESG factors during due diligence will ultimately enhance the long- term value of our investments. The due diligence process in connection with carve- out transactions may underestimate the complexity and / or level of dependence a business has on its parent company and affiliated entities. Given that a carve- out business often does not have financial statements that accurately reflect its true financial performance as a stand- alone business, due diligence assessments of such investments can be particularly difficult. Instances of fraud, accounting irregularities and other improper, illegal **,** or deceptive practices can be difficult to detect, and fraud and other deceptive practices can be widespread in certain jurisdictions. Several of our funds invest in emerging market countries that may not have established laws and regulations that are as stringent as in more developed nations, or where existing laws and regulations may not be consistently enforced. For example, our funds invest throughout jurisdictions that have material perceptions of corruption according to international rating standards **,** ~~(such as " Transparency International' s Corruption Perceptions Index ")~~ such as China, India, Indonesia, Latin America, MENA **,** and Sub- Saharan Africa. Similarly, our funds invest in companies in the **United States** ~~U. S.~~ and other jurisdictions and regions with low perceived corruption but whose business may be conducted in other high- risk jurisdictions. Due diligence on investment opportunities in these jurisdictions is frequently more complicated because consistent and uniform commercial practices in such locations may not be developed or our access to information may be very limited. Fraud, accounting irregularities **,** and deceptive practices can be especially difficult to detect in such locations. In addition, investment opportunities may arise in companies that have historic and / or unresolved regulatory, tax, fraud or accounting related investigations, audits or inquiries **,** and / or have been subjected to public accusations of improper behavior. However, even heightened and specific due diligence and investigations with respect to such matters may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity and / or will be able to accurately identify, assess **,** and quantify settlements, enforcement actions **,** and judgments that may arise and which could have a material adverse effect on the portfolio company' s business, financial condition **,** and operations, as well as potential significant harm to the portfolio company' s reputation and prospects. We cannot be certain that our due diligence investigations will result in investments being successful or that the actual financial performance of an investment will not fall short of the financial projections we used when evaluating that investment. Failure to identify risks associated with our investments could have a material adverse effect on our business. **76** Dependence on significant leverage in investments by our funds could adversely affect our ability to achieve attractive rates of return on those investments. Many of our carry funds' investments rely heavily on the use of leverage, and our ability to achieve attractive rates of return on investments will depend on our ability to access sufficient sources of indebtedness at attractive rates. For example, in many private equity investments, indebtedness may constitute and historically has constituted up to 70 % or more of a portfolio company' s or real estate asset' s total debt and equity capitalization, including debt that may be incurred in connection with the investment, whether incurred at or above the investment- level entity. The absence of available sources of sufficient debt financing for extended periods of time could therefore materially and adversely affect our Global Private Equity businesses. ~~As~~ **At the start of** the COVID- 19 pandemic ~~began~~, in an effort to ensure adequate liquidity for an unknown period of time and avoid potential future disruptions in normal financial market function, many of our portfolio companies drew down available lines of credit in excess of typical utilization. These precautionary efforts provided availability of working capital and avoided unnecessary business disruption. Certain of these portfolio companies **have retained or** may retain this capital for an extended period. Therefore, the leverage at these portfolio companies will increase. An increase in either the general levels of interest rates or in the risk spread demanded by sources of indebtedness would make it more expensive to finance those investments, thereby reducing returns. While increases in interest rates may lead to higher risk adjusted returns for our Global Credit business, when coupled with restrictions on the deductibility of interest expense, such increases may also lead to higher default rates ~~,~~ **and** lower valuations of existing assets and cause deployment of capital to slow, ~~and cause~~ cash flow issues **,** and / or credit challenges if such interest rates have not otherwise been fixed or hedged. Increases in interest rates could also make it more difficult to locate and consummate private equity investments because other potential buyers, including operating companies acting as strategic buyers, may be able to bid for an asset at a higher price due to a lower overall cost of capital or their ability to benefit from a higher amount of cost savings following the acquisition of the asset. See " Risks Related to our Company — Adverse economic and market conditions and other events or conditions throughout the world could negatively impact our business in many ways, including by reducing the value or performance of the investments made by our investment funds and reducing the ability of our investment funds to raise capital, any of which could materially reduce our revenue, earnings **,** and cash flow and adversely affect our financial prospects and condition. " In addition, a portion of the indebtedness used to finance private equity investments often includes leveraged loans and high- yield **and other** debt securities issued in the public capital markets and debt instruments privately placed with institutional investors in the private capital markets. Availability of capital from the leveraged loan, high- yield **,** and private debt markets is subject to significant volatility, and there may be times when we might not be able to access those markets at attractive rates, or at all, when completing an investment. Certain investments may also be financed through borrowings on

fund- level debt facilities, which may or may not be available for a refinancing at the end of their respective terms. Moreover, to the extent there is a reduction in the availability of financing for extended periods of time, the purchasing power of a prospective buyer may be more limited, adversely impacting the fair value of our funds' investments and thereby reducing the acquisition price. Finally, recent developments in U. S. and international tax policy have significantly limited the availability of income tax deductions for interest payments on leverage used to finance some of our funds' investments. Interest deductibility rules continue to evolve, and further restrictions and changes are anticipated in the U. S. and other jurisdictions. See " Risks Related to Taxation — Changes in relevant tax laws, regulations **,** or treaties or an adverse interpretation of these items by tax authorities could negatively impact our effective tax rate, tax liability **,** and / or the performance of certain funds should unexpected taxes be assessed to portfolio investments (companies) or fund income. " Such restrictions could reduce the after- tax rates of return on the affected investments, which may have an adverse impact on our business and financial results. Investments in highly leveraged entities are also inherently more sensitive to declines in revenue, increases in expenses and interest rates **,** and adverse economic, market **,** and industry developments. Furthermore, the incurrence of a significant amount of indebtedness by an entity could, among other things: • subject the entity to a number of restrictive covenants, terms **,** and conditions, any violation of which could be viewed by creditors as an event of default and could materially impact our ability to realize value from the investment; • allow even moderate reductions in operating cash flow to render the entity unable to service its indebtedness, leading to a bankruptcy or other reorganization of the entity and a loss of part or all of the equity investment in it; • give rise to an obligation to make mandatory prepayments of debt using excess cash flow, which might limit the entity' s ability to respond to changing industry conditions to the extent additional cash is needed for the response, to make unplanned but necessary capital expenditures **,** or to take advantage of growth opportunities; **77** • limit the entity' s ability to adjust to changing market conditions, thereby placing it at a competitive disadvantage compared to its competitors that have relatively less debt; • limit the entity' s ability to engage in strategic acquisitions that might be necessary to generate attractive returns or further growth; and • limit the entity' s ability to obtain additional financing or increase the cost of obtaining such financing, including for capital expenditures, working capital or other general corporate purposes. As a result, the risk of loss associated with a leveraged entity is generally greater than for companies with comparatively less debt. Similarly, the leveraged nature of the investments of our real assets funds increases the risk that a decline in the fair value of the underlying real estate or tangible assets will result in their abandonment or foreclosure. When our **Global** ~~private~~ **Private** ~~equity~~ **Equity** funds' portfolio investments reach the point when debt incurred to finance those investments matures in significant amounts and must be either repaid or refinanced, those investments may suffer materially if they have not generated sufficient cash flow to repay maturing debt and there is insufficient capacity and availability in the financing markets to permit them to refinance maturing debt on satisfactory terms, or at all. If a limited availability of financing for such purposes were to persist for an extended period of time, when significant amounts of the debt incurred to finance our Global Private Equity funds' portfolio investments came due, these funds could be materially and adversely affected. Many of our Global Credit funds may choose to use leverage as part of their respective investment programs and regularly borrow a substantial amount of their capital. The use of leverage poses a significant degree of risk and enhances the possibility of a significant loss in the value of the investment portfolio. A fund may borrow money from time to time to purchase or carry securities or may enter into derivative transactions (such as total return swaps) with counterparties that have embedded leverage. The interest expense and other costs incurred in connection with such borrowing may not be recovered by appreciation in the securities purchased or carried and will be lost, and the timing and magnitude of such losses may be accelerated or exacerbated, in the event of a decline in the market value of such securities. Gains realized with borrowed funds may cause the fund' s net asset value to increase at a faster rate than would be the case without borrowings. However, if investment results fail to cover the cost of borrowings, the fund' s net asset value could also decrease faster than if there had been no borrowings. Increases in interest rates could also decrease the value of fixed- rate debt investment that our investment funds make. In addition, to the extent that any changes in tax law make debt financing less attractive to certain categories of borrowers, this could adversely affect the investment opportunities for our credit- focused funds. Any of the foregoing circumstances could have a material adverse effect on our results of operations, financial condition **,** and cash flow. **High** ~~A significant contraction or weakening in the market for debt financing or other adverse change relating to the terms of debt financing, including higher~~ interest rates and **challenging debt market conditions** ~~equity requirements and more restrictive covenants,~~ could **negatively** ~~have a material adverse~~ impact ~~on~~ **the values of certain assets** ~~our~~ - **or** ~~business and that of our investment~~ **investments and the ability of our** funds and their portfolio companies **to access** ~~. In recent years, many jurisdictions, including~~ the **capital markets** ~~United States, have introduced (or are considering introducing) new restrictions~~ on **attractive terms** ~~the deductibility of interest expense~~ , which could ~~negatively impact the financing of new~~ **adversely affect investment and realization opportunities, lead to lower- yielding** investments **, and potentially decrease** ~~or~~ **our net income** ~~the operations of our funds' portfolio companies. Regulatory changes that constrain banks' ability to provide debt financing also could have a material adverse impact on our business and that of our investment funds and their portfolio companies~~ . In ~~addition~~ **2022 and 2023** , ~~higher~~ **in light of increasing inflation, the U. S. Federal Reserve increased** interest rates ~~may~~ **eleven times. While policy rates have likely reached their terminal level, market participants remain uncertain about how long interest rates will stay near current levels. Rising interest rates** create downward pressure on the price of real estate ~~, increase the cost~~ and ~~availability of debt financing for the transactions our funds may pursue and decrease~~ the value of fixed- rate debt investments made by our funds. **Moreover, our funds have faced, and could continue to face, difficulty in realizing value from investments due to sustained declines in equity market values as a result of concerns regarding interest rates. An increase in interest rates has and could continue to increase the cost of debt financing for the transactions our funds pursue. In addition, a significant contraction or weakening in the market for debt financing or other adverse change relating to the terms of debt financing (such as, for example, higher equity requirements and / or more restrictive covenants), particularly in the area of acquisition financings for private equity and real estate**

transactions, could have a material adverse effect on our business. For example, a portion of the indebtedness used to finance certain fund investments often includes high- yield debt securities issued in the capital markets. Availability of capital from the high- yield debt markets is subject to significant volatility, and there may be times when we might not be able to access those markets at attractive rates, or at all, when completing an investment. Moreover, the financing of acquisitions or the operations of our funds' portfolio companies with debt may become less attractive due to limitations on the deductibility of corporate interest expense. See " Risks Related to Taxation — Changes in relevant tax laws, regulations, or treaties or an adverse interpretation of these items by tax authorities 78 could negatively impact our effective tax rate, tax liability, and / or the performance of certain funds should unexpected taxes be assessed to portfolio investments (companies) or fund income. " If our funds are unable to obtain committed debt financing for potential acquisitions ~~or are~~ **, can** only ~~able to~~ obtain debt financing at ~~unfavorable~~ **an increased** interest ~~rates~~ - **rate** or on unfavorable terms ~~, our~~ - **or the** ~~funds may have difficulty completing acquisitions that may have otherwise been profitable or if completed, such acquisitions could generate lower than expected profits, each of which could lead to a decrease in our net income. Moreover, if our~~ ability to deduct corporate interest expense is substantially limited, our funds may face increased competition from strategic buyers of assets who may have an overall lower cost of capital or the ability to benefit from a higher amount of cost savings following an acquisition, **or may have difficulty completing otherwise profitable acquisitions or may generate profits that are lower than would otherwise be the case, each of** which could lead to a decrease in our ~~net income~~ **funds' performance and therefore our revenues** . In addition, rising interest rates, coupled with periods of significant equity and credit market volatility **,** may potentially make it more difficult for us to find attractive opportunities for our funds to exit and realize value from their existing investments. ~~Any failure by lenders to provide previously committed financing can also expose us to potential claims by sellers of businesses that we may have contracted to purchase.~~ Our funds' portfolio companies also regularly utilize the corporate **debt** ~~loan and bond~~ markets to obtain financing for their operations. ~~While credit was available for much of 2020 and 2021 and new debt issuance hit record levels in some markets, the onset of the COVID- 19 pandemic exhibited how abruptly credit markets can weaken from exogenous shocks and become unavailable or unattractive for issuers. For example, in the first and early second quarters of 2020, corporate debt issuance and merger and acquisition activity decreased significantly as market volatility rose and credit spreads widened. In addition, corporate debt issuance and merger and acquisition activity again decreased significantly in 2022, as rising interest rates and recession concerns impacted the credit markets. It is possible that during periods of stress, tightening in the credit markets could render debt financing difficult to obtain, less attractive or more expensive.~~ To the extent monetary policy, tax **,** or other regulatory changes or difficult credit markets render such financing difficult to obtain **, more expensive,** or otherwise less attractive, this may **also** negatively impact the ~~operating performance~~ **financial results** of ~~our~~ **those** portfolio companies **and, therefore,** ~~that use debt to fund certain of their operations. This may result in a negative impact on~~ the investment returns ~~of~~ **on** our funds. In addition, to the extent that **market** conditions **and /** ~~in the credit markets~~ or tax or other regulatory changes make it difficult or impossible ~~for our investments~~ to refinance ~~or extend maturities on their outstanding~~ debt ~~, either on favorable~~ **that is maturing in the near** ~~terms~~ - **term** ~~or at all~~ , some of our **funds** ~~portfolio companies~~ ' ~~operations may be negatively impacted or our~~ portfolio companies may be unable to repay ~~their~~ **such** debt at maturity ~~or interests when due,~~ and may be forced to sell assets, undergo a recapitalization **,** or seek bankruptcy protection **. Our funds invest in relatively high- risk** , **illiquid assets, and we may fail to realize** any **profits from** ~~of which would also likely impair the~~ **these activities** ~~value of our funds' portfolio companies and lead to a decrease in investment income earned by us. See " Risks Related to our Company — Adverse economic and market conditions and other events or~~ **for a considerable period of time** ~~conditions throughout the world could negatively impact our~~ - **or lose some or all of** ~~business in many ways, including by reducing the value or~~ **our principal** ~~performance of the~~ investments ~~made by our investment funds and reducing the ability of our investment funds to raise capital, any of which could materially reduce our revenue, earnings and cash flow and adversely affect our financial prospects and condition~~ . ~~"~~ Many of our investment funds invest in securities that are not publicly traded. In many of those cases, our investment funds may be prohibited by contract or by applicable securities laws from selling such securities for a period of time. Our investment funds will **generally** not be able to sell these securities publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration is available. The ability of many of our investment funds, particularly our private equity funds, to dispose of investments is heavily dependent on the public equity markets. For example, the ability to realize any value from an investment may depend upon the ability to complete an initial public offering of the portfolio company in which such investment is held. Even if the securities are publicly traded, large holdings of securities can often be disposed of only over a substantial length of time, exposing the investment returns to risks of downward movement in market prices during the intended disposition period. In addition, because the investment strategy of many of our funds, particularly our private equity **and real estate** funds, often entails our having representation on our funds' public portfolio company boards, our funds may be ~~able~~ **restricted in their ability** to effect such sales ~~only~~ during ~~limited trading windows. Moreover,~~ certain ~~provisions~~ **periods** of **time** ~~the U. S. federal securities laws (e. g., Section 16 of the Exchange Act) may constrain our investment funds' ability to effect purchases or sales of publicly traded securities~~ . Accordingly, under certain conditions, our investment funds may be forced to either sell securities at lower prices than they had expected to realize or defer, potentially for a considerable period of time, sales that they had planned to make. We have made and expect to continue to make significant principal investments in our current and future investment funds. Contributing capital to these investment funds is ~~subject to significant risks~~ **risky** , and we may lose some or ~~all of~~ the **entire** principal amount of our investments. Our investment funds make investments in companies that we do not control. Investments by many of our investment funds will include debt instruments and equity securities of companies that we do not control. Such instruments and securities may be acquired by our investment funds through trading activities or through purchases of securities from the issuer. In addition, our funds may acquire minority equity interests in large transactions, which may be structured as " consortium transactions " due to the size of the investment and the amount of capital required to be

