
THE CARLYLE GROUP

AIFMD Notification by Carlyle Investment Management, L.L.C.

In connection with the Alternative Investment Fund Managers Directive (the “Directive”), Carlyle Investment Management, L.L.C. is required to make a notification to the shareholders of KAP-Beteiligungs-Aktiengesellschaft (KAP).

Carlyle Investment Management, L.L.C. is affiliated with The Carlyle Group L.P. (NASDAQ: CG) (“Carlyle”), a global alternative asset management firm with business operations across several geographic locations and business segments.

On 19 December 2016, private funds managed by Carlyle Investment Management, L.L.C. (specifically Carlyle Strategic Partners IV, L.P.) acquired an interest in KAP.

Under the AIFMD Directive, we are required to make available to you our policies relating to conflicts of interest. We are an investment advisor registered with and subject to the oversight of the U.S. Securities and Exchange Commission. As such, we are subject to broad fiduciary duties to act in the best interest of, and mitigate conflicts of interest related to, our client investment funds. We have adopted a comprehensive set of written policies and procedures designed to identify and mitigate the conflicts we face in our business. Furthermore, it is the primary obligation of the board of directors of KAP to act in the interest of the shareholders, ensuring any agreements are concluded at arm’s length.

The Directive also requires us to advise you of our policies with respect to internal and external communications. As a public company, Carlyle has also adopted policies governing its communications. We approach each communication in accordance with applicable facts, circumstances and requirements. In general, Carlyle believes it is the role of company management, not Carlyle, to communicate with employees of a particular company. As a result, employees of a Carlyle portfolio company should expect communications about the company to come from company management.

Carlyle Investment Management, L.L.C.

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