

Part 2A of Form ADV: Firm Brochure



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This brochure provides information about the qualifications and business practices of Kohlberg Kravis Roberts & Co. L.P. (“KKR”). If you have any questions about the contents of this brochure, please contact us at (212) 271-9102. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority. KKR is registered as an investment adviser with the SEC. This registration does not, however, imply a certain level of skill or training of any KKR personnel.

Additional information about KKR also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 **Material Changes**

There have not been material changes to KKR's Part 2A ("Brochure") since its most recent update on March 31, 2023. However, please note that KKR is now making revisions to various sections of the Brochure as part of its annual update amendment, including the following:

- Item 4 – Updated information and disclosure regarding the advisory business and ownership structure of KKR and its affiliates.
- Item 5 – Updated information and disclosure regarding fees and compensation, including management fees, carried interest, portfolio company-related fees and other compensation, and expenses.
- Item 7 – Updated information and disclosure regarding the types of clients to whom KKR provides investment advice.
- Item 8 – Updated information and disclosure regarding methods of analysis, investment strategies, business practices and the risks related to such activities.
- Item 9 – Updated information and disclosure regarding legal or disciplinary events applicable to KKR and its affiliates.
- Item 10 – Updated information and disclosure regarding KKR's investment advisory and other business affiliations.
- Item 11 – Updated information regarding the business practices of KKR and its affiliates and conflicts of interest that arise in the course of KKR's investment and other activities, and related compliance policies and procedures developed by KKR to address such business practices and conflicts.

KKR routinely makes changes to its Brochure in an effort to improve and clarify the descriptions of its and its affiliates' business practices and compliance policies and procedures or in response to evolving industry and firm practices. KKR is permitted to at any time update this Brochure and will either send you a copy or offer to send you a copy (either by electronic means or in hard copy form).

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Item 4 Advisory Business

Overview

Kohlberg Kravis Roberts & Co. L.P. (“KKR”) is a Delaware limited partnership and is registered as an investment adviser with the U.S. Securities and Exchange Commission (the “SEC”). KKR has approximately \$307.7 billion¹ in assets under management as of December 31, 2023. Today, through its offices across North America, Europe, the Middle East, Asia and Australia, KKR advises and sub-advises private equity funds and other investment vehicles that invest capital for long-term appreciation, primarily either through controlling ownership of companies or minority positions. Such funds also make investments in publicly traded equity and debt securities and other marketable securities and instruments (collectively with any investments in derivative instruments, “Marketable Securities”).

KKR advises funds and other investment vehicles that pursue private equity, infrastructure, climate, energy, real estate equity, real estate debt, growth capital, impact and core strategies, which invest capital primarily through acquiring interests in companies or underlying assets. KKR also sponsors and manages funds and other investment vehicles that make co-investments alongside KKR proprietary investments or in portfolio companies and other assets invested in by funds advised by KKR and its affiliates, strategic partnership vehicles and other multi-strategy and/or multi-asset arrangements that invest across multiple funds and investment strategies advised by KKR and its affiliates, and that invest in funds advised by KKR and its affiliates, funds advised by unaffiliated investment managers (collectively, “third party funds”), related co-investments, and other feeder funds or side-by-side vehicles established primarily for employees and certain other persons associated with KKR and KKR Credit (as defined below). KKR also from time to time serves as sub-adviser in respect of capital allocated within KKR Credit Funds (as defined below).

KKR is affiliated with KKR Credit Advisors (US) LLC (“KKR Credit Advisors (US)”), an investment adviser that is separately registered with the SEC, together with its relying advisers, other affiliated entities and participating affiliates, collectively (“KKR Credit”). KKR Credit advises pooled investment vehicles, separately managed accounts, collateralized loan obligation vehicles (“CLOs”), closed-end investment companies registered under the United States Investment Company Act of 1940, as amended (the “Investment Company Act”) (“RICs”), discretionary accounts established for third-party institutional investors (including pension plans), a closed-end management investment company that operates as an interval fund, and side-by-side vehicles established primarily for employees and certain other persons associated with KKR and KKR Credit (“KKR Credit Funds”). KKR also delegates sub-advisory authority to KKR Credit in respect of capital allocated within certain KKR Funds to strategies implemented by KKR Credit. KKR Credit’s investment management and advisory activities focus on U.S. and European leveraged credit strategies, such as leveraged loan, high yield bonds, opportunistic and revolving credit strategies, structured credit and U.S., European and Asian alternative credit strategies, including special situations, strategic investments and private credit strategies, such as direct lending, junior debt and asset based financing investment strategies.