invested. A consortium transaction involves an equity investment in which two or more private equity or other firms serve together or collectively as equity sponsors. We participated in a number of consortium transactions in prior years due to the increased size of many of the transactions in which we were involved **, and may continue to do so in the future** . Consortium transactions generally entail a reduced level of control by our firm over the investment **,** because governance rights must be shared with the other consortium sponsors. Accordingly, we may not be able to control decisions relating to a consortium investment, including decisions relating to the management and operation of the company and the timing and nature of any exit. Our funds may also dispose of a portion of their majority equity investments in portfolio companies over time in a manner that results in the funds retaining a minority investment. Those investments may be subject to the risk that the company in which the investment is made may make business, tax, legal, financial **,** or management decisions with which we do not agree or that the majority stakeholders or the management of the company may take risks or otherwise act in a manner that does not serve our **79** interests. If any of the foregoing were to occur, the value of investments by our funds could decrease and our financial condition, results of operations **,** and cash flow could suffer as a result. Our investment funds may invest in assets denominated in currencies that differ from the currency in which the fund is denominated. When our investment funds invest in assets denominated in currencies that differ from the functional currency of the relevant fund, fluctuations in currency rates could impact the performance of such investment funds. For example, Carlyle sponsors U. S. dollar- denominated funds that invest in assets denominated in foreign currencies such as our buyout and growth funds in Asia and South America. In the event that the U. S. dollar appreciates, the market value of the investments in these funds will decline even if the underlying investments perform well in local currency. In addition, our buyout and growth funds in Europe are Euro- denominated and may have investments denominated in U. S. dollar, British pound, or other currencies. In the event the Euro appreciates, the market value of investments in these funds would decline even if the underlying investments perform well in local currency. We may employ hedging techniques to manage these risks, but we can offer no assurance that such strategies will be effective or tax ~~-~~efficient. If we engage in hedging transactions, we may be exposed to additional risks associated with such transactions. See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — Risk management activities may adversely affect the return on our and our funds' investments " and " Risks Related to Regulation and Litigation — Financial regulations and changes thereto in the United States could adversely affect our business and the possibility of increased regulatory focus could result in additional burdens and expenses on our business. " **Our funds make investments in companies that are based outside of the United States, which may expose us to additional risks not typically associated with investing in companies that are based in the United States.** Many of our investment funds generally invest a significant portion of their assets in the equity, debt, loans **,** or other securities of issuers that are headquartered outside of the United States, such as China, India, Indonesia **,** and Latin America. A substantial amount of these foreign investments consists of investments made by our carry funds. For example, as of December 31, ~~2022~~ **2023** , approximately 36 % of the cumulative capital invested by our Global Private Equity and Global Credit carry funds was attributable to foreign investments. Investments in non- U. S. securities involve risks not typically associated with investing in U. S. securities, including: • certain economic and political risks, including potential exchange control regulations and restrictions on our non- U. S. investments and repatriation of profits on investments or of capital invested, the risks of political, economic **,** or social instability, the possibility of expropriation or confiscatory taxation **,** and adverse economic and political developments; • the imposition of non- U. S. taxes on gains from the sale of investments or other distributions by our funds; • the absence of uniform accounting, auditing **,** and financial reporting standards, practices **,** and disclosure requirements and less government supervision and regulation; • changes in laws or clarifications to existing laws that could impact our tax treaty positions, which could adversely impact the returns on our investments; • limitations on the deductibility of interest for income tax purposes in certain jurisdictions; • differences in the legal and regulatory environment or enhanced legal and regulatory compliance; • limitations on borrowings to be used to fund acquisitions or dividends; • political hostility to investments by foreign or private equity investors, including increased risk of government expropriation; • less liquid markets; • reliance on a more limited number of commodity inputs, service providers **,** and / or distribution mechanisms; **80** • adverse fluctuations in currency exchange rates and costs associated with conversion of investment principal and income from one currency into another; • higher rates of inflation; • higher transaction costs; • less government supervision of exchanges, brokers **,** and issuers; • less developed bankruptcy, limited liability company, corporate, partnership **,** and other laws (which may have the effect of disregarding or otherwise circumventing the limited liability structures potentially causing the actions or liabilities of one fund or a portfolio company to adversely impact us or an unrelated fund or portfolio company); • difficulty in enforcing contractual obligations (including, for example, purchase agreements and insurance policies); • less stringent requirements relating to fiduciary duties; • fewer investor protections and less publicly available information in respect of companies in non- U. S. markets; and • greater price volatility. For example, the imposition of a new national security law has increased overall uncertainty about risks associated with international trade with Hong Kong, the potential for increased taxation on Hong Kong- related transactions, and new regulatory restrictions and data protection concerns for businesses operated in Hong Kong (including our Hong Kong operations). Moreover, in April 2020, the Government of India issued Press Note 3, which requires prior government approval of all foreign direct investment by non-resident entities located in, or having beneficial owners in, countries that share a land border with India. **The** ~~While further clarity is expected from the Government of India, the~~ application of these rules **remains fluid and** may inhibit our funds' ability to consummate investments in India and may require partial or full exclusion of any fund investor from countries bordering India from such investments. Uncertainty resulting from the application of these rules may also lead to higher amounts of, or longer durations of, borrowings by the investment funds pending the receipt of approvals, and we or our funds being subject to fines if different regulators apply and enforce the rules differently. We operate in numerous national and subnational jurisdictions throughout the world and are subject to complex taxation requirements that could result in the imposition of taxes in excess of any amounts that are reserved as a cash or financial statement matter for such purposes. In addition, the portfolio

companies of our investment funds are typically subject to taxation in the jurisdictions in which they operate. It is possible that a taxing authority could take a contrary view of our tax position or there could be changes in law subsequent to the date of an investment in a particular portfolio company that will adversely affect returns from that investment, or adversely affect any prospective investments in a particular jurisdiction, for example **,** as a result of new legislation in any such local jurisdiction affecting the deductibility of interest or other expenses related to acquisition financing. In the event a portfolio company outside the United States experiences financial difficulties, we may consider local laws, corporate organizational structure, potential impacts on other portfolio companies in the region **,** and other factors in developing our business response. Among other actions, we may seek to enhance the management team or fund additional capital from our investment funds, our senior Carlyle professionals **,** and / or us. To the extent we and / or certain of our senior Carlyle professionals fund additional capital into a company that is experiencing difficulties, we may be required to consolidate the entity into our financial statements under applicable U. S. GAAP. See " Risks Related to Our Common Stock — The consolidation of investment funds, holding companies **,** or operating businesses of our portfolio companies could make it more difficult to understand the operating performance of the Company and could create operational risks for the Company. " Our funds' investments that are denominated in a foreign currency will be subject to the risk that the value of a particular currency will change in relation to one or more other currencies or that there will be changes in the cost of currency conversion and / or exchange control regulations. Among the factors that may affect currency values are trade balances, levels of short- term interest rates, differences in relative values of similar assets in different currencies, long- term opportunities for investment and capital appreciation **,** and political developments. In addition, the increase in the value of the dollar makes it **81** more difficult for companies outside of the United States that depend on non- dollar revenues to repay or refinance their dollar liabilities and a stronger dollar also reduces the domestic value of the foreign sales and earnings of U. S.- based businesses. Regulatory action to implement controls on foreign exchange and outbound remittances of currency could also impact the dollar value of investments proceeds, interest **,** and dividends received by our investment funds, gains **,** and losses realized on the sale of investments and the timing and amount of distributions, if any, made to us. For example, certain Asian countries, including China, have implemented stricter controls on foreign exchange and outbound remittances, and several governmental entities such as the People' s Bank of China (PBOC), the State Administration of Foreign Exchange (SAFE), the National Development and Reform Commission (NDRC) **,** and the Ministry of Commerce (MOFCOM) have instituted additional reporting, review **,** and verification steps around control of outbound payments on capital account items. Moreover, in certain cases, our fund management fees are denominated in foreign currencies. With respect to those funds, we are subject to risk that the value of a particular currency will change in relation to one or more other currencies in which the fund has incurred expenses or has made investments. Our ~~investment funds often make preferred and common~~ equity investments ~~that~~ **and many of our debt investments often** rank junior to ~~preferred equity and debt in a company' s capital structure~~ **investments made by others, exposing us to greater risk of losing our investment** . In ~~most~~ **many** cases, the companies in which **we** ~~our~~ - **or** ~~investment~~ **our** funds invest have, or are permitted to have, outstanding indebtedness or equity securities that rank senior to **our or** our fund' s investment. By their terms, such instruments may provide that their holders are entitled to receive payments of ~~dividends~~ **distributions** , interest **,** or principal on or before the dates on which payments are to be made in respect of our **or our fund' s** investment. In ~~addition, in~~ the event of insolvency, liquidation, dissolution, reorganization **,** or bankruptcy of a company in which an investment is made, holders of securities ranking senior to our investment would typically be entitled to receive payment in full before distributions could be made in respect of our investment **. In addition, debt investments made by us or our funds in our portfolio companies may be equitably subordinated to the debt investments made by third parties in our portfolio companies** . After repaying senior security holders, the company may not have any remaining assets to use for repaying amounts owed in respect of our investment. To the extent that any assets remain, holders of claims that rank equally with our investment would be entitled to share on an equal and ratable basis in distributions that are made out of those assets. Moreover, during periods of financial distress or following ~~an~~ insolvency, the ability of **us or** our funds to influence a company' s affairs and to take actions to protect ~~their~~ **an** ~~investments~~ - **investment** ~~may~~ **will likely** be substantially less than that of the senior creditors **. Certain of our fund investments may be concentrated in particular asset types or geographic regions, which could exacerbate any negative performance of those funds to the extent those concentrated investments perform poorly** . The governing agreements of our investment funds contain only limited investment restrictions and only limited requirements as to diversification of fund investments, either by geographic region or asset type. For example, we advise funds that invest predominantly in the United States, Europe, Asia **,** and Japan, and we advise funds that invest in a single industry sector, such as financial services, aviation, and power. During periods of difficult market conditions, slowdowns, or increased borrower defaults in those sectors or geographic regions, decreased revenue, difficulty in obtaining access to financing **,** and increased funding costs experienced by our funds may be exacerbated by this concentration of investments, which could result in lower investment returns for our funds. Such concentration may increase the risk that events affecting a specific geographic region or asset type could have an adverse or disparate impact on such investment funds, as compared to funds that invest more broadly. Idiosyncratic factors impacting specific companies or securities can materially affect fund performance depending on the size of the position. Certain of our investment funds may invest in securities of companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Such investments may be subject to a greater risk of poor performance or loss. Certain of our investment funds, especially our distressed funds, may invest in business enterprises involved in work- outs, liquidations, reorganizations, bankruptcies **,** and similar transactions **,** and may purchase high risk receivables. An investment in such business enterprises entails the risk that the transaction in which such business enterprise is involved either will be unsuccessful, will take considerable time **,** or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the fund of the security or other financial instrument in respect of which such distribution is received. In addition, if an anticipated transaction does not in fact occur, the fund may be

