

Human Capital

An Interview with Kara Helander,
Managing Director and Chief Inclusion and Diversity Officer,
The Carlyle Group, L.P.

Risk Management

An Interview with Heather Mitchell,
Partner, Managing Director and Global General Counsel - Investments,
The Carlyle Group, L.P.

FIRM BRIEF The Carlyle Group (carlyle.com) is a global alternative asset manager with \$212 billion of assets under management. Carlyle's purpose is to invest wisely and create value on behalf of its investors, many of whom are public pensions. Carlyle invests across four segments – corporate private equity, real assets, global market strategies and investment solutions. The Carlyle Group employs more than 1,600 people in 31 offices across six continents.



Kara Helander

EDITORS' NOTE Prior to joining Carlyle, Kara Helander was a Managing Director at BlackRock where she led the firm's global inclusion and diversity efforts, and philanthropy initiatives. She founded the Science of Diversity and Inclusion (SODI), a coalition of top companies and behavioral scientists working to design and test new approaches to accelerate diversity and inclusivity in the workplace. She also led CSR at Barclay's Global Investors (BGI). Prior to BGI, Helander launched and led the Western Region for Catalyst in Silicon Valley. She serves on the Board of Directors of Leading Educators and received her B.A. from Vanderbilt University and an M.B.A. from The Wharton School at the University of Pennsylvania.

Will you discuss your role at Carlyle and your key areas of focus at the firm?

In this newly created position, I lead the firm's inclusion and diversity efforts, helping to ensure that Carlyle attracts, develops and retains top talent. I also focus on increasing board diversity at our portfolio companies. This is an amazing opportunity to have an impact on Carlyle, on our portfolio companies and on the broader society, given Carlyle's reach.

Carlyle places a major emphasis on diversity and inclusion. Will you highlight these efforts and how engrained they are as a part of Carlyle's culture?

Seeing opportunities and seizing them is fundamental to success in our business. Diverse and inclusive teams can tease out ideas from every angle to generate competitive business insight. There is abundant evidence that diverse and inclusive teams outperform in execution, so it is very important that we have people with diverse perspectives, knowledge bases, interests, passions and cultural identities. These differences in what we know, in how we see the world and in the models we use to draw insights are critical to our success.

Our co-CEOs, Glenn Youngkin and Kewsong Lee, have made inclusion and diversity a priority. If a firm doesn't have that leadership commitment, change simply will not happen.

The firm has made meaningful progress over the past five years. For example, women hold 23 percent of our senior positions (Principal/ Partner) in the U.S., compared with an industry average of 9.4 percent. These leaders run major investment groups and functions around the globe. In addition to the women profiled here, Sandra Horbach is Co-Head of U.S. Buyout and oversees our two largest funds. Lauren Dillard leads our Investment Solutions business. Georgette Kiser is Head of Global IT.

How important are metrics to track the impact of Carlyle's diversity and inclusion programs?

Metrics are absolutely key. They determine where you need to improve; they help monitor progress; and they strengthen accountability. However, metrics alone are not enough. They represent one of four key ingredients to driving progress in inclusion and diversity. Unambiguous leadership commitment is essential. Without it, progress is an uphill battle. Increasing D&I is important, so people across the firm need to understand "why it's important for me" and be inspired to change behavior. Finally, education combined with tailored reinforcements ensure that everyone knows the steps they can take in their day-to-day and are reminded to act. ●



Heather Mitchell

EDITORS' NOTE Since joining Carlyle in 2002, Heather Mitchell has served in a number of roles in the legal department. In 2005, she transferred to London to serve as General Counsel for Europe. In 2015, she was named Global General Counsel for Investments. She is a member of the executive Risk Management Committee. Prior to joining The Carlyle Group, Mitchell was an associate with the law firm Akin, Gump, Strauss, Hauer & Feld, LLP and she previously worked at Kaiser Group International, Inc. as Vice President, Corporate Counsel. She received her undergraduate degree from the State University of New York at Binghamton and her J.D. from the Cornell School of Law.

Will you discuss your role at Carlyle and your key areas of focus at the firm?

I wear several hats at the firm. I am Global General Counsel for Investments, which means I manage a team of lawyers who work closely on each investment the firm makes across all geographies and investment strategies.

I am also head of the EMEA region from a management perspective. I manage the London office and work closely with the heads of roughly 12 fund families in the region to help solve problems their teams face every day in an increasingly competitive market in increasingly uncertain times.

How critical is it that the General Counsel role is deeply engaged in business strategy?

We feel it is critical, and my involvement in business strategy stretches from the earliest stages of consideration of a new business line or geography through the structuring and integration of it on the Carlyle platform, to the everyday functioning of that unit. Combining the utmost commerciality with appropriate risk management and mitigation is my most important priority.

How do you define the Carlyle difference, and what has made the firm an industry leader?

First and foremost, it is the Carlyle culture and its personnel. The universal dedication to "One Carlyle" allows us to drive exceptional value creation through our global footprint leveraging the operational expertise we have honed over decades. We have built strong local relationships through our extensive network of investment professionals worldwide, and we have deep in-house expertise and rigorous due diligence and compliance processes which allow us to act fast to execute on transactions as well as support our portfolio companies.

You joined Carlyle in 2002. What has made the firm a place where you have wanted to spend so much of your career?

In my 16 years at Carlyle, I have been given many jobs to execute from our three largest offices: Washington, London and New York. While I have spent most of my career at the same firm, my ever-evolving and growing responsibilities have felt as though I have changed jobs many times over these 16 years. As important as the substance of the work has been, the people I work with – at every level and function at Carlyle – make the most difference. As a manifestly inclusive company, the diverse and incredibly talented workforce we are able to attract and retain make working at Carlyle a real privilege. ●

Investing in China

An Interview with Ling Yang,
Managing Director of Asia Buyout,
The Carlyle Group, L.P.