On February 1, 2021, KKR & Co. acquired a majority interest in The Global Atlantic Financial Group Limited (“Global Atlantic”), a retirement and life insurance company. On January 2, 2024, KKR & Co. completed the acquisition of the remaining interests in Global Atlantic that KKR did not own, increasing KKR’s ownership to 100%. Since KKR & Co.’s initial acquisition of the majority interest in Global Atlantic, Global Atlantic has generally continued to operate as a separate business with its existing brands and management team. KKR (including through KKR Credit) will serve as Global Atlantic’s investment

¹ Represents KKR’s most recently published AUM as disclosed in Part 1. AUM calculations differ from those used in other regulatory filings by KKR in accordance with applicable requirements and guidelines.

manager. Based on preliminary financial results of Global Atlantic, the estimated value of Global Atlantic assets managed by KKR as of December 31, 2023, was approximately \$36.4 billion.

On April 28, 2022, KKR & Co. acquired 100% of KJR Management (“KJRM”) (formerly known as Mitsubishi Corp.-UBS Realty). KJRM is a real estate asset manager in Japan that invests in diversified real estate assets, including retail, office and mixed use properties through two Tokyo Stock Exchange-listed real estate investment trusts (“JREITs”). As of December 31, 2023, the estimated value of assets managed by KJRM was approximately \$12 billion.

For additional information regarding KKR’s clients, including the definitions of “KKR Funds” and “Other Clients,” please see Item 7 – “**Types of Clients**”.

Additional information regarding KKR’s “relying advisers” which are investment advisory affiliates that rely on KKR, as their filing adviser, to file (and amend) a single umbrella SEC registration on their behalf, and other advisory affiliates including and in addition to KKR Credit that are separately registered with the SEC, is provided in Item 10 – “**Other Financial Industry Activities and Affiliations**”.

KKR also has an affiliated capital markets business operated through affiliated broker-dealers. Please see Item 10 – “**Other Financial Industry Activities and Affiliations**” for additional information regarding KKR’s affiliated broker-dealers.

KKR also has a proprietary investment business. Please see Item 11 – “**Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**” for additional information regarding KKR’s proprietary investment activities.

With limited exceptions, for example, in connection with certain customized products advised by KKR that invest in funds advised by KKR and its affiliates, third party funds and related co-investments, and certain sub-advisory relationships, KKR does not manage client assets on a non-discretionary basis as of December 31, 2023, although certain clients have consent or opt-out rights with respect to certain investments.

KKR does not participate as a manager in any wrap fee programs.

Ownership/Structure

Kohlberg Kravis Roberts & Co. L.P. is an indirect subsidiary of KKR & Co. Inc. (formerly KKR & Co. L.P.) (“KKR & Co.” or the “KKR Public Company”), which is listed on the New York Stock Exchange (“NYSE”). KKR Management LLP (“KKR Management”) is the sole holder of Series I preferred stock of the KKR Public Company, which is entitled to vote for the election of directors, among other matters relating to the KKR Public Company. In addition, KKR Holdings L.P. (“KKR Holdings”) holds stock of the KKR Public Company, which permits KKR Holdings to vote on matters submitted to a vote of the stockholders of the KKR Public Company. As of January 1, 2021, economic ownership interests in subsidiaries of the KKR Public Company were held directly or indirectly by KKR Holdings, KKR Holdings II L.P. (“KKR Holdings II”) and KKR Associates Holdings L.P. (“KKR Associates Holdings”). KKR Management, KKR Holdings, KKR Holdings II and KKR Associates Holdings are owned by certain current and former KKR employees and their related persons. On October 8, 2021, the KKR Public Company, through its subsidiaries, entered into an agreement (the “Reorganization Agreement”) with KKR Holdings, KKR Management, KKR Associates Holdings and certain other parties to undertake a series of integrated transactions completed on May 31, 2022, in which the KKR Public Company combined with KKR Holdings, among other things. In addition, following this combination, on December 31, 2026, subject to exceptions that would accelerate this date, the KKR Public Company will (i) eliminate the Series I preferred stock held by KKR Management, (ii) establish voting rights for the KKR Public Company’s common stock

on a one vote per share basis, including with respect to the election of directors, and (iii) acquire control of KKR Associates Holdings. Additional information regarding the Reorganization Agreement is provided in the KKR Public Company's current public filings under the Securities Exchange Act of 1934, as amended. Further information can be found in KKR & Co.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the SEC on February 29, 2024 and its other periodic filings with the SEC, which are available at www.sec.gov.