required to sell its investment at a loss. Investments in troubled companies may also be adversely affected by U. S. federal and state laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability **,** and a bankruptcy court' s discretionary power to disallow, subordinate **,** or disenfranchise particular claims. Investments in securities and private claims of troubled companies made in connection with an attempt to influence a restructuring proposal or plan of reorganization in a bankruptcy case may also involve **82** substantial litigation, which has the potential to adversely impact us or unrelated funds or portfolio companies. Due to the substantial uncertainty concerning the outcome of transactions involving financially troubled companies, there is a potential risk of loss by a fund of its entire investment in such company. **In addition, at least one federal circuit** ~~Contingent liabilities could harm fund performance. We may cause our~~ **court** ~~funds to acquire~~ **has determined that** an investment that is subject to contingent liabilities....... of representations and warranties made by a fund could harm such fund' s performance....... within a " controlled group " can be liable for ~~the~~ ERISA Title IV pension obligations (including withdrawal liability ~~for~~ **incurred with respect to** union multiemployer plans) of ~~any~~ **its portfolio companies, if such fund is a " trade or business " and** ~~other~~ -- **the** ~~member of~~ **fund' s ownership interest in** the ~~controlled group. This~~ **portfolio company is significant enough to bring the investment fund within the portfolio company' s** " controlled group **.** " ~~liability represents one of the few situations in which one entity' s liability can be imposed upon another simply because the entities are united by common ownership, but in order for such joint and several liability to be imposed, two tests must be satisfied: (1) the entity on which such liability is to be imposed must be a " trade or business " and (2) a " controlled group " relationship must exist among such entity and the pension plan sponsor or the contributing employer.~~ While a number of cases have held that managing investments is not a " trade or business " for tax purposes, **the** ~~at least one federal~~ circuit court **in this** case ~~has~~ concluded **the** ~~that an~~ investment fund could be a " trade or business " for ERISA purposes ~~(and, consequently, could be liable for underfunded pension liabilities of an insolvent portfolio company)~~ based **on certain** ~~upon a number of~~ factors ~~present in that case~~ , including the fund' s level of involvement in the management of its portfolio companies and the nature of its management fee arrangements. Litigation related to the circuit court' s decision suggests that additional factors may be relevant for purposes of determining whether an investment fund could face " controlled group " liability under ERISA, including the structure of the investment ~~,~~ and the nature of the fund' s relationship with other affiliated investors and co- investors in the portfolio company. Moreover, regardless of whether ~~or not~~ an investment fund is determined to be a **"** trade or business **"** for purposes of ERISA, a court ~~may~~ **might** hold that one of the fund' s portfolio companies could become jointly and severally liable for another portfolio company' s unfunded pension liabilities pursuant to the ERISA " controlled group " rules, depending upon the relevant investment structures and ownership interests as noted above **harm such fund' s performance.We and our investment funds are subject to risks in using prime brokers,custodians,administrators and other agents and third- party service providers.We and many of our investment funds depend on the services of prime brokers,custodians,administrators and other** agents and third- party service providers to carry out certain securities transactions and other business functions.The counterparty to one or more of our or our funds' contractual arrangements could default on its obligations under the contract.If a counterparty defaults,we and our funds may be unable to take action to cover the exposure and we or one or more of our funds could incur material losses.Among other systems,our data security,data privacy,investor reporting ~~,~~ and business continuity processes could be impacted by a third party' s inability or unwillingness to perform pursuant to our arrangements with them.In addition,we could suffer legal and reputational damage from such failure to perform if we are unable to satisfy our obligations under our contracts with third parties or otherwise and could suffer losses in the event we are unable to comply with certain other agreements.Moreover,under certain local clearing and settlement regimes,we or our funds could be subject to settlement discipline fines.The terms of our contracts with third parties surrounding securities transactions are often customized and complex,and many of these arrangements occur in markets or relate to products that are not subject to regulatory oversight.In particular,some of our funds utilize prime brokerage arrangements with a relatively limited number of counterparties,which has the effect of concentrating the transaction volume (and related counterparty default risk) of these funds with these counterparties.The consolidation and elimination of counterparties may increase our concentration of counterparty risk and decrease the number of potential counterparties.Our carry funds generally are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty.In the event of the insolvency of a party that is holding our assets or those of our funds as collateral,we and our funds may not be able to recover equivalent assets in full as we and our funds will rank among the counterparty' s unsecured creditors.In addition,our and our funds' cash held with a prime broker,custodian ~~,~~ or counterparty may not be segregated from the prime broker' s,custodian' s ~~,~~ or counterparty' s ~~83~~ own cash,and we and our funds therefore may rank as unsecured creditors in relation thereto.The inability to recover our or our investment funds' assets could have a material impact on us or on the performance of our funds. **The** ~~In addition,certain of our funds' operations and~~ investments **of** ~~interface with and / or~~ **our private equity** ~~depend on third- party service providers,including but not limited to a fund~~ **funds** ~~' s administrator and joint- venture partners,operating partners,and third- party property managers that may be engaged in respect of a fund' s investments.The costs,fees,and expenses associated with the provision of such services by third- party service providers will generally be borne by the fund,thereby increasing the expenses borne by the fund and Carlyle may not be in a position to verify the risks or reliability of such third parties.A fund,Carlyle,or an investment may suffer adverse consequences from actions,errors,or failure to act by third- party service providers,and will have obligations,including indemnity obligations,and limited recourse against them.For example,joint- venture partners,operating partners,and third- party property managers are subject to various applicable laws and regulations with respect to their activities,including antitrust and competition rules (including with respect to price fixing or other anticompetitive activity) that apply in the U.S.and any other countries or regions where they do business,and failure to comply with those rules could result in sanctions,fines,or penalties,including civil damage actions,or delays in consummating investments.There can be no assurances that a fund,Carlyle,or the investments will not experience directly or indirectly such negative impacts or otherwise be subject to or implicated by litigation or investigations involving any possible violation of such laws by such service~~

providers.Moreover,our funds and entities through which we make our investments are generally obligated to indemnify certain counterparties under various agreements entered into with such persons against any liability that they or their respective affiliates may incur in connection with their relationship with such funds and / or investments.For example,certain of such entities are expected to enter into agreements with joint- venture partners,operating partners,and third- party property managers under which such parties will be entitled to indemnification under certain circumstances,including with respect to sanctions,fines,or penalties,including civil damage actions,imposed in connection with their activities related to our funds and their investments.Our investments are subject to a number of inherent risks.Our results are highly dependent on our continued ability to generate attractive returns from our investments.Investments made by our business segments **private equity funds** involve a number of significant risks **inherent to private equity investing** ,including the following:• we advise funds that invest in businesses that operate in a variety of industries that are subject to extensive domestic and foreign regulation,such as the telecommunications industry,the aerospace,defense and government services industry,the life sciences industry,and the healthcare industry (including companies that supply equipment and services to governmental agencies),that may involve greater risk due to rapidly changing market and governmental conditions in those sectors;• significant failures of our investments **portfolio companies** to comply with laws and regulations applicable to them may expose us to liabilities,fines , or penalties,could affect the ability of our funds to invest in other companies in certain industries in the future , and could harm our reputation;• companies in which **private equity** investments are made may have limited financial resources and may be unable to meet their obligations,which may be accompanied by a deterioration in the value of their equity securities or any collateral or guarantees provided with respect to their debt;• companies or assets in which **private equity** investments are made are more likely to depend on the management talents and efforts of a small group of persons and, **as a result,the death,disability,resignation or termination of one or more of those persons could have a material adverse impact on their business and prospects and the investment made;• companies in which private equity investments are made may be businesses or divisions acquired from larger operating entities which may require a rebuilding or replacement of financial reporting,information technology,back office and other operations;• companies in which private equity investments are made may from time to time be parties to litigation,may be engaged in rapidly changing businesses with products subject to a substantial risk of obsolescence and may require substantial additional capital to support their operations,finance expansion or maintain their competitive position;• companies in which private equity investments are made generally have less predictable operating results;• instances of fraud,corruption and other deceptive practices committed by senior management of portfolio companies in which our funds invest may undermine our due diligence efforts with respect to such companies and,upon the discovery of such fraud,negatively affect the valuation of a fund' s investments as well as contribute to overall market volatility that can negatively impact a fund' s investment program;• our funds may make investments that they do not advantageously dispose of prior to the date the applicable fund is dissolved,either by expiration of such fund' s term or otherwise,resulting in a lower than expected return on the investments and,potentially,on the fund itself;• our funds generally establish the capital structure of portfolio companies on the basis of the financial projections based primarily on management judgments and assumptions,and general economic conditions and other factors may cause actual performance to fall short of these financial projections,which could cause a substantial decrease in the value of our equity holdings in the portfolio company and cause our funds' performance to fall short of our expectations;• under ERISA,a " trade or business " within a " controlled group " can** ; and • executive officers, directors **,** and employees of an equity sponsor may be named as defendants in litigation involving a company **or asset** in which **an** a private equity investment is made or is being made **. Our private equity funds' performance, and our performance, has been and may in the future be adversely affected by the financial performance of our portfolio companies and the industries in which our funds invest** . Our performance and the performance of our private equity funds are significantly impacted by the value of the companies in which our funds have invested. Our funds invest in companies in many different industries, each of which is subject to volatility based upon a variety of factors, including economic, market, and geopolitical factors. During recessions, periods of elevated uncertainty, or phases of challenging economic and market conditions such as today' s environment of high inflation, rapidly increasing interest rates, and global food and energy shortages, we experience significant fluctuations in the fair value of securities held by our funds. Obstacles to growth in the near- term are numerous, such as geopolitical and domestic political uncertainty, the risk of persistently high inflation, sharp shifts in monetary and fiscal policy, depressed labor force participation, high levels of public debt, slowing population growth, supply chain pressures **,** and economic stress outside the United States. These factors and other general economic trends can impact the performance of portfolio companies in many industries and geographies. In addition, the value of our investments in portfolio companies in the financial services industry is impacted by the overall health and stability of the credit and equity markets. The U. S. dollar strengthened markedly **remained strong** in 2022 **2023** , although it has retrenched somewhat from its peak. A very strong U. S. dollar depresses the profits of domestic companies with significant foreign revenues, increases default risk on U. S. dollar- denominated loans and bonds issued by businesses domiciled in emerging market economies (" EMEs "), and exacerbates food and energy crises in EMEs as most commodities are invoiced in dollars. A sustained period of elevated U. S. dollar value relative to global currencies would perpetuate and worsen these trends. An increase in emerging market corporate or sovereign defaults could further impair funding conditions or depress asset prices in these economies. The performance of our private equity funds, and our performance, may be adversely affected to the extent our fund portfolio companies experience adverse performance or additional pressure due to exogenous factors, such as the **Russian invasion of Ukraine and another pandemic or global health crisis like the** COVID- 19 pandemic and the Russian invasion of Ukraine . For example, during 2022, we recorded an impairment charge of $ 4. 0 million on certain acquired contractual rights related to Carlyle Aviation Partners as a result of impaired income streams from aircraft under lease in Russia. In addition, the performance of our investment funds and our portfolio companies may be adversely affected by increases in inflationary pressures such as employee

wage growth or rising input costs, which could compress profit margins, particularly at our portfolio companies that are unable to effectively increase prices in response. With respect to real estate, various factors could have an adverse effect on investment performance, including, but not limited to, deflation in consumer prices, a low level of consumer confidence in the economy **,** and / or the residential real estate market and rising mortgage interest rates. In response to financial difficulties that are currently being experienced or that may be experienced in the future by certain portfolio companies or real estate investments, we may consider legal, regulatory, tax **,** or other factors in determining the steps we may take to support such companies or investments, which may include enhancing the management team or funding additional capital investments from our investment funds, our senior **85** Carlyle professionals **,** and / or us. The actions we may take to support companies or investments experiencing financial difficulties may not be successful in remedying the financial difficulties and our investment funds, our senior Carlyle professionals or we may not recoup some or all of any capital investments made in support of such companies or investments. ~~Changes in interest rates and credit quality may cause short- term price fluctuations,increase in credit spreads,decline in ratings,or longer- term impairment.In addition,a reduction in the liquidity of the credit markets may result in an increase in credit spreads and a decline in ratings,performance,and market values for leveraged loans.We have significant exposure to these markets through our investment in~~ our CLO funds.In addition to the general risks associated with investing in debt ~~and equity~~ securities,CLO securities carry additional risks,including,but not limited to,the possibility that distributions from collateral assets will be inadequate to make interest or other payments ~~to us~~ and the quality of the collateral may decline in value,default ~~,~~ or be downgraded.Moreover,changes in the collateral held by a CLO may cause payments on the instruments we hold to be reduced,either temporarily or permanently.Non- payment could result in a reduction of our income and revenues. ~~CLO~~ **CLOs are** ~~securities may be~~ less liquid than other types of securities and ~~are often~~ **may be** more volatile than the individual assets that make- up the CLOs.In addition,CLOs and other structured finance securities may be subject to prepayment risk.Further,the performance of a CLO or other structured finance security is generally affected by a variety of factors,including the security' s priority in the capital structure of the issuer thereof,the availability of any credit enhancement,the level and timing of payments and recoveries on and the characteristics of the underlying receivables,loans ~~,~~ or other assets that are being securitized,remoteness of those assets from the originator or transferor,the adequacy of and ability to realize upon any related collateral ~~,~~ and the capability of the servicer of the securitized assets.There are also risks that the trustee of a CLO does not properly carry out its duties to the CLO,potentially resulting in loss **to the CLO.Moreover,the complex structure of the security may produce unexpected investment results,especially during times of market stress or volatility.Investments in structured finance securities may also be subject to liquidity risk.During 2022,we earned approximately $ 193 million in management fees from our CLOs,prior to the effects of consolidation,of which approximately 62 % are in the form of subordinated fees.The subordinated fees we generate from our CLO business** Investments in **structured finance securities may also be subject to liquidity risk. During 2023, we earned approximately $ 214. 1 million in management fees from our CLOs, prior to the effects of consolidation, of which approximately 63 % are in the form of subordinated fees. The subordinated fees we generate from our CLO business could be negatively impacted if one** ~~our~~ - investment opportunities),and in some cases conflicts may arise between a Global Investment Solutions fund or managed account and a Carlyle fund.In addition,certain managed accounts may have different or heightened standards of care,and if they invest in other investment funds sponsored by us could result in lower management fees and carried interest to us than Carlyle' s typical investment funds.• Our Global Investment Solutions business is separated from the rest of the firm by an informational wall designed to prevent certain types of information from flowing from the Global Investment Solutions platform to the rest of the firm.This information barrier limits the collaboration between our investment professionals with respect to specific investments real estate funds ~~will be~~ **are subject to risks inherent in the ownership and operation of real estate and the construction and development of real estate. Investments in our real estate funds are** subject to the risks inherent in the ownership and operation of real estate and real estate- related businesses and assets. These risks include the following: • those associated with the burdens of ownership of real property; • general and local economic conditions; • changes in supply of and demand for competing properties in an area (as a result, for instance, of overbuilding); • **changes in interest rates and related increases in borrowing costs; •** fluctuations in the average occupancy and room rates for hotel and student housing properties; **87 • changes in demand for commercial office properties (including as a result of an increased prevalence of remote work);** • population and demographic shifts; • the financial resources of tenants; • **defaults by borrowers or tenants; •** changes in building, environmental, zoning **,** and other laws; • restrictive covenants, encumbrances **,** and other land or use restrictions; • failure to obtain necessary approvals and / or permits; • energy and supply shortages; • casualty or condemnation losses; • various uninsured or uninsurable risks; • natural disasters, including increased physical risks from climate change such as event- driven exposures resulting from the increased severity of extreme weather events, such as cyclones, hurricanes or floods, and consequences of longer- term shifts in climate patterns, for example, sustained higher temperatures that may cause sea levels to rise or chronic heat waves, and the effects of climate change on supply and demand; • changes in government regulations (such as rent control and those intended to address climate change); • changes in the way real estate is occupied as a result of pandemics or other unforeseen events; • changes in real property tax rates and operating expenses; • ~~changes in interest rates; •~~ the reduced availability of mortgage funds or other forms of financings, including construction financing, which may render the sale or refinancing of properties difficult or impracticable; • inability to meet debt obligations; • breaches by third parties of their contractual obligations, including ground lessors, ground lessees, landlords **,** and tenants; • claims by third parties, including adjacent landowners, and homeowners associations; • negative developments in the economy that depress travel and leasing activity or rents; • environmental liabilities; • contingent liabilities on disposition of assets; • increase in insurance premiums and changes to the insurance market; • unexpected cost overruns and delays in connection with development projects; • terrorist attacks, war **,** and other factors that are beyond our control; and • dependence on local operating partners. Our real estate funds' portfolio investments are subject to various risks that cause fluctuations in occupancy, rental rates, operating income **,** and

