

# CARLYLE

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**CELf Advisors LLP**

## **2024 UK TCFD ENTITY REPORT**

### **IMPORTANT INFORMATION**

The disclosures in this report are prepared on behalf of CELf Advisors LLP, a limited liability partnership registered in England and Wales under number OC357078 and authorised and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom (firm reference number 531016), (the "UK Entity").

This report ("UK TCFD Report") has been prepared to comply with the UK Entity's obligations (as applicable) under Chapter 2 of the FCA's Handbook's Environment, Social and Governance Sourcebook ("FCA ESG"). It cross-refers to information which can be found in the Carlyle 2024 TCFD report ("Group Report"), which is incorporated in the Carlyle 2024 ESG Report ("Group ESG Report") (see link [here](#)). The Group Report should be read in conjunction with the sections of the other reports cross-referenced in this UK TCFD Report.

The UK Entity is a part of Carlyle, a multinational private equity, alternative asset management and financial services corporation traded on the NASDAQ stock exchange with ticker "CG" ("Carlyle", the "Group", "we").

The UK Entity's TCFD in-scope business covers the provision of "portfolio management services" (as that term is defined in FCA ESG, which, in this context, includes advising on investments). The UK Entity's TCFD in-scope business is covered by this UK TCFD Report, to the extent that the in-scope business is addressed by the Group Report.

Carlyle's governance of, and approach to, climate-related financial risks and opportunities is generally determined at group level. As an investment advisor to its US Carlyle affiliates in relation to funds and other products managed by its affiliates, the climate-related financial risks and opportunities to which the UK Entity is exposed directly correlate to the climate-related financial risks and opportunities arising for those affiliates, via their portfolios, funds and other managed products. The UK Entity may also arrange transactions relating to such funds and act as a distributor of Carlyle funds in the UK and certain other jurisdictions (excluding the EEA). The UK Entity does not delegate its advisory functions and therefore it is not necessary to address delegation and the interaction between climate-related risks and opportunities in this UK TCFD Report.

The reference period for this UK TCFD Report and the Group Report is 1 January 2023 – 31 December 2023.

**COMPLIANCE STATEMENT**

The disclosures in this report, including any third party or group disclosures cross-referenced in it, comply with the relevant requirements set out in chapter 2 of the FCA's Environment, Social and Governance (ESG 2) sourcebook as of 28 June 2024.

DocuSigned by:  
Signature:  —  
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Name: Matthew Cottrell  
Title: Compliance Officer

**CEL F Advisors LLP**

**Date: 28/06/2024**

## **GOVERNANCE**

### **Disclose the organisation's governance around climate-related risks and opportunities.**

The governance recommendations are addressed on pages 56-57 of the Group Report. Specific references are provided below.

#### **Recommended Disclosure a)**

Describe the board's oversight of climate-related risks and opportunities.

Carlyle's Board of Directors has ultimate oversight over ESG activities, including the approach to climate risks and opportunities, in respect of the whole Group including the UK Entity. The UK Entity's own directors have, as part of their directors' duties and regulatory obligations, responsibility for any climate risks that arise specifically within their own entity to the extent that these pose a risk to the interests of the company, though due to the nature of the business this is not expected to occur.

For details of the Group's governance arrangements please refer to page 57 of the Group Report. In addition, please see the response to GRI 102-19 on page 70 of the Group ESG Report, which describes board oversight of ESG matters including climate-related financial risks and opportunities.

#### **Recommended Disclosure b)**

Describe management's role in assessing and managing climate-related risks and opportunities.

Carlyle's Sustainability team oversees the approach of the Group to ESG and climate-related risks and opportunities. Carlyle's Co-Heads of Sustainability report into the Global Head of Corporate Affairs, with ultimate oversight from the firm's Chief Operating Officer. For details of the Group's management arrangements please refer to page 57 of the Group Report.

## **STRATEGY**

***Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.***

The strategy recommendations are addressed on pages 57-58 of the Group Report. Specific references are provided below.

<p><b><u>Recommended Disclosure a)</u></b></p> <p>Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</p>	<p>Please see page 58 for information on the climate-related risks faced by the Group over the short, medium and long term. Further investigation by the Group is needed to accurately determine climate-related opportunities, as well as the timeframe in which each climate-related risk and opportunity is most likely to materialise. The UK Entity has not identified climate-related risks relating to its business that would merit having additional regulatory capital as a part of its internal capital adequacy and risk assessment (ICARA) process under the FCA's MIFIDPRU rules.</p>
<p><b><u>Recommended Disclosure b)</u></b></p> <p>Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p>	<p>The Group views ESG efforts as part of the overall value creation plan, and when ESG can be directly tied to financial outcomes within our portfolio, we endeavour to describe that relationship – please see some examples in this <a href="#">paper</a> published by Carlyle.</p> <p>Further analysis is required to fully predict the impact of climate-related risks and opportunities for Carlyle, including the UK Entity. However, please see disclosure a) above in relation to no additional regulatory capital being assessed to be needed to cover climate-related risks.</p>
<p><b><u>Recommended Disclosure c)</u></b></p> <p>Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios</p>	<p>At this time the Group has yet to undertake climate scenario analysis. We are currently investigating integrating scenario analysis into our future reporting for the Group, including the UK entity.</p>

## **RISK MANAGEMENT**

<b><i><u>Disclose how the organisation identifies, assesses and manages climate-related risks.</u></i></b>	
The way in which climate-related risks are identified and managed are addressed on pages 59-60 of the Group Report. Specific references are provided below.	
<b><u>Recommended Disclosure a)</u></b>  Describe the organisation's processes for identifying and assessing climate-related risks.	For more information on the Group's risk management approach please refer to pages 59-60 of the Group Report.
<b><u>Recommended Disclosure b)</u></b>  Describe the organisation's processes for managing climate-related risks.	There is a firm-wide ESG review committee focused on ESG risks, including climate-related risks, that is comprised of the Chief Operating Officer, Chief Risk Officer and the Global Head of Corporate Affairs.  For more information on the Group's risk management approach please refer to pages 59-60 of the Group Report.
<b><u>Recommended Disclosure c)</u></b>  Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Climate-related risks which are sufficiently material are managed by the Group in the same way as other risk matters. See page 23 of the Group's 2024 <a href="#">Proxy Statement</a> .

## **METRICS AND TARGETS**

<b><i><u>Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.</u></i></b>	
The metrics and targets recommendations are addressed on page 60 of the Group Report. Specific references are provided below. Data in the Group Report, or other cross-referenced report, that are estimated, approximated, or limited in scope (or statements based on such data) are identified as such in the Group Report or other cross-referenced report.	
<b><u>Recommended Disclosure a)</u></b>  Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	For information on the Group's tracking of metrics please refer to page 60 of the Group Report.

<p><b><u>Recommended Disclosure b)</u></b></p> <p>Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>The emissions of the Group are provided on page 65 of the Group ESG Report.</p>
<p><b><u>Recommended Disclosure c)</u></b></p> <p>Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</p>	<p>The Group has a goal to achieve net zero greenhouse gas emissions by 2050 or sooner across direct investments and supports this long-term goal with near-term goals. Further details of the Group's targets and the KPIs used to measure progress can be found on pages 61 to 64 of the Group ESG report.</p> <p>At this time, the Group does not use an internal carbon price.</p>