Secondary Transactions

An Interview with Sarah Schwarzschild, Head of Real Estate
Secondaries and Managing Director of Metropolitan Real Estate,
The Carlyle Group L.P.



Ling Yang

EDITORS' NOTE Ling Yang is a Managing Director advising on Asia buyout opportunities and is based in Shanghai. Yang began her career at Carlyle focusing on healthcare investments for the U.S. Buyout group and joined Carlyle Asia in 2011. Since joining Carlyle Asia, she has advised on private equity investments in healthcare, consumer/retail and financial services sectors in China. She was formerly a principal with KKR Asia. Prior to that, she worked in investment banking at Goldman Sachs in the U.S. Yang graduated summa cum laude with a B.A. in economics from Smith College and earned her M.B.A. from Harvard Business School.

Will you discuss your role at Carlyle and your key areas of focus at the firm?

I am a managing director at Carlyle Asia Buyout, advising on our healthcare investments in Greater China. I started with Carlyle's U.S. Buyout team in the healthcare group in New York and returned to China after having spent many years studying and working in the U.S. When I first joined Asia Buyout, I became a generalist and advised on investments in consumer retail, financial services and logistics industries. Meanwhile, as our Asia team tried to specialize more, my background in and passion for healthcare brought me back to that focus. Carlyle is one of the most active large-ticket investment funds in healthcare in China, having invested in and helping to build a number of healthcare services, medical device, pharmaceutical and IVD leaders.

Will you provide an overview of Carlyle's history and heritage in China?

Carlyle was one of the first global PE funds to enter China in the late 1990s. When we first entered China, we tried to deploy the same control deal approach that we were already very good at in developed countries. We soon discovered China wasn't ready for control deals as businesses were state-owned or run by first-generation entrepreneurs who were in their prime. Carlyle adjusted its strategy and engaged mostly in significant minority investments and worked closely with founders and management teams to share our knowledge and resources to help them grow their businesses. Carlyle has invested in about 90 companies and deployed billions of dollars in the process. More recently, we are finding that control deal opportunities are emerging in China. Carlyle has already done three, including the buyout of McDonald's China together with several partners, and the buyout of a clinical labs business also with a key strategic partner. I think China's private equity market is starting to mature gradually to be more like the U.S. and Europe. Funds with control deal expertise and deeper operational knowhow will have an edge for the next ten years.

Is there close coordination from country to country and region to region at Carlyle in order to provide seamless services?

Yes, there is close coordination among Asian countries and across continents with the U.S. and Europe. We are helping a French medical device company to expand into China. Our Indian and U.S. colleagues share knowledge and connections in the drugs space. Carlyle forms cross-region teams to look at acquisition targets together. There are many examples. Carlyle promotes a culture of collaboration known as "One Carlyle." Everybody contributes and benefits from it. It's a key strength of a global PE platform. ●



Sarah Schwarzschild

EDITORS' NOTE Prior to joining Metropolitan, Sarah Schwarzschild led Partners Group's real estate Secondary team in the U.S. and was involved in management and business development activities for the real estate Secondary practice globally. Schwarzschild received a B.A., summa cum laude, from the University of Pennsylvania and an M.B.A. with honors from the Tuck School of Business at Dartmouth.

Will you discuss your role at Carlyle and your key areas of focus at the firm?

I am a Managing Director and the Global Head of Secondaries at Metropolitan Real Estate. Metropolitan is Carlyle's real estate private equity multi-manager platform. I joined Metropolitan in 2014 to establish the secondaries business. Metropolitan currently manages more than \$1 billion in investor commitments for secondaries and my responsibilities include overseeing investment strategy, sourcing and execution. I also wear several other hats. I am a member of Metropolitan's Investment Committee, which makes the investment decisions for all of our strategies. Metropolitan has a 40+ person team and I am involved in running the organization on a day-to-day basis. I work closely with our investors to ensure we are meeting their needs. I am also the Co-Chair of the New York Women's Employee Resource Group.

Will you describe Carlyle's real estate Secondary efforts?

Secondaries are transactions through which existing interests in funds or assets are acquired, providing liquidity to the original investor. These types of transactions are an increasingly important part of the broader real estate private equity market with global real estate secondary transaction volumes at \$5 to \$6 billion annually. However, the secondary market remains relatively inefficient at a time when pricing has increased in the traditional real estate market. Metropolitan is a real estate investor in its DNA and we are highly selective. Whether in secondaries or in our other strategies, we focus on high quality, well-located assets in major markets and work with the most capable local sponsors in the industry.

Will you highlight Carlyle's sourcing, evaluation and execution of investment opportunities globally?

Metropolitan utilizes a very proactive sourcing effort to find attractive deals for our investors. Underpinning our secondary investment strategy are the market relationships that Metropolitan has cultivated since it was founded in 2002. We also have a global team with market presence in the U.S., Europe and Asia. These are all irreplaceable assets in sourcing, evaluating and executing secondaries. Carlyle's reach, resources and reputation add to our competitive advantage. Metropolitan can leverage the "One Carlyle" culture and we collaborate with our colleagues in other businesses to both source and evaluate investment opportunities to the greatest extent possible.

What advice do you provide to young people interested in a career in the industry?

First, my mom always told me that you have to shoot to score. This means saying yes to projects and opportunities. My dad told me to never let the turkeys get you down. This means listen to your inner voice and believe in yourself. And, lastly, there is no substitute for hard work. Be thorough and thoughtful. ●