Item 5 Fees and Compensation

General

KKR, including affiliated general partners of KKR Funds ("KKR GPs"), generally receives management fees, carried interest allocations and/or performance fees in connection with the investment management and administrative services KKR provides to KKR Funds and Other Clients. Certain co-investment vehicles and KKR Associates Vehicles (as defined in Item 6) are not subject to such fees and/or carried interest allocations. The allocation of a portion of the profits of a KKR Fund, whether allocated to the capital account of a KKR GP or distributed to a KKR GP, is referred to herein as "carried interest."

Management fees, carried interest allocations and other compensation payable to KKR (including the KKR GPs) by KKR Funds or Other Clients together with other terms governing the management of KKR Funds or Other Clients by KKR, are established by KKR at the time of the establishment of the relevant KKR Funds (and negotiated with participating investors prior to their investment) or at the beginning of the management relationship with the relevant Other Clients, as applicable. Specific details of such compensation and its method of calculation are set out in the offering materials, disclosure documents, management agreements and/or governing documents of the relevant KKR Funds or Other Clients and vary between KKR Funds or Other Clients. Subject to such governing documents, fee terms of KKR Funds or Other Clients have been and could be changed during the term of the relevant relationship. The share of compensation earned by KKR or its affiliates in respect of a KKR Fund varies among investors in such KKR Fund pursuant to the terms of the governing documents, side letter agreements or other arrangements with specific investors in such KKR Fund whereby such investors receive direct or indirect reductions of management fees or other compensation otherwise payable with respect to their investments managed by KKR. For example, each of KKR and KKR Credit has entered into, and intends in the future to enter into, strategic partnerships or other multi-strategy or multi-asset class arrangements with investors that commit capital to a range of KKR's and KKR Credit's products and asset classes, and generally have investment periods that are longer than traditional KKR Funds and Other Clients. Such arrangements generally (subject to applicable terms) include KKR or KKR Credit granting certain preferential terms to such investors, including blended fee and carried interest rates that are lower than those applicable to other investors in a KKR Fund or KKR Credit Fund, as applicable, when applied to the entire strategic partnership or arrangement. Where a strategic investor participates in a KKR Fund or KKR Credit Fund through a dedicated investment vehicle or account as part of such arrangement, such investment vehicle or account will generally (subject to applicable terms) be granted terms, including with respect to management fees or carried interest, that are more favorable than those applicable to other investors. In cases where a strategic investor's management fees and carried interest are due at the level of such vehicle and account, such terms will generally (subject to applicable terms) include a waiver of management fees and carried interest on such strategic investor's investment in KKR Funds or KKR Credit Funds. In addition, where a strategic investor enters into such an arrangement with KKR or KKR Credit, other investors in KKR Funds will not be notified or receive documentation of such an arrangement. Please see Item 11 – **"Other Conflicts of Interest – Strategic Partnerships and Other Arrangements"** for further information regarding strategic partnerships.

In addition, KKR enters into arrangements with one or more third parties to establish dedicated feeder vehicles to facilitate the indirect participation in a KKR Fund by certain high net worth investors and other qualified clients of such sponsor (each, a “Dedicated Feeder”). Such third parties are expected to also solicit a direct investment in a KKR Fund by certain of its clients in consideration for the payment of a placement fee from KKR or such KKR Fund (each, a “Placed Investor”). In connection with the admission of any Dedicated Feeder to a KKR Fund, the applicable KKR GP will determine, in its discretion, whether to aggregate the indirect capital commitments of the investors in such Dedicated Feeder, including, without limitation, for purposes of calculating any management fee discount to which such Dedicated Feeder is entitled. In connection with the foregoing, there have been and are expected to be circumstances in which discounts, if any, are provided on an aggregated basis with respect to some, but not all, Dedicated Feeders, which would have the effect of establishing more favorable economic terms with respect to such Dedicated Feeders as compared to those applicable to other comparably sized Dedicated Feeders. Further, discounts in management fees generally do not apply to Placed Investors but will be granted to Placed Investors in KKR’s sole discretion. Certain third-party sponsors receive placement fees, finder’s fees, manager charges or other payments which comprise organizational expenses related to the relevant Dedicated Feeders and which in turn will reduce management fees with respect to such Dedicated Feeders. KKR does not control the economic terms of such Dedicated Feeders, which are established independently by the relevant third parties and their underlying investors. In certain circumstances, such terms require the relevant third parties to use such payments in whole or in part to offset incremental fees and expenses applicable at the level of the relevant Dedicated Feeders or to otherwise pass on such amounts to the benefit of the Dedicated Feeders and their investors.

Management Fees

Management fees compensate KKR for the various services KKR’s business professionals provide in managing KKR Funds or Other Clients (such as building a diversified portfolio of investments). KKR receives periodic management fees from KKR Funds or Other Clients of up to 2% of capital committed to, the net asset value of, or the remaining invested capital of, the relevant KKR Fund or Other Client, depending, in particular, on the strategy of the relevant KKR Fund or Other Client, the amount of assets being placed under management with KKR and the point in time in the life cycle of the relevant KKR Fund or Other Client account. For example, for certain KKR Funds, investors in the same fund pay different management fees based on whether they invested in an early or later round of fundraising and the amount of their investment, with earlier or larger investors frequently paying lower management fees than other investors. Management fees are typically paid quarterly, and fees will typically step down to a lower rate as a percentage of invested capital after a KKR Fund’s or Other Client’s investment period has concluded. KKR will from time to time accrue management fees for a given payment period but defer collecting such fees until a later payment period primarily for administrative purposes. KKR generally does not charge interest on such deferred management fees. The KKR GPs generally make capital calls on investors in KKR Funds for the amount of management fees payable by the KKR Funds to KKR and then cause the KKR Funds to pay the amounts received from the investors to KKR, consistent with the governing documents of the KKR Funds. KKR generally invoices Other Clients for management fees. In some cases, management fees due to KKR are deducted from proceeds otherwise distributable to investors in a KKR Fund or Other Client, but only if consistent with the governing documents of such KKR Fund or Other Client. If a KKR Fund obtains a subscription facility, management fees due from such KKR Fund are also paid by drawdowns by KKR (or relevant KKR GP) under such KKR Fund’s subscription credit facility (which drawdowns are subsequently repaid through capital calls or investment proceeds).

Where management fees are paid in advance with respect to a KKR Fund or Other Client, the terms applicable to the relevant KKR Fund or Other Client, typically do not contemplate repayments of fees to the extent that KKR’s services terminate prior to the end of the relevant payment period. Where management fees are based on committed capital or the remaining invested capital of a KKR Fund, the

management fee payable by such KKR Fund will be due to KKR even if the fair value of the relevant remaining investments is below cost.

Management fees payable to KKR by certain KKR Funds are also reduced by certain other compensation received by KKR or its affiliates that relate to the relevant KKR Fund and its activities (such as transaction fees) or by certain organizational, offering and other expenses borne by the KKR Fund.

Carried Interest Allocations

KKR GPs also generally receive carried interest allocations from KKR Funds (other than KKR Associates Vehicles) of up to 20% of profits third-party investors earn on their investments in KKR Funds. Carried interest allocations are generally subject to preferred return hurdles, catch-up allocations, and/or KKR GP clawbacks, depending, among other things, on the strategy and structure of the relevant KKR Fund. KKR GPs typically receive carried interest allocations on a deal by deal basis for profitable portfolio company investments. Profitable investments realized early in the life of a KKR Fund could be followed by the poor performance of investments realized later in the life of a KKR Fund, which would reduce the KKR Fund's overall profitability or cause it to be unprofitable. If this were to result over the life of a KKR Fund in KKR having received through a KKR GP more than the agreed-upon percentage of the relevant KKR Fund's total profit, or the hurdle performance rate required by the KKR Fund's terms not being met, the KKR GP will typically be required to reimburse (i.e., have clawed back) the applicable portion of the carried interest allocations received by it, net of taxes, to ensure that KKR through such KKR GP does not receive a greater share of profits than agreed upon under the governing documents of such KKR Fund.

Portfolio Company-Related Fees

In addition to management fees for operating KKR Funds and Other Clients, KKR receives fees for work on the development and execution of core strategies for portfolio companies and for projects to increase portfolio company value. These fees are often borne by (i) a specific portfolio company, (ii) holding companies or other vehicles through which certain, but not all, of the direct and indirect equity owners of the portfolio company invest, or (iii) a specific KKR Fund or Other Client, and can be broken down generally into two categories: shared fees and non-shared fees (see discussion below). When such fees are borne by holding companies or other vehicles or by a specific KKR Fund or Other Client, such KKR Fund or Other Client will bear a greater portion of such fees than would be the case if the relevant portfolio company paid such fees as the investors in the holding company (or KKR Funds or Other Client) will bear the cost of such fees. In addition, if a portfolio company is unable to pay or declines to pay for certain services (including services rendered by Consultants (as defined below) or Affiliated Brokers), then the relevant KKR Fund or Other Client, as applicable, will be charged for such services, which will also result in a greater portion of such fees being borne by such KKR Fund or Other Client than would otherwise have been the case.

A portion of the shared fees are generally offset against management fees payable by the applicable KKR Funds or Other Clients, while non-shared fees do not reduce management fees. The overall amount of shared fees will also be reduced by certain sourcing and diligence expenses incurred by KKR in pursuing unconsummated transactions for the applicable KKR Funds or Other Clients. Portfolio company-related fees are paid regardless of a KKR Fund's or Other Client's profitability and are not negotiated with investors in KKR Funds or Other Clients, and will often be capitalized as part of the acquisition price of the relevant investment for consummated investments.

Shared Fees

Shared fees are fees for KKR services which offset management fees paid by KKR Funds or Other Clients,

and include transaction, monitoring, breakup, and directors' fees. KKR and its affiliates charge monitoring fees and transaction fees to portfolio companies, in each case, which are not generally negotiated on an arm's length basis. KKR Funds and Other Clients indirectly bear the cost of these fees. KKR or its affiliates receive monitoring fees in exchange for providing portfolio companies of KKR Funds with management, consulting, financial and other services.

Monitoring fee agreements typically include multiple fee increases during their term. A portfolio company's EBITDA (earnings before income, taxes, depreciation, and amortization) is generally taken into account in determining the amount of applicable monitoring fees. Monitoring fees are frequently based on a percentage of EBITDA or a specific dollar amount.

On the occurrence of initial public offerings, sales or other change of control events related to the relevant company, KKR (or an affiliate) is typically entitled to all unpaid monitoring fees plus any unreimbursed expenses plus the net present value of future monitoring fees that would otherwise be payable by the relevant portfolio company (the "NPV Payment"). The NPV Payment is based on the net present value of the monitoring fees payable over a future fixed period calculated using discount rates equal to the yield on U.S. Treasury securities of like maturity based on the dates fee payments would have been due. The fixed period of time used in the net present value calculation will typically be tied to the term of the relevant KKR Fund or portfolio investment or in more recent agreements, a period within that term; however, in certain instances the calculation period has exceeded the relevant KKR Fund's (or investment's) term. Under more recent monitoring fee agreements for portfolio companies of KKR Funds and Other Clients, the fixed period of time used in the NPV Payment calculation described above will be the lesser of (i) the remaining term of the relevant monitoring agreement (the term for each monitoring agreement generally will be fixed as the end of the last year of a KKR Fund's term) and (ii) three-and-a-half-years from the date of termination of the monitoring agreement. An NPV Payment will generally only be taken where KKR (or one or more of its affiliates) expects to continue to provide ongoing services and advice to the portfolio company after there has been an initial public offering, sale or other change of control event. As such, an NPV payment will generally only be taken if (i) the relevant KKR Fund, Other Clients, co-investment vehicles and KKR proprietary entities retain (directly or indirectly) 10% or more of the stock or other equity interests in the portfolio company (or the surviving entity) immediately following the relevant event and (ii) a KKR or co-investor employee or designee serves or is expected to serve as a member of, or observer at, the board of directors or similar governing body of the portfolio company (or the surviving entity) (or in the absence of such service or expected service, KKR or its affiliates retain the right to appoint or nominate such a director or observer) immediately following the relevant event. The contractual provisions described above and the KKR policy governing calculation of NPV Payments are amended from time to time, in KKR's sole discretion.

KKR also receives transaction fees for the work performed by KKR in structuring investments in portfolio companies and with respect to significant transactions or exits for those portfolio companies or portfolio investments. Transaction fees are received in connection with the same portfolio company in which payments under a monitoring fee agreement are received. Transaction fees are calculated as a percentage of the total enterprise value, or as a percentage of the aggregate price paid for the securities that are acquired by a KKR Fund or Other Client. KKR or its affiliates also from time to time receive "breakup" or similar fees in connection with unconsummated, canceled, or terminated portfolio transactions. The agreements relating to the relevant transaction generally specify the amount and timing of such fees and such agreements generally contain conditions or limitations on such payment to KKR or its affiliates.

KKR periodically discloses to investors in certain KKR Funds (and Other Clients, if applicable) the amount of monitoring fees, transaction fees, and breakup fees allocated to KKR Funds and Other Clients in which they have invested. Monitoring fees (including NPV Payments) and transaction fees are generally allocated among KKR Funds, Other Clients, KKR Associates Vehicles (and other participating KKR proprietary

entities and co-investment vehicles, if applicable) based on ownership of the relevant portfolio company or investment to which they are charged. The amount of breakup fees is generally allocated among KKR Funds, Other Clients, KKR Associates Vehicles (and other participating KKR proprietary entities and co-investment vehicles, if applicable) based on the anticipated ownership of the relevant company or investment had the transaction been consummated. If the expected equity source is not known for such deal, the waterfall methodology for allocating sourcing and diligence expenses for the strategy of such deal will generally be used to allocate the breakup fee.

A portion of the monitoring fees