expenses or that render the sale or financing of the funds' portfolio investment properties difficult **88** or unattractive, which risks **were** ~~have been~~ exacerbated by the COVID- 19 pandemic **and may be further exacerbated by another pandemic or global health crisis** . For example, following the termination or expiration of a tenant' s lease, there could be a period of time before a funds' portfolio investment will begin receiving rental payments under a replacement lease. During that period, the portfolio investments (and indirectly, the funds) will continue to bear fixed expenses such as interest, real estate taxes, maintenance **,** and other operating expenses. In addition, declining economic conditions could impair the portfolio investments' ability to attract replacement tenants and achieve rental rates equal to or greater than the rents paid under previous leases. Increased competition for tenants would require the portfolio investments to make capital improvements to properties that we would not otherwise have planned. Any unbudgeted capital improvements that a fund undertakes may divert cash that would otherwise be available for distribution to investors. To the extent that the portfolio investments are unable to renew leases or re- let spaces as leases expire, decreased cash flow from tenants will result, which would adversely impact the relevant fund' s returns. Our real estate funds may also make investments in residential real estate projects and / or otherwise participate in financing opportunities relating to residential real estate assets or portfolios thereof from time to time, which may be more highly susceptible to adverse changes in prevailing economic and / or market conditions and present additional risks relative to the ownership and operation of commercial real estate assets. With regard to potential environmental liabilities, ownership of real assets in our investment funds or vehicles may increase our risk of liability under laws that impose, regardless of fault, joint and several liability for the cost of remediating contamination and compensation for damages. In addition, changes in environmental laws or regulations or the environmental condition of an investment may create liabilities that did not exist at the time of acquisition. For example, the current ~~Administration~~ **administration has** announced several initiatives and ~~have~~ proposed new regulations focused on the climate crisis that could impact our real estate assets in various ways that were not considered at the time of investment. Even in cases where we are indemnified by a seller against liabilities arising out of violations of environmental laws and regulations, there can be no assurance as to the financial viability of the seller to satisfy such indemnities or our ability to achieve enforcement of such indemnities. In addition to real property assets, our real estate funds may also invest in real estate related operating companies such as logistics hubs and data centers. These investments are similar to the portfolio investments made by our buyout and growth funds and are subject to similar risks and uncertainties as apply to those operating companies. See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — The investments of our private equity funds are subject to a number of inherent risks. " Real estate markets may experience sharp increases in capitalization rates and declines in value as a result of overall economic decline and the limited availability of financing and the value of certain investments in our real estate funds may decline significantly. In addition, if our real estate funds acquire direct or indirect interests in undeveloped land or underdeveloped real property, which may often be non- income producing, they will be subject to the risks normally associated with such assets and development activities, including risks relating to the availability and timely receipt of zoning and other regulatory or environmental approvals, the cost and timely completion of construction (including risks beyond the control of our fund, such as weather or labor conditions or material shortages) **,** and the availability of both construction and permanent financing on favorable terms. Moreover, our real estate funds' properties are often managed by a third party, which makes us dependent upon such third parties and subjects us to risks associated with the actions of such third parties. Any of these factors may cause the value of the investments in our real estate funds to decline, which may have a material impact on our results of operations. In addition, lenders in commercial real estate financing have been requiring a non- recourse carveout guarantee and environmental indemnity, which typically provides that the lender can recover losses from guarantors for certain bad acts, such as fraud or intentional misrepresentation, intentional waste, willful misconduct, criminal acts, misappropriation of funds, voluntary incurrence of prohibited debt **,** and environmental losses sustained by **the** lender. For our acquisitions, non- recourse carveout guarantees and environmental indemnities may be extended by our funds. We expect that commercial real estate financing arrangements generally will increasingly continue to require non- recourse carveout guarantees and environmental indemnities. In addition, lenders may require interest, carry **,** and / or payment guarantees in connection with a real estate financing arrangement, which may be provided by the fund. In the event that any such guarantee or indemnity is called, a fund' s or our assets could be negatively impacted and we or our funds may be subject to liability. The acquisition, ownership **,** and disposition of real properties carry certain specific litigation risks. Litigation may be commenced with respect to a property acquired in relation to events or circumstances relating to periods prior to the acquisition of such property. In addition, at the time of disposition, other potential buyers may bring claims related to the asset or for due diligence expenses or other damages. After the sale of a real estate asset, buyers may later sue our funds or us for losses **89** associated with latent defects or other problems not uncovered in due diligence. Litigation can arise for events or circumstances that occur or are alleged to occur during the ownership period. We or our funds may also be subject to certain risks associated with investments and, in particular, real estate- related assets. Real estate investment trusts (" REITs ") and other types of owners may be affected by changes in the value of their underlying properties and defaults by borrowers or tenants ~~,~~ and **,** in the case of REITS, changes in tax laws or by a failure to qualify for tax- free pass through income could impair a REIT' s ability to generate cash flows to make distributions. Qualification as a REIT also depends on a REIT' s ability to meet various requirements imposed by the U. S. Internal Revenue Code of 1986, as amended (the " Code "), which relate to organizational structure, annual distributions, diversity of stock ownership, and certain restrictions with regard to the nature of their assets and the sources of their income. If a REIT fails to qualify as a REIT in any taxable year, it will be subject to U. S. federal income tax at regular corporate rates, and applicable state and local taxes, which would reduce the amount of cash available for distribution to its stockholders. Investments in real estate debt investments may be unsecured and / or subordinated to a substantial amount of indebtedness and may not be protected by financial covenants. Non- performing real estate loans may require a substantial amount of workout negotiations and / or modification, which may entail, among other things, a substantial reduction in the interest rate and a substantial write- down of the principal of such loan. Investments in commercial mortgage loans are subject to

risks of delinquency, foreclosure **,** and loss of principal. In the event of any default under a mortgage loan held directly by us or one of our funds, we or our fund will bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the loan. Investments in distressed assets or businesses may have little or no near- term cash flow, involve a high degree of risk and, if subject to bankruptcy or insolvency, could be subordinated or disallowed. Our energy business is involved in oil and gas investments (i. e, exploration, production, storage, transportation, logistics, refining, marketing, trading, petrochemicals, energy services **,** and other opportunistic investments), which entail a high degree of risk. Our energy teams focus on investments in businesses involved in oil and gas production, development **,** and exploration, which can be a speculative business involving a high degree of risk, including: • the use of new technologies; • reliance on estimates of oil and gas reserves in the evaluation of available geological, geophysical, engineering **,** and economic data for each reservoir; • encountering unexpected formations or pressures, premature declines of reservoirs, blow- outs, equipment failures and other accidents in completing wells and otherwise, cratering, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions, pollution, fires, spills **,** and other environmental risks; • the volatility of oil and natural gas prices and its impact on the demand for oil and gas products and services (climate change related or otherwise); and • potential contributions to anthropogenic climate change, as well as regulations and stakeholder scrutiny related to the same. In order to better manage these risks, we seek to help a subset of **portfolio** companies accelerate progress related to climate change and the energy transition. For example, we help select companies to measure, monitor, and manage their carbon emissions, set decarbonization goals and associated pathways, and consider investments in new technologies to build additional long- term value in these companies, and position them to find opportunities in response to changing market dynamics; however, there is no guarantee that such efforts will be successful. Oil, gas **,** and product prices are subject to international supply and demand dynamics and, as a consequence, related margins can be volatile. In ~~2020~~ **general** , **political developments, global conflicts such as Russia' s invasion of Ukraine and the war between Israel and Hamas- led Palestinian militant groups, see- sawing supply-** demand **dynamics** ~~was negatively affected by the COVID- 19 pandemic~~ , ~~which triggered unprecedented~~ **technological change,** global **macroeconomic conditions** ~~and local travel restrictions as well as regional and nationwide quarantines. In some regions~~ , ~~including China~~ **public health risks** , **and changes in** ~~these~~ -- **the influence** ~~restrictions continue today. At the same time, supply was affected by the inability of the members~~ of the Organization of Petroleum Exporting Countries (" OPEC ") ~~to agree to crude production curtailments in the first half of 2020. The resultant supply surplus triggered accumulation of substantial inventories of crude oil and refined products. Together, these phenomena resulted in a large drop in crude oil prices, lower gas prices, and lower refining margins. In 2021, however, oil and gas prices rebounded sharply and rapidly, as stronger- than- expected demand outpaced sluggish supply. In particular, European consumers and businesses faced energy supply shortages and high prices heading into 2022. The supply- demand imbalance was further compounded by the beginning of the war in Ukraine in February 2022 and the introduction of various sanctions against Russia that followed. The European energy situation could further deteriorate in the near- and medium- term if events between Russia, Ukraine and NATO continue to escalate. Faced with this energy crisis, certain European countries have introduced or are considering the introduction of additional taxes on local energy producers, including some of our existing investments. In general, political developments, see- sawing supply- demand dynamics, technological change, global macroeconomic conditions, public health risks and changes in the influence of OPEC~~ may continue to impact commodity prices going forward and the financial performance of some of our existing and future investments. Our investments that are exposed to energy prices, either as consumers or producers of energy, **90** and their financial performance has been, and is likely to continue to be, affected by the continued volatility in energy prices. To the extent that current conditions persist or worsen, there may be adverse impacts on the financial performance of the affected businesses, on the availability of financing or credit to them as well as their asset prices and valuations. Oil prices tend to experience significant volatility in response to macroeconomic trends, trade developments, geopolitical events, and data on inventories, global demand, future supply, and U. S. dollar strength. ~~Oil' s strong performance in 2022, ending the year 10 % above 2021 levels, is largely attributable to increased demand, persistent global supply discipline and global commodity market dislocations as a result of sanctions against Russia.~~ Prices for oil and natural gas are subject to wide fluctuation in response to relatively minor changes in the supply of and demand for oil and natural gas **,** as well as numerous additional factors such as market uncertainty, speculation, the level of consumer product demand, the refining capacity of oil purchasers, weather conditions, domestic and non- U. S. governmental regulations **(including with respect to trade and economic sanctions)** , appreciation or depreciation of the U. S. dollar, the price and availability of alternative fuels, political conditions in the Middle East, Africa, and Eastern Europe, actions of the OPEC, the non- U. S. supply of oil and natural gas, U. S. and global inventories, the price of non- U. S. imports **,** and overall economic conditions. In addition, changes in commodity prices can vary widely from one location to the next depending upon the characteristics of the production and the availability of gathering, transportation, processing **,** and storage facilities used to transport the oil and gas to markets. In the event that oil prices decline sharply in the future, or fail to sustain upward price momentum, it is possible our portfolio could be adversely impacted. In the event that global commodity market dislocations persist and energy prices stay elevated or increase sharply in the future, it is possible that our portfolio could be adversely impacted by potential changes in the fiscal regimes that the host countries of our investments apply to energy producers. In response to **Russia' s invasion of Ukraine and** the ~~ongoing~~ war ~~in Ukraine~~ **between Israel and Hamas- led Palestinian militant groups** , and the developing legal and geopolitical response, we are monitoring exposure to **these** ~~Russia, Ukraine~~ and ~~Belarus~~ **related countries** across our global portfolio from an economic, legal **,** and human capital perspective. We are working closely with external sanctions counsel to stay abreast of rapidly evolving sanctions and geopolitical risks and to help support compliance across ~~the~~ **our** portfolio. Given the nature of the industry in which our energy teams invest, there are necessarily connections to Russian- owned oil and gas companies. These connections, and other dealings with Russian- owned oil and gas companies, are under close scrutiny in light of geopolitical considerations. Given this, there is a risk that national and international sanctions related to the war in Ukraine, and associated

compliance and regulatory issues, could have a material impact on our business. To date, however, we have not identified any matters that trigger adverse regulatory concerns as a result of such sanctions. **The** ~~In January 2021, the~~ current ~~Administration~~ **administration has** issued ~~an~~ **several** executive ~~order~~ **orders** , **including** " Ensuring the Future Is Made in All of America by All of America' s Workers **" and " Federal Research and Development in Support of Domestic Manufacturing and United States Jobs** , " which ~~has~~ **have** the potential to impact federal contractors and certain grant and loan recipients and their contractors. **In this respect,** ~~While the only immediate impact of the order is the creation of~~ a " Made in America " Office **was ordered to be created** within the Office of Management and Budget to review federal agency waiver requests ~~,~~ **relating to** the **nonavailability of domestically sourced products. The** longer- term impact of potential changes to the Federal Acquisition Regulation and statutory exemptions for commercial item information technology and trade agreements and the change in waiver procedures requirements for certain grant and loan programs could impact certain investments **. See " Risks Related to Our Business Operations — Risks Related to the Assets We Manage — Investments in the natural resources industry, including the infrastructure and power industries, involve various operational, construction, and regulatory risks. " Investments in the natural resources industry, including the infrastructure and power industries, involve various operational, construction, and regulatory risks** . Investment in infrastructure assets involves certain differentiated risks. Project revenues can be affected by a number of factors. Unanticipated changes in the availability or price of inputs necessary for the operation of infrastructure assets may adversely affect the overall profitability of the investment or related project. Events outside the control of a portfolio company, such as political action, governmental regulation (including potential climate change initiatives), demographic changes, economic growth, increasing fuel prices, government macroeconomic policies, service or product prices, social stability, competition from other businesses and infrastructure, natural disasters (climate change related or otherwise), changes in weather patterns, changes in demand for products or services, bankruptcy or financial difficulty of a major customer **,** and acts of war or terrorism, could significantly reduce the revenues generated or significantly increase the expense of constructing, operating, maintaining **,** or restoring infrastructure facilities. In turn, this may impair a portfolio company' s ability to repay its debt, make distributions **,** or even result in termination of an applicable concession or other agreement. Although portfolio companies may maintain insurance to protect against certain risks, where available on reasonable commercial terms (such as business interruption insurance that is intended to offset loss of revenues during an operational interruption), such insurance is subject to customary deductibles and coverage limits and may not be sufficient to recoup all of an investment' s losses. Moreover, once infrastructure assets of investments become operational, they may face competition from other infrastructure assets in the **91** vicinity of the assets they operate, the presence of which depends in part on governmental plans and policies, over which we have no control. Infrastructure investments are subject to substantial government regulation and governments have considerable discretion to implement regulations that could affect the business of infrastructure investing. In many instances, the operation or acquisition of infrastructure assets involves an ongoing commitment to or from a governmental agency, and the operation of infrastructure assets often relies on government permits, licenses, concessions, leases **,** or contracts. The nature of these obligations and dependencies ~~expose~~ **exposes** the owners of infrastructure assets to a higher level of regulatory control than typically imposed on other businesses, resulting in government entities having significant influence over such owners. Where a portfolio company holds a concession or lease from the government, the concession or lease may restrict the portfolio company' s ability to operate the business in a way that maximizes cash flows and profitability. The lease or concession may also contain clauses more favorable to the government counterparty than a typical commercial contract. For instance, the lease or concession may enable the government to terminate the lease or concession in certain circumstances without requiring payment of adequate compensation. The development, operation **,** and maintenance of power generation or infrastructure facilities involves various operational risks, which can include mechanical and structural failure, accidents, labor issues **,** or the failure of technology to perform as anticipated. Events outside our control, such as economic developments, changes in fuel prices or the price of other feedstocks, governmental policies, demand for energy **,** and similar events, could materially reduce the revenues generated or increase the expenses of constructing, operating, maintaining **,** or restoring power generation businesses. Such developments could impair a portfolio company' s ability to repay its debt or conduct its operations. We may also choose to or be required to decommission a power generation facility or other asset. The decommissioning process could be protracted and result in the incurrence of significant financial and / or regulatory obligations or other uncertainties. Our natural resource portfolio companies may also face construction and operational risks typical for energy, infrastructure **,** and power generation infrastructure businesses, including, without limitation: • labor disputes, work stoppages **,** or shortages of skilled labor; • shortages of fuels or materials; • slower than projected construction progress and the unavailability or late delivery of necessary equipment; • delays caused by or in obtaining the necessary regulatory approvals or permits; • adverse weather conditions and unexpected construction conditions; • accidents or the breakdown or failure of equipment or processes; • difficulties in obtaining suitable or sufficient financing; and • force majeure or catastrophic events such as explosions, fires **,** and terrorist activities and other similar events beyond our control. Such developments could result in substantial unanticipated delays or expenses and, under certain circumstances, ~~and~~ could prevent completion of construction activities once undertaken. Construction costs may exceed estimates for various reasons, including inaccurate engineering and planning, labor and building material costs in excess of expectations **,** and unanticipated problems with project start- up. Such unexpected increases may result in increased debt service costs and funds being insufficient to complete construction. Portfolio investments under development or portfolio investments acquired to be developed may receive little or no cash flow from the date of acquisition through the date of completion of development and may experience operating deficits after the date of completion. In addition, market conditions may change during the course of development that make such development less attractive than at the time it was commenced. Any events of this nature could severely delay or prevent the completion of, or significantly increase the cost of, the construction. In addition, there are risks inherent in the construction work that may give rise to claims or demands against one of our portfolio companies from time to time. Delays in the completion of any energy or

power project may result in lost revenues or increased expenses, including higher operation and maintenance costs related to such portfolio company. **92** We may acquire equity interests in development projects, including, without limitation, transmission and power facility developments and / or in businesses that engage in transmission and power facility development. To the extent that we invest in such development activities, it will be subject to the risks normally associated with such activities. Such risks include, without limitation, risks relating to the availability and timely receipt of zoning and other regulatory approvals, the cost and timely completion of construction (including risks beyond our control, such as weather or labor conditions or material shortages) and the availability of both construction and permanent financing on favorable terms. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development activities once undertaken, any of which could have an adverse effect on the financial condition and results of operations. Investments in electric utility industries both in the United States and abroad continue to experience increasing competitive pressures, primarily in wholesale markets, as a result of consumer demands, technological advances, greater availability of natural gas **,** and other factors. Changes in regulation may support not only consolidation among domestic utilities, but also the disaggregation of vertically integrated utilities into separate generation, transmission **,** and distribution businesses. As a result, additional significant competitors could become active in the independent power industry. We invest in companies that produce hydrocarbons, the combustion of which releases greenhouse gases linked to climate change. Governmental and regulatory bodies, investors, consumers, and other stakeholders are increasingly focused on ~~combatting~~ **combating** climate change and a number of jurisdictions have adopted, or are considering the adoption of, regulatory frameworks to reduce greenhouse gas emissions. These include adoption of cap and trade regimes, carbon taxes, restrictive permitting, increased efficiency standards, climate- related reporting, and incentives or mandates for renewable energy, among others. Compliance with these regulatory requirements could be costly, lengthen project implementation times, and, together with changes in consumer preferences and technological advances in the alternative energy sector, reduce demand for hydrocarbons, as well as shift hydrocarbon demand toward relatively lower- carbon sources such as natural gas. Current and pending greenhouse gas regulations or policies may also increase compliance costs for us and / or our portfolio companies, such as for monitoring or sequestering emissions, and promote alternatives to hydrocarbons. Companies that produce hydrocarbons are also increasingly subject to the risk of activism, litigation, and regulatory enforcement related to such companies' operations, or actual or alleged environmental impacts, as well as increased scrutiny from lenders with regards to sustainability considerations. Such requirements, as well as social, economic, and technological developments, could have a negative impact on our ability to obtain suitable or sufficient financing, exit certain of our energy investments **,** or adversely affect the expected returns of new investment opportunities. The energy, infrastructure, power **,** and natural resource sectors are subject to comprehensive ~~United States~~ **U. S.** and non- U. S. federal, state **,** and local laws and regulations. These regulators include the Federal Energy Regulatory Commission ~~(the " FERC ")~~, which has jurisdiction over the transmission and wholesale sale of electricity in interstate commerce and over the transportation, storage **,** and certain sales of natural gas in interstate commerce, including the rates, charges **,** and other terms and conditions for such services, respectively **,** and the North American Electric Reliability Corporation ~~(the " NERC ")~~, the purpose of which is to establish and enforce reliability standards applicable to all users, owners **,** and operators of the bulk power system. These regulators derive their authority from, among other laws, the Federal Power Act, as amended ~~(the " FPA ")~~, The Energy Policy Act of 2005, the Natural Gas Act, as amended **,** ~~(the " NGA ")~~ and state and local public utility laws. At the state level, some state laws require approval from the state commission before an electric utility operating in the state may divest or transfer electric generation facilities. Most state laws require approval from the state commission before an electric utility company operating in the state may divest or transfer distribution facilities. Failure to comply with applicable laws, rules **,** regulations **,** and standards could result in the prevention of operation of certain facilities or the prevention of the sale of such a facility to a third party, as well as the loss of certain rate authority, refund liability, penalties **,** and other remedies, all of which could result in additional costs to a portfolio company and adversely affect the investment results. In addition, any legislative efforts by the current administration or Congress to overturn or modify policies or regulations enacted by the prior administration and to place additional limitations on coal and gas electric generation, mining **,** and / or exploration could adversely affect our alternative energy investments. Investments may not receive the initial regulatory approval or license needed to acquire or otherwise operate an investment, including after substantial costs have been incurred pursuing such investment. Additional or unanticipated regulatory approvals, including, without limitation, renewals, extensions, transfers, assignments, reissuances **,** or similar actions, may be required to acquire or operate infrastructure assets, and additional approvals may become applicable in the future due to a change in laws and regulations, a change in the portfolio company' s customer (s) or for other reasons. Moreover, permits or special rulings may be required on taxation, financial **,** and regulatory related issues. There can be no assurance that a portfolio company will be able to (i) obtain all required regulatory approvals that it does not yet have or that it may require in the future, (ii) obtain any necessary modifications to existing regulatory approvals, or (iii) maintain required regulatory approvals. Any delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or **93** delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent operation of a facility, sales to third parties **,** or could result in additional costs and adversely impact the returns generated by the investment. Environmental laws, regulations **,** and regulatory initiatives (including potential climate change initiatives) play a significant role in the power, infrastructure **,** and renewable and alternative energy industry and can have a substantial impact on investments in this industry. A portfolio company' s projects may be subject to changing and increasingly stringent environmental and health and safety laws, regulations **,** and permit requirements. For example, global initiatives to minimize pollution have played a major role in the increase in demand for natural gas and alternative energy sources, creating numerous new investment opportunities. Conversely, required expenditures for environmental compliance have adversely impacted investment returns in a number of segments of the industry. The energy and power industry will continue to face considerable oversight from environmental regulatory authorities and significant influence from non- governmental

organizations and special interest groups. Our investment funds may invest in portfolio companies that are subject to changing and increasingly stringent environmental and health and safety laws, regulations **,** and permit requirements. Estimates of factors such as solar energy intensity and movement of wind and water flow (for solar, wind **,** and hydroelectric power, respectively) by qualified engineers are often a key factor in valuing certain energy and power companies. The process of making these estimates is complex, requiring significant decisions and assumptions in the evaluation of available geological, geophysical, engineering **,** and economic data. Estimates or projections of market conditions and supply and demand dynamics are key factors in evaluating potential investment opportunities and valuing the investments and related assets. The aforementioned estimates are subject to wide variances based on changes in market conditions, underlying assumptions **,** and technical or investment- related assumptions. The operation and financial performance of any renewable energy investment will be significantly dependent on governmental policies and regulatory frameworks that support renewable energy sources. Investments in renewable energy and related businesses and / or assets currently enjoy support from national, state **,** and local governments and regulatory agencies designed to finance or support the financing development thereof, such as the U. S. federal investment tax credit and federal production tax credit, U. S. Department of the Treasury grants, various renewable and alternative portfolio standard requirements enacted by several states, renewable energy credits **,** and state- level utility programs, such as system benefits charge and customer choice programs. Similar support, initiatives **,** and arrangements exist in non- U. S. jurisdictions as well, such as in the European Union. Non- U. S. jurisdictions may have more variable views on policies regarding renewable energy (and, for example, may be more willing or likely to abandon initiatives regarding renewable energy in favor of more carbon- intensive forms of traditional energy generation). The combined effect of these programs is to subsidize in part the development, ownership **,** and operation of renewable energy projects, particularly in an environment where the low cost of fossil fuel may otherwise make the cost of producing energy from renewable sources uneconomic. There can be no assurance that government support for renewable energy will continue, that favorable legislation will pass, or that the electricity produced by ~~the~~ renewable energy investments will continue to qualify for support through ~~the RPS~~ **renewable portfolio standards** programs. The elimination of, or reduction in, government policies (including favorable tax policies) that support renewable energy could have a material adverse effect on a renewable energy portfolio company' s financial condition or results of operation. Conversely, because policies favoring renewable energy initiatives may involve economic disincentives on more carbon- intensive forms of traditional energy generation, such policies may adversely affect other investments that do not involve renewable energy projects. Climate change and regulatory and other efforts to reduce climate change could adversely affect our business. We and our funds' portfolio companies face a number of risks associated with climate change, including both transition and physical risks. The transition risks that could impact our ~~Company~~ **company** and our funds' investments in portfolio companies include those risks related to the impact of U. S. and foreign climate- and ESG- related legislation and regulation, as well as risks arising from climate- related business trends. Moreover, we and our funds' investments in portfolio companies are subject to risks stemming from the physical impacts of climate change. New climate change- related regulations or interpretations of existing laws may result in enhanced disclosure obligations that could negatively affect us or our funds' investments in portfolio companies and also materially increase our regulatory burden. Increased regulations generally increase the costs to us, our funds **,** and our funds' portfolio companies, and those higher costs may continue to increase if new laws require additional resources, including spending more time, hiring additional personnel **,** or investing in new technologies. Moreover, significant increases in regulatory compliance expenses may negatively impact our funds and their portfolio company investments. In particular, compliance with climate ~~-~~ and other **sustainability or** ESG- related rules in the EU is expected to result in increased legal and compliance costs and expenses, which would be borne by us, our funds **,** and / or our funds' portfolio companies. In addition, our funds' portfolio companies could face **94** transition risk if carbon- related regulations or taxes are implemented. See " Risks Related to Regulation and Litigation — Regulatory initiatives in jurisdictions outside the United States could adversely affect our business " and " Increasing scrutiny from stakeholders on ~~ESG~~ **sustainability** matters, including our ESG reporting, exposes us to reputational and other risks. " We also face business trend- related climate risks. Certain fund investors are increasingly taking into account ESG factors, including climate risks, in determining whether to invest in the funds we manage. In addition, our reputation and investor relationships could be damaged as a result of our involvement, or our funds' involvement, in certain industries, portfolio companies **,** or transactions associated with activities perceived to be causing or exacerbating climate change, as well as any decisions we make to continue to conduct or change our activities in response to considerations relating to climate change. Moreover, significant physical effects of climate change, including extreme weather events, such as hurricanes or floods, can also have an adverse impact on certain of our funds' investments in portfolio companies and other investments, ~~especially~~ **particularly** real asset and infrastructure investments and portfolio companies that rely on physical factories, plants **,** or stores located in affected areas. As the effects of climate change increase, we expect the frequency and impact of weather and climate related events and conditions to increase as well. ~~CLOs may present risks similar to other types of debt obligations and, in fact, such risks may be of greater significance in the case of CLOs. For example, investments~~ **Investments** in ~~structured vehicles,~~ **the insurance industry (** including ~~equity and junior debt securities issued by CLOs, involve risks, such as credit risk and market risk. Changes in interest rates and credit quality may cause short- term price fluctuations or longer term impairment. In addition, a reduction in the liquidity of the credit markets may result in an increase in credit spreads and a decline in ratings, performance and market values for leveraged loans. We have significant exposure to these markets through~~ our investment in **Fortitude)** our CLO funds. In addition to...... fees we generate from our CLO business could be ~~negatively~~ **adversely** impacted if one or more CLOs fail certain...... down the principal on the securities issued by **insurance regulations** ~~such vehicle in an~~ **and** ~~amount necessary to cause such tests to pass or (y) purchase sufficient collateral in an amount necessary to cause such CLO to pass such tests. If either of these scenarios occurred, there is the~~ potential **regulatory reforms** that the remaining funds would be insufficient...... subject us to damages or reputational harm. Carlyle FRL, L. P., an affiliated investment fund (" Carlyle FRL "), holds **a 38** ~~an indirect 71~~. 5 % controlling interest in Fortitude ~~Re~~, inclusive of our ~~13~~ **10**. 5 % interest. The insurance

industry is highly regulated and the regulators in many jurisdictions have broad, and in some cases discretionary, authority over insurance companies, including, among other things, with respect to marketing practices, policy rate increases, reserve requirements, capital adequacy, permissible investments **,** and affiliate transactions. In addition, the insurance sector is subject to frequent regulatory change. While we intend to invest in companies and acquire businesses that seek to comply with applicable laws and regulations, the laws and regulations relating to the insurance industry are complex, may be ambiguous **,** or may lack clear judicial or regulatory interpretive guidance. Even where laws or regulations purport to be the same across different jurisdictions, they may be inconsistently applied by the regulators of the different jurisdictions. In terms of regulatory changes, the following changes in particular may affect the operations and prospects of our investments in the insurance industry, including Fortitude: (i) changes to interest rates and policies of central banks and regulatory authorities; (ii) changes in applicable direct or indirect taxes, levies or charges; (iii) changes in government or regulatory policy that may significantly influence investor decisions in particular markets in which our investments operate; (iv) changes relating to the capital adequacy framework and rules designed to promote financial stability, both on an individual (re) insurance company level and on a group level; (v) changes to policyholder protections; and (vi) developments in financial reporting. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements, judicial or regulatory interpretation, or reimbursement programs, could have a material adverse effect on the operations and / or financial performance of our investments in the insurance industry (including Fortitude) and may increase their compliance and legal costs. Any such costs could negatively impact the value of our investments and the returns we are able to generate on such investments. See " Risks Related to our Company — Adverse economic and market conditions and other events or conditions throughout the world could negatively impact our business in many ways, including by reducing the value or performance of the investments made by our investment funds and reducing the ability of our investment funds to raise capital, any of which could materially reduce our revenue, earnings **,** and cash flow and adversely affect our financial prospects and condition. " **Insurance regulatory authorities and regulatory organizations continue to scrutinize alternative asset managers' involvement in the insurance industry, including with respect to the ownership by such managers or their affiliated funds of, and the management of assets on behalf of, insurance companies. For example, insurance regulators have increasingly focused on the terms and structure of investment management agreements, including whether they are at arms' length, establish control of the insurance company, grant the asset manager excessive authority over the investment strategy of the insurance company, or provide for management fees that are not fair and reasonable. Regulators have also increasingly focused on the risk profile of certain investments held by insurance companies (including, without limitation, structured credit assets such as collateralized loan obligations), appropriateness of investment ratings and potential conflicts of interest (including affiliated investments), and potential misalignment of incentives and any potential risks from these and other aspects of an insurance company' s relationship with alternative asset managers that may impact the insurance company' s risk profile. This enhanced scrutiny may increase the risk of regulatory actions against us and could result in new or amended regulations that limit our ability, or make it 95 more burdensome or costly, to enter into investment management agreements or advisory with insurance companies and thereby grow our insurance strategy.** Our relationship with Fortitude may not generate a meaningful contribution to our revenue and our indirect ~~controlling~~ ownership of Fortitude could give rise to real or apparent conflicts of interest. While we expect to derive a meaningful contribution to our revenue across our business segments from our investment in and strategic asset management relationship with Fortitude, as described in Note ~~4~~ **5** to Part II, Item 8 " — Investments — Strategic Investment in Fortitude, " we may not be successful in doing so. Pursuant to investment management agreements into which we have entered with Fortitude ~~Re~~ **subsidiaries** and certain companies with which ~~it has~~ **they have** reinsurance agreements (the " Ceding Companies "), certain of our subsidiaries receive performance fees and / or management fees from carry funds and separately managed accounts into which Fortitude Re and the Ceding Companies invest. Through its subsidiaries we managed or advised $ ~~9~~ **17** . ~~2~~ **5** billion of capital attributable to investments made under these investment management agreements, as of December 31, ~~2022~~ **2023** . In addition, in April 2022, we entered into a strategic advisory services agreement with certain subsidiaries of Fortitude through **our insurance** ~~a newly- formed~~ investment advisor, Carlyle Insurance Solutions Management L. L. C. (" CISM "). Under the agreement, CISM provides Fortitude with certain services, including business development and growth, transaction origination and execution, and capital management services in exchange for a recurring management fee based on Fortitude' s general account assets, which adjusts within an agreed range based on Fortitude' s overall profitability. Such management fee may decline if there is a corresponding decline in the fair value of the assets we manage and / or the performance of the portfolio. Our investment management agreements with Fortitude ~~Re~~ **subsidiaries** and the Ceding Companies are terminable under certain circumstances. If such investment management agreements were terminated, it could have a material adverse effect on our business, results of operations **,** and financial condition. There can be no assurance that the benefit we receive from Fortitude ~~Re~~ **subsidiaries** will not decline due to a disruption or decline in Fortitude' s business or a change in our relationship with Fortitude, including our investment income from our indirect interest in Fortitude and / or investment management agreements with Fortitude ~~Re~~ **subsidiaries** and the Ceding Companies. We may be unable to replace a decline in the revenue derived from investments made in our funds and entities by Fortitude Re and / or the Ceding Companies on a timely basis if our relationship with Fortitude were to change or if Fortitude were to experience a material adverse impact to its business. Carlyle FRL owns a controlling interest in Fortitude and has the right to appoint a majority of its board of directors. As a result, there may be real or apparent conflicts of interest with respect to matters affecting the Company, Carlyle- managed funds **,** and their portfolio companies and Fortitude, including with respect to the fiduciary duties that our employees that are board members owe to Fortitude in addition to the duties that they have to the Company. In addition, conflicts of interest could arise with respect to transactions involving business dealings between the Company, Fortitude and each of their respective affiliates. The foregoing conflicts of interest may also arise with respect to subsidiaries of Fortitude **. Our investments in the**

life sciences industry may expose us to increased risks. Investments by Abingworth may expose us to increased risks. For example: • Life sciences and healthcare companies are subject to extensive regulation by the U. S. Food and Drug Administration, similar foreign regulatory authorities and, to a lesser extent, other federal and state agencies. These companies are subject to the expense, delay, and uncertainty of the product approval process, and there can be no guarantee that a particular product candidate will obtain regulatory approval. In addition, the current regulatory framework may change or additional regulations may arise at any stage during the product development phase of an investment, which may delay or prevent regulatory approval or impact applicable exclusivity periods. If a company in which our funds are invested is unable to obtain regulatory approval for a product candidate, or a product candidate in which our funds are invested does not obtain regulatory approval, in a timely fashion or at all, the value of our investment would be adversely impacted. Moreover, a clinical trial (including enrollment therein) or regulatory approval process for pharmaceuticals has and may in the future be delayed, otherwise hindered, or abandoned as a result of epidemics (including COVID- 19), which could have a negative impact on the ability of the investment to engage in trials or receive approvals, and thereby could adversely affect the performance of the investment. In the event such clinical trials do not comply with the complicated regulatory requirements applicable thereto, such companies may be subject to regulatory actions. • Intellectual property often constitutes an important part of a life sciences company' s assets and competitive strengths, particularly for royalty monetization transactions. To the extent such companies' intellectual 96 property positions with respect to products in which Abingworth invests, whether through a royalty monetization or otherwise, are challenged, invalidated, or circumvented, the value of Abingwoth' s investment may be impaired. The success of a life sciences investment depends in part on the ability of the biopharmaceutical or medical device companies in whose products Abingworth invests to obtain and defend patent rights and other intellectual property rights that are important to the commercialization of such products. The patent positions of such companies can be highly uncertain and often involve complex legal, scientific, and factual questions. • The commercial success of products could be compromised if governmental or third- party payers do not provide coverage and reimbursement, breach, rescind, or modify their contracts or reimbursement policies or delay payments for such products. In both the U. S. and foreign markets, the successful sale of a life sciences company' s product depends on the ability to obtain and maintain adequate coverage and reimbursement from third- party payers, including government healthcare programs and private insurance plans. Governments and third- party payers continue to pursue aggressive initiatives to contain costs and manage drug utilization and are increasingly focused on the effectiveness, benefits, and costs of similar treatments, which could result in lower reimbursement rates and narrower populations for whom the products in which Abingworth invests will be reimbursed by payers. For example, in the U. S., federal legislation has passed that modifies coverage, reimbursement, and pricing policies for certain products. Although certain components of such legislation have yet to be implemented or defined by regulatory agencies, such legislation may result in the unavailability of adequate third- party payer reimbursement to enable Abingworth to realize an appropriate return on its investment. The aviation leasing industry is subject to significant volatility and may expose us to additional risks. Carlyle Aviation Partners participates in the aircraft leasing industry, which has historically been cyclical in nature for a number of reasons outside the control of industry participants, including: (i) the demand for aviation travel; (ii) geopolitical and other events, including the war in Ukraine, the Israel- Hamas war, and other wars, civil disturbances, acts of terrorism, outbreaks of epidemic diseases, including the COVID- 19 global pandemic; and natural disasters; (iii) governmental regulation, including regulation of trade , such as **the imposition of import** ~~Fortitude Re, where Carlyle FRL owns an~~ **and** ~~indirect controlling~~ **export controls, tariffs, and other trade barriers; (iv) weakness in the capital and credit markets and the availability of credit; (v) significant decreases in purchasing power caused by inflation or otherwise; (vi) fluctuations in** interest ~~and has~~ **rates whether caused by changes in monetary policy, lack of supply, or** ~~the~~ **other** ~~right to appoint a majority~~ **economic conditions; (vii) changing political conditions, including risk** of ~~its board~~ **rising protectionism and authoritarian regimes, restrictions on immigration, or impositions** of **new trade barriers, including** ~~directors. Our Global Investment Solutions business is subject to~~ additional **economic sanctions** ~~risks, including the following: • The Global Investment Solutions business is subject to business and other risks and uncertainties generally consistent with our~~ - **or export controls** ~~business as a whole, including without limitation legal, tax and regulatory risks, the avoidance or management of conflicts of interest and the ability to attract and retain investment professionals and other personnel, and risks associated with the acquisition of new investment platforms. • Pursuant to our current arrangements with the various businesses, we restrict our participation in the investment activities undertaken by our Global Investment Solutions segment~~ (including ~~with respect~~ **those introduced due** to ~~AlpInvest~~ **the war in Ukraine**) **;** ~~, which may in turn limit our ability to address risks arising from their investment activities. For example, although we maintain ultimate control over AlpInvest, its management team~~ (**viii** ~~who are our employees~~) **cyber risk** ~~continue to exercise independent investment authority without involvement by other Carlyle personnel. For so long as these arrangements are in place~~ , **including** ~~we will observe substantial restrictions on our ability to access investment~~ information ~~or engage~~ **hacking, viruses, and malware; (ix) operating costs, availability and price of jet fuel, and general economic conditions affecting aircraft operations; (x) customer restructurings and bankruptcies and decreases** in ~~day~~ **the creditworthiness of customers; (xi) manufacturer production levels and technological innovation; (xii) aircraft and engine models being retired or otherwise made obsolete; (xiii) the industry ceasing to produce aircraft or engine types; (xiv) new** - **entrant manufacturers producing additional aircraft** ~~to- day participation in the AlpInvest investment businesses, including a restriction~~ that **compete** AlpInvest investment decisions are made and maintained...... efforts, and the activation of mandates with existing ~~investors~~ **models; (xv) aircraft age and the advent of newer models of aircraft; (xvi) airworthiness directives and service bulletins; (xvii) safety, noise, and emission standards and regulations; and (xviii) the availability of spare parts** . ~~• Conflicts~~ **A decline in demand for leased aircraft generally, or as a result of the factors**

described above, may ~~arise between such Global Investment Solutions funds~~ **result in decreases in rental rates, result in lease defaults, and delay or prevent the re- lease or sale of assets on favorable terms. Risks Related to Our Common StockThe market price of** ~~or~~ **our** ~~separate managed accounts (e. g., competition~~ **common stock may decline due to the large number of shares of common stock eligible** for **future sale** investment opportunities), and in some...... investment professionals with respect to specific investments . The market price of our common stock ~~could~~ **may** decline as a result of sales of a large number of shares of common stock in the market in the future or the perception that such sales could occur. These sales, or the possibility that these sales may occur, also may make it more difficult for us to sell common stock in the future at a time and at a price that we deem appropriate. Subject, in some cases, to compliance with our insider trading policy, minimum retained ownership requirements and limitations applicable to affiliates under Rule 144 under the Securities Act, all of these shares are freely tradable. In addition, the holders of these shares have the benefit of registration rights agreements with us. Moreover, as holders of freely tradable common stock rather than Carlyle Holdings units, the Former Private Unitholders are now able to more easily sell shares of common stock into the market (or donate shares of common stock to charities which in turn may sell these into the market) than was the case before the Conversion. For example, the Former Private Unitholders are no longer subject to restrictions that in **97** most cases limited their ability to exchange Holdings Units for common units to prescribed quarterly exchange dates. This could result in the Former Private Unitholders disposing of their equity interests in us more quickly and / or at a higher volumes than in the past, and the market price of our common stock could decline as a result. Subject to the restrictions described below, we may issue and sell in the future additional shares of common stock. The issuance of additional equity securities or securities convertible into equity securities would also result in dilution of our existing ~~stockholders~~ **shareholders** ' equity interest. The issuance of the additional shares of common stock, the sale of shares of common stock by our significant ~~stockholders~~ **shareholders,** and the vesting and sale of restricted stock units or the perception that such sales may occur could cause the market price of our common stock to decline. ~~Under~~ **As of December 31, 2023,** our **Chief Executive Officer held a total of 6, 532, 880 unvested restricted stock units (inclusive of unvested dividend equivalent units that have been credited on such awards) in respect of awards that were granted to him outside of the** Equity Incentive Plan **in connection with his hiring. Under our Equity Incentive Plan** , we had **22. 2 million** ~~10, 865, 248~~ unvested restricted stock units outstanding as of December 31, ~~2022~~ **2023** . In June 2021, our ~~stockholders~~ **shareholders** approved an amended and restated Equity Incentive Plan pursuant to which we ~~may~~ **were authorized to** issue **awards in respect of** up to 16, 000, 000 ~~awards~~ **shares of common stock and, at our 2023 Annual Meeting of Shareholders, our shareholders approved an amendment and restatement of the Equity Incentive Plan to increase the shares of common stock reserved for issuance under the Equity Incentive Plan by an additional 23, 800, 000 shares (from 16, 000, 000 shares prior to the amendment and restatement to a total of 39, 800, 000 shares following the amendment and restatement)** . As of December 31, ~~2022~~ **2023** , the total number of shares of common stock available for grant under the amended and restated Equity Incentive Plan was **27. 3 million** ~~12, 861, 371~~ and, following the grant of awards in February ~~2023~~ **2024** , the total number of shares of common stock available for grant under the amended and restated Equity Incentive Plan was **10** ~~2, 957, 542~~ . ~~An~~ **1 million. A further** increase in the number of shares available for grant under the Equity Incentive Plan would require shareholder approval, and any such approval would result in more shares that may be delivered in settlement of vested restricted stock unit awards and that may ultimately be sold in the market, which could lead to a decline in the market price of our common stock. We have filed several registration statements and intend to file additional registration statements on Form S- 8 under the Securities Act to register shares of common stock or securities convertible into or exchangeable for common stock issued or available for future grant under our amended and restated Equity Incentive Plan **,** when applicable. Any such Form S- 8 registration statement will automatically become effective upon filing. Accordingly, common stock registered under such registration statement will be available for sale in the open market. As restricted stock unit awards vest and shares of common stock are delivered to restricted stock unit holders, the market price of our common stock may decline if such holders elect to sell their shares of common stock. Morgan Stanley, our equity plan service provider, may, from time to time, act as a broker, dealer, or agent for, or otherwise facilitate sales in the open market through block transactions or otherwise of our common stock on behalf of, plan participants, including in connection with sales of shares of common stock to fund tax obligations payable in connection with the vesting of awards under our amended and restated Equity Incentive Plan. The market price of our common stock **has been and** may **continue to** be volatile, which could cause the value of your investment to decline. Our common stock may trade less frequently than those of certain more mature companies due to the limited number of shares of common stock held by non- affiliates outstanding. Due to such limited trading volume, the price of our common stock may display abrupt or erratic movements at times. It also may be more difficult for investors to buy and sell significant amounts of our common stock without an unfavorable impact on prevailing market prices. The market price of our common stock **has been and** may **continue to** be ~~highly~~ volatile and could be subject to wide fluctuations. Securities markets worldwide experience significant price and volume fluctuations. This market volatility, as well as general economic, market **,** or political conditions, could reduce the market price of our common stock in spite of our operating performance. In addition, our operating results could be below the expectations of public market analysts and investors due to a number of potential factors, including variations in our quarterly operating results or dividends to common stockholders, additions or departures of key management personnel, failure to meet analysts' earnings estimates, publication of research reports about our industry, litigation **,** and government investigations, changes or proposed changes in laws or regulations or differing interpretations or enforcement thereof affecting our business, adverse market reaction to any indebtedness we may incur or securities we may issue in the future, changes in market valuations of similar companies or speculation in the press or investment community, announcements by our competitors of significant contracts, acquisitions, dispositions, strategic partnerships, joint ventures or capital commitments, adverse publicity about the industries in which we participate or individual scandals, **another pandemic or global health crisis like** the COVID- 19 pandemic, general market conditions **,** and other events or occurrences, and in response

the market price of our common stock could decrease significantly. You may be unable to resell your common stock at or above the price you paid for them. **98** In the past few years, stock markets have experienced extreme price and volume fluctuations. Following periods of volatility in the overall market and the market price of a company' s securities, securities class action litigation has often been instituted against public companies. This type of litigation, if instituted against us, could result in substantial costs and a diversion of our management' s attention and resources. Carlyle Group Management L. L. C. **has significant influence over us and its interests may conflict with ours or yours. Carlyle Group Management L. L. C.** , which is wholly owned and controlled by our founders and other senior Carlyle professionals, holds approximately ~~42~~ **41** % of the voting power of our common stock as of December 31, ~~2022~~ **2023 ,** pursuant to an irrevocable proxy granted to it by senior Carlyle professionals and certain other former limited partners of Carlyle Holdings who became holders of shares of common stock in connection with the Conversion. For so long as Carlyle Group Management L. L. C. continues to have voting power over a significant percentage of our common stock, even though such amount is less than 50 %, it will ~~still~~ be able to significantly influence the composition of our Board of Directors and the approval of actions requiring stockholder approval. Accordingly, for such period of time, Carlyle Group Management L. L. C. will have significant influence with respect to our management, business plans **,** and policies, including the appointment and removal of our officers. In particular, for so long as Carlyle Group Management L. L. C. continues to own a significant percentage of our common stock, it will be able to cause or prevent a change of control of our company or a change in the composition of our Board of Directors and could preclude any unsolicited acquisition of our company. The concentration of ownership could delay or deter possible changes in control of our company and could deprive you of an opportunity to receive a premium for your shares of common stock as part of a sale of our company and ultimately might affect the market price of our common stock. **In addition, sales of our common stock by one or more of our founders may cause the market price of common stock to be volatile.** The interests of Carlyle Group Management L. L. C. may not coincide with our interests or the interests of other holders of our common stock **. See " Risks Related to Our Common Stock — The market price of our common stock has been and may continue to be volatile, which could cause the value of your investment to decline. " Our founders have the right to designate members of our Board of Directors** . Pursuant to the stockholder agreements with each of our founders, for so long as such founder and / or his " Founder Group " (as defined in the stockholder agreements) beneficially owns at least 5 % of our issued and outstanding common stock, each of our founders will have the right to nominate one director to our Board of Directors. In addition, each founder will have the right to nominate a second director to our Board of Directors until the earlier of (x) such time as such founder and / or his Founder Group ceases to beneficially own at least 20 million shares of our common stock and (y) January 1, 2027. For so long as at least one founder is entitled to designate two directors to the Board of Directors, the founders then serving on our Board of Directors may (i) designate a founder to serve as chair or co- chair and (ii) designate a founder to serve on each of the compensation and nominating committees and any executive committee, subject to applicable law and listing standards. Accordingly, for such period of time, our founders will have significant influence over the composition of our Board of Directors and could prevent certain changes in the composition of our Board of Directors. Our **amended and restated certificate of incorporation does not limit the ability of our former general partner, founders, directors, officers, or stockholders to compete with us. Our amended and restated** certificate of incorporation provides that none of Carlyle Group Management L. L. C., any person that controls Carlyle Group Management L. L. C., and our founders, directors and officers **,** and stockholders will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. In the ordinary course of their business activities, these persons may engage in activities where their interests conflict with our interests or those of our other stockholders. These persons also may pursue acquisition opportunities that may be complementary to our business ~~,~~ and, as a result, those acquisition opportunities may not be available to the Company. In addition, these persons may have an interest in our pursuing acquisitions, divestitures **,** and other transactions that, in their judgment, could enhance their investment, even though such transactions might involve risks to our common stockholders. **99 Anti- takeover provisions in our organizational documents and Delaware law may discourage or delay acquisition attempts for us that stockholders might consider favorable.** Our **amended and restated** certificate of incorporation and bylaws contain provisions that may make the merger or acquisition of our company more difficult without the approval of our Board of Directors. Among other things, these provisions: ~~• provide that our Board of Directors will be divided into three classes, as nearly equal in size as possible, with directors in each class serving three- year terms and with terms of the directors of only one class expiring in any given year (although it is anticipated that a management proposal to reorganize the Board of Directors into one class will be voted on by stockholders at the Company' s 2023 Annual Meeting of Stockholders);~~ • provide for the removal of directors only for cause; • provide that, if at any time any person or group (other than Carlyle Group Management L. L. C. and its affiliates, a direct or subsequently approved transferee of Carlyle Group Management L. L. C. or its affiliates) beneficially owns 20 % or more of any class of stock then outstanding, that person or group will lose voting rights on all of its shares of stock and such shares may not be voted on any matter; • would allow us to authorize the issuance of shares of one or more series of preferred stock, including in connection with a stockholder rights plan, financing transactions **,** or otherwise, the terms of which series may be established and the shares of which may be issued without stockholder approval, and which may include super voting, special approval, dividend, or other rights or preferences superior to the rights of the holders of common stock; • prohibit stockholder action by written consent unless such action is consented by the Board of Directors; • provide for certain limitations on convening special stockholder meetings; • provide (i) that the Board of Directors is expressly authorized to make, alter, or repeal our bylaws and (ii) that our stockholders may only amend our bylaws with the approval of at least a majority of all of the outstanding shares of our capital stock entitled to vote; and • establish advance notice requirements for nominations for elections to our Board of Directors or for proposing matters that can be acted upon by stockholders at stockholder meetings. Moreover, as a Delaware corporation, we are subject to provisions of Delaware law, which may impede or discourage a takeover attempt that our stockholders may find beneficial. These anti-

takeover provisions and other provisions under Delaware law, our stockholder agreements with our founders and proxy held by Carlyle Group Management L. L. C. could discourage, delay **,** or prevent a transaction involving a change in control of our company, including actions that our stockholders may deem advantageous, or could negatively affect the trading price of our common stock. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing and to cause us to take other corporate actions you desire. The provision of our **amended and restated** certificate of incorporation requiring exclusive venue in the Court of Chancery in the State of Delaware for certain types of lawsuits may have the effect of discouraging lawsuits against us and our directors, officers **,** and stockholders. Our **amended and restated** certificate of incorporation requires, to the fullest extent permitted by law, that any claims, suits, actions **,** or proceedings arising out of or relating in any way to our **amended and restated** certificate of incorporation may only be brought in the Court of Chancery of the State of Delaware or, if such court does not have subject matter jurisdiction thereof, any other court in the State of Delaware with subject matter jurisdiction. This provision may have the effect of discouraging lawsuits against us and our directors, officers **,** and stockholders. If The Carlyle Group Inc. were deemed to be an " investment company " under the Investment Company Act, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business. An entity generally will be deemed to be an " investment company " for purposes of the Investment Company Act if: • it is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting **,** or trading in securities; ~~or~~ **or100** • absent an applicable exemption, it owns or proposes to acquire investment securities having a value exceeding 40 % of the value of its total assets (exclusive of U. S. government securities and cash items) on an unconsolidated basis. We believe that we are engaged primarily in the business of providing asset management services and not in the business of investing, reinvesting **,** or trading in securities. We hold ourselves out as an asset management firm and do not propose to engage primarily in the business of investing, reinvesting **,** or trading in securities. Accordingly, we do not believe that The Carlyle Group Inc. is an " orthodox " investment company as defined in section 3 (a) (1) (A) of the Investment Company Act and described in the first bullet point above. Furthermore, The Carlyle Group Inc. does not have any material assets other than its interests in certain wholly owned subsidiaries, which in turn have no material assets other than general partner interests in the Carlyle Holdings partnerships. These wholly owned subsidiaries are the sole general partners of the Carlyle Holdings partnerships and are vested with all management and control over the Carlyle Holdings partnerships. We do not believe that the equity interests of The Carlyle Group Inc. in its wholly owned subsidiaries or the general partner interests of these wholly owned subsidiaries in the Carlyle Holdings partnerships are investment securities. Moreover, because we believe that the capital interests of the general partners of our funds in their respective funds are neither securities nor investment securities, we believe that less than 40 % of The Carlyle Group Inc.' s total assets (exclusive of U. S. government securities and cash items) on an unconsolidated basis are composed of assets that could be considered investment securities. Accordingly, we do not believe that The Carlyle Group Inc. is an inadvertent investment company by virtue of the 40 % test in section 3 (a) (1) (C) of the Investment Company Act as described in the second bullet point above. In addition, we believe that The Carlyle Group Inc. is not an investment company under section 3 (b) (1) of the Investment Company Act because it is primarily engaged in a non- investment company business. The Investment Company Act and the rules thereunder contain detailed parameters for the organization and operation of investment companies. Among other things, the Investment Company Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options **,** and impose certain governance requirements. We intend to conduct our operations so that The Carlyle Group Inc. will not be deemed to be an investment company under the Investment Company Act. If anything were to happen that would cause The Carlyle Group Inc. to be deemed to be an investment company under the Investment Company Act, requirements imposed by the Investment Company Act, including limitations on our capital structure, ability to transact business with affiliates (including us) and ability to compensate key employees, could make it impractical for us to continue our business as currently conducted, impair the agreements and arrangements between and among The Carlyle Group Inc. and our senior Carlyle professionals **,** and materially adversely affect our business, results of operations **,** and financial condition. In addition, we may be required to limit the amount of investments that we make as a principal or otherwise conduct our business in a manner that does not subject us to the registration and other requirements of the Investment Company Act. **The consolidation of investment funds, holding companies, or operating businesses of our portfolio companies could make it more difficult to understand the operating performance of the Company and could create operational risks for the Company.** Under applicable U. S. GAAP standards, we may be required to consolidate certain of our investment funds, holding companies **,** or operating businesses if we determine that these entities are VIEs and that we are the primary beneficiary of the VIE, as discussed in Note ~~3~~ **2** to our consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10- K. The consolidation of such entities could make it difficult for an investor to differentiate our assets, liabilities, and results of operations apart from the assets, liabilities, and results of operations of the consolidated VIEs. The assets of the consolidated VIEs are not available to meet our liquidity requirements and, similarly, we generally have not guaranteed or assumed any obligation for repayment of the liabilities of the consolidated VIEs. As of December 31, ~~2022~~ **2023** , the total assets and liabilities of the consolidated VIEs reflected in the consolidated balance sheets were $ 7. ~~2~~ **8** billion and $ 6. ~~2~~ **9** billion, respectively **. Risks Related to TaxationChanges in relevant tax laws, regulations, or treaties or an adverse interpretation of these items by tax authorities could negatively impact our effective tax rate, tax liability, and / or the performance of certain funds should unexpected taxes be assessed to portfolio investments (companies) or fund income** . Our effective tax rate and tax liability is based on the application of current income tax laws, regulations **,** and treaties. These laws, regulations **,** and treaties are complex, and the manner that they apply to us and our funds is sometimes open to interpretation. Significant management judgment is required in determining our provision for income taxes, our deferred tax assets and liabilities **,** and any valuation allowance recorded against our net deferred tax assets. Although management believes **101** its application of current laws,

regulations **,** and treaties to be correct and sustainable upon examination by the tax authorities, the tax authorities **(including the Internal Revenue Service (" IRS "), which has received additional funding under the Inflation Reduction Act of 2022 (the " IRA ") to bolster enforcement of the U. S. tax code)** could challenge our interpretation, resulting in additional tax liability or adjustment to our income tax provision that could increase our effective tax rate. There may be changes in tax laws or interpretations of tax laws (possibly with retrospective effect) in jurisdictions in which we operate, are managed, are advised, are promoted **,** or invest. Such changes could materially increase the amount of taxes, we, our portfolio companies, our investors, or our employees and other key personnel and service providers are required to pay. In particular, both the level and basis of taxation may change. Changes to taxation treaties or interpretations of taxation treaties between one or more such jurisdictions and the countries through which we hold investments, or the introduction of, or change to, EU directives may adversely affect our ability to efficiently realize income or capital gains and to efficiently repatriate income and capital gains from the jurisdictions in which they arise. **Past and future changes** ~~Moreover, the COVID- 19 pandemic could prompt governments~~ to ~~increase taxes~~ -- **tax** ~~to fund relief measures,~~ **laws and regulations may have** ~~and~~ - **an adverse impact** ~~/ or assert taxing jurisdiction~~ on **us** ~~account of remote working conditions~~ , **including by** ~~as discussed below. Consequently, it is possible that we may face unfavorable tax treatment that may~~ materially **and** adversely ~~affect~~ **affecting** the value of our investments or the feasibility of making **certain** investments ~~in certain countries~~ . This could significantly affect returns to investors, cause us to revalue our net deferred tax assets **,** and / or have a material change to our effective tax rate and tax liabilities. For example, the **enactment of the** TCJA ~~, and guidance interpreting the TCJA since its enactment~~ in 2017 ~~, have~~ resulted in many significant changes to the U. S. federal income tax laws ~~, some of which could adversely impact us and / or our portfolio companies~~ , including changes to the taxation of carried interest, changes to the deductibility of certain interest expense and compensation, limitations on the utilization of net operating losses, and changes relating to the scope and timing of U. S. taxation of earnings from international operations (including through an expanded definition of " controlled foreign corporations, " introduction of a minimum tax on " global intangible low- taxed income " (" GILTI "), and changes to the creditability of foreign taxes). ~~Final~~ **In addition,** foreign tax credit regulations published **in** ~~on January 4,~~ 2022 **have** ~~, which are part of a series of foreign tax credit regulations issued since the enactment of the TCJA, introduce~~ **introduced** significant **,** fundamental changes to the definition of what is considered a creditable foreign income tax, including an attribution requirement, which could have an adverse impact on us, our portfolio companies, and / or our investors. **However, the U. S. Department of the Treasury and the IRS provided temporary relief in 2023 from certain provisions of the foreign tax credit regulations. Proposed regulations were also issued in 2023 related to functional currency and taxation on foreign exchange transactions, which could change how taxpayers are currently computing foreign exchange calculations.** Further, ~~foreign, state and local governments may enact tax laws in response to~~ the ~~TCJA that could result in further changes to foreign, state and local taxation and have a material adverse effect on our results of operations, financial condition and cash flow. In addition, the Inflation Reduction Act of 2022 (the "~~ IRA ~~")~~ introduced **, among other things,** a 15 % alternative minimum tax on the " adjusted financial statement income " of certain large corporations and a 1 % excise tax on certain actual and deemed stock repurchases ~~, both of which become effective in 2023~~ . We expect to be an applicable corporation that is subject to the alternative minimum tax, as well as a covered corporation that **is** ~~could be~~ subject to the 1 % excise tax. **These and other changes may not only materially change the amount and / or timing of tax we and our portfolio companies may be required to pay, but may also increase tax- related regulatory and compliance costs.** The alternative minimum tax ~~in particular~~ requires complex computations to be performed that were not previously required in U. S. tax law, significant judgments to be made in interpretation of the provisions of the IRA, significant estimates in calculations, and the preparation and analysis of information not previously relevant or regularly produced. The U. S. Department of the Treasury, the IRS, and other standard- setting bodies **have issued some guidance and** are expected to issue **additional** guidance on how the alternative minimum tax provisions of the IRA will be applied or otherwise administered that may differ from our interpretations. As we ~~complete our analysis~~ **comply with the provisions** of the IRA, collect and prepare necessary data, and interpret any additional guidance, we may make adjustments to provisional amounts that we have recorded that may materially impact our provision for income taxes in the period in which adjustments are made. State and local governments may ~~propose new legislation~~ **also enact tax laws** that ~~if passed~~ could result in fundamental changes in state and local **taxation** ~~tax law~~ and ~~regulations, which may~~ have a material ~~impact~~ **adverse effect** on ~~the amount~~ **our results** of ~~taxes we are required to pay~~ **operations, financial condition, and cash flow** . In particular, both the level and basis of taxation may change. For example, the State of New York ~~has~~ issued ~~draft~~ **final** regulations **on December 27, 2023,** that ~~, if enacted in current~~ **will implement comprehensive franchise tax reform** ~~form~~ - **for corporations** , ~~could negatively~~ **banks, and insurance companies. This did not have a material** impact ~~certain corporate managers of investments funds~~ **to our consolidated financial statements, however we will continue to monitor as additional guidance is released** by ~~sourcing more of their~~ -- **the State of** ~~management or advisory fee income to~~ New York ~~state~~ . **Some countries are implementing,** ~~We have not yet determined the effect of these draft regulations on our~~ - **or** ~~tax provision. During~~ **considering implementing, new legislation relating to remote working following** the COVID- 19 pandemic, ~~many countries relaxed the application of existing tax rules applying to remote working. Governments, along with the EU and the Organisation for~~ - **or** ~~Economic Co- operation and Development (the " OECD "), are now renewing their focus in this area, in many cases~~ ending concessionary treatment ~~that they~~ applied during the pandemic ~~, and with the potential for taxing jurisdiction to be asserted in circumstances where this would not historically have been the case. In particular, some countries are implementing, or considering implementing, new legislation relating to remote working~~ . Our employees and other key personnel and service providers remain more diversely located than before the pandemic, and developments in this area could potentially lead to increased tax and compliance costs, including as result of increased payroll tax and social security costs for our entities, and our entities being subject to tax in jurisdictions where they are not currently considered to have a taxable presence. If our employees or other key personnel and service providers bear

increased tax costs, or if we need to take a stricter approach on working practices, this may also affect our ability to retain such individuals. International tax developments may also significantly impact us. **The** ~~Pursuant to the~~ OECD' s base erosion and profit shifting (" BEPS ") ~~Project~~ **project is focused on a number of issues** , **including the shifting of profits between affiliated entities in different tax 102 jurisdictions, interest deductibility, and eligibility for the benefits of double tax treaties. Several of the proposed measures, including measures covering treaty abuse (including an anti- abuse " principal purpose " test), the deductibility of interest expense, local nexus requirements, transfer pricing, and hybrid mismatch arrangements are potentially relevant to some of our structures and could have an adverse tax impact on our funds, investors, and / or our portfolio companies, including by adversely impacting our ability to efficiently realize and repatriate income and capital gains from the jurisdictions in which they arise.** ~~many~~ **Many** individual jurisdictions have introduced domestic legislation implementing certain of the BEPS action points ~~. Several~~ **, but, because timing** of **implementation and** the ~~areas~~ **specific measures adopted will vary among participating member countries, significant uncertainty remains regarding the impact** of ~~tax law (including double taxation treaties) on which~~ the BEPS **proposals. Moreover** ~~Project focuses are relevant to our ability to efficiently realize income or capital gains and to efficiently repatriate income and capital gains from the jurisdictions in which they arise and~~ , ~~depending on the extent to and manner in which relevant jurisdictions have implemented (or implement, as the case may~~ **many** ~~be) changes in those areas of tax law (including double taxation treaties), our ability to do those things may be adversely impacted. Many~~ of the jurisdictions in which we have made (or ~~will~~ **expect to** make) investments have now ratified, accepted **,** and approved the OECD' s Multilateral Instrument that brings into ~~force~~ **effect** a number of relevant changes to double tax **treaty eligibility** ~~treaties within scope~~ . While these changes continue to be introduced, there remains uncertainty as to whether and ~~, if so,~~ to what extent we may benefit from ~~the protections afforded by~~ such treaties and whether our funds may look to their ~~partners~~ **investors** in order to derive tax treaty or other benefits. This position is likely to remain uncertain for a number of years ~~. In addition, press speculation and heightened focus on the structures commonly used in the private equity industry in general, whether or not valid, may harm our reputation, which may ultimately be damaging to our business~~ . In addition, the EU has adopted (and subsequently extended) an Anti- Tax Avoidance Directive (the " ATAD rules "), which directly implements some of the BEPS ~~Project~~ **project** action points within EU law and requires EU Member States to transpose the ATAD rules into their domestic laws. The ~~most recent provisions of the~~ ATAD rules **, which include** ~~to come into effect were~~ rules targeting reverse hybrids, ~~which generally apply from January 1, 2022. The ATAD rules~~ and the domestic laws that implement them are extensive, complex **,** and could apply to a wide range of scenarios. While certain countries have issued guidance on the application of these rules ~~, we are still waiting for the issuance of guidance from several other countries and at this stage~~ , the impact of the ATAD rules and their application to our entities remains uncertain. These rules could have an adverse tax impact on our firm, funds, investors **,** and / or our portfolio companies. ~~Moreover~~ **On January 17** , **2023,** ~~a number of further proposals from~~ the European **Parliament approved a** ~~Commission have or are expected to be issued shortly that further enhance and move beyond the work on the BEPS Project, including, but not limited to, the~~ proposal ~~issued on December 22, 2021,~~ for ~~a Council~~ **an anti- tax avoidance** ~~Directive~~ **directive laying down** ~~to further extend the scope of the ATAD~~ rules ~~. This proposal calls for provisions~~ to prevent the misuse of shell entities for tax purposes within the EU (the " Unshell Proposal **, " also known as " ATAD III** "). **The final text will need to be approved by the** ~~In addition, a proposal published on May 11, 2022, for a~~ Council ~~Directive seeks to reduce the difference in tax treatment between equity and debt financing (the " Debt- Equity Bias Reduction Allowance " or the " DEBRA Proposal "). There is considerable uncertainty surrounding the development and implementation~~ of ~~these proposals (including as a result of a series of non- binding amendments put forward by~~ the European **Union. If implemented,** ~~Parliament during 2022 in respect of~~ the Unshell Proposal ~~). If implemented, the proposals~~ could, among other things, impose additional taxes on our entities (including by imposing additional limitations on the deductibility of interest payments) and / or impact our ability to repatriate investment returns and / or international profits in a tax efficient way resulting in additional tax costs and / or reporting, disclosure **,** and computation obligations (which could result in increased administrative and compliance costs) for our entities. **Moreover, a number of further proposals from the European Commission have or are expected to be issued that further enhance and move beyond the work on the BEPS project. First, a package of tax reforms was adopted by the European Commission on September 12, 2023, comprising the " Proposal for a Council Directive on Business in Europe: Framework for Income Taxation " (" BEFIT ") (which seeks to produce a comprehensive solution for business taxation in the EU) and the " Proposal for a Council Directive on transfer pricing " (which seeks to harmonize transfer pricing rules within the EU and ensure a common approach to transfer pricing). BEFIT aims to introduce a common set of rules for EU companies to calculate their taxable base while ensuring a more effective allocation of profits between EU countries. Following adoption by the European Council, the proposals are intended to come into force on July 1, 2028 (for BEFIT) and January 1, 2026 (for the transfer pricing proposals). BEFIT has the potential to alter taxing rights with the EU, and may include substantive changes to applicable tax rules. Second, the European Commission has proposed changes to the procedures used across the European Union in respect of withholding taxes. Specifically, the changes are aimed to simplify the procedures for a refund or to apply for relief at the source; however, the proposal could have broader implications. If adopted, these withholding tax proposals are expected to come into effect from January 1, 2027. Whether these proposals will be taken forward, and if so the details and timing of their implementation and the impact on our funds, or any entities in or through which our funds invest, is uncertain.** The OECD ~~is~~ **has** also **issued** ~~leading work on~~ proposals, commonly referred to as " BEPS 2. 0, " which ~~, if implemented, would~~ fundamentally change the international tax system. The proposals are based on two " pillars " involving the ~~reallocation~~ **shifting** of taxing rights **to the jurisdiction of the consumer** (" Pillar One ") and **ensuring all companies pay** a ~~new~~ global minimum corporate tax ~~rate~~ (" Pillar Two "). Under Pillar One, multinational enterprises (" MNEs ") with an annual global turnover of at least EUR 20 billion ~~(although this turnover threshold may potentially be reduced in the future)~~ will be subject to rules allocating ~~25 %~~ **a formulaic share** of

consolidated profits in excess of a 10 % profit margin to the jurisdictions ~~within which they carry on business~~ **where their consumers or users are located** (subject to threshold rules). MNEs carrying on specific low- risk activities are excluded, including " regulated financial services **.** " ~~(although the scope of this exclusion has not yet been confirmed).~~ Pillar Two imposes a minimum effective tax rate of 15 % on MNEs that have consolidated revenues of at least EUR 750 million in at least two out of the last four years. Pillar Two introduces two related tax measures (the " GloBE " rules): the income inclusion rule (" IIR ") imposes a top up tax on a parent entity where a constituent member of the MNE group has low- taxed income, while the undertaxed payment rule (" UTPR ") applies to intra- group payments if ~~the~~ **a** constituent member' s income is not taxed by an IIR. In addition, a subject to tax rule (" STTR ") will permit source jurisdictions to impose limited withholding taxes on low- taxed related party payments, which will be creditable against the GloBE rules tax liability. The **OECD has released model** ~~proposals are complex and subject to significant uncertainty, consultation in respect of certain aspects of the~~ rules ~~is ongoing~~ and **commentary for** ~~we await further guidance from the OECD. It is anticipated that certain classes of entities that are typically exempt from tax will be outside of the scope of~~ Pillar Two, including **guidance** ~~investment funds and real estate investment vehicles (as respectively defined), which are the ultimate parent entity of the MNE group (and certain holding vehicles of such entities); however, the application of these exemptions to our entities remains open to significant uncertainty. Although the implementation of the Pillar One and Pillar Two proposals is scheduled for 2024, important details, in particular~~ on the ~~implementation~~ **treatment** of **taxes paid** ~~Pillar One, are still awaited. On December 20, 2021, the OECD released Pillar Two model rules providing a template for jurisdictions to translate the GloBE rules into domestic law. On December 15, 2022, the EU adopted a Council Directive that requires certain GloBE rules to be transposed into EU member states' national laws~~ by ~~December 31, 2023, and a number of other countries, including the~~ U. ~~K~~ **S** . ~~, are currently proposing to implement core elements of the Pillar Two proposal with effect from the start of 2024. In addition, South Korea has enacted Pillar Two global minimum tax rules into its domestic legislation, with effect from the start of 2024. It is likely that many other countries will also seek to implement their own domestic minimum tax proposals as well as potentially digital services taxes. There remains significant uncertainty as to the interaction of these rules and, subject to the development and implementation of both Pillar One and Pillar Two (including the details of any domestic legislation, double taxation treaty amendments and multilateral agreements that may be necessary to implement them), effective tax rates could increase for our firm, funds, portfolio~~ companies ~~and investors, and it is likely that our entities will be subject to significant additional compliance and / or reporting obligations. Any tax laws, regulations or treaties newly enacted or enacted in the future may also cause us to revalue our net deferred tax assets and have a material change to our effective tax rate and tax liabilities, as a result. Moreover, the Netherlands continued to provide additional updates to its withholding tax~~ on ~~dividends. As of January 1, 2024, dividend distributions made by Dutch companies to " associated beneficiaries " established in blacklisted jurisdictions and to " associated beneficiaries " established in~~ non- **U** ~~blacklisted jurisdictions in case of situations that are deemed to be " abusive " may be subject to a conditional withholding tax~~ . **S.** ~~The applicable tax rate is linked to the highest corporate~~ income **under** ~~tax in the relevant year (being 25. 8 % in 2023). A draft bill, including amendments, on a proposed dividend withholding tax exit charge has been presented to parliament. If the bill is accepted, it would be retroactively effective as of December 8, 2021. We are evaluating and monitoring the impact of these~~ -- **the U. S. Global Intangible Low- Taxed** ~~changes, which could result in additional withholding taxes being levied on our investment funds or on repatriation of income~~ **Income** ~~and gains generated. We must comply with complicated and expansive information tax reporting regimes~~ - **regime** ~~in multiple jurisdictions, which require us to perform due diligence and to report information about certain account holders and investors~~ . **103** ~~Failure to comply with these requirements could result in increased administrative and compliance costs for our investment entities and, in some cases, could subject our investment entities to increased withholding taxes or monetary penalties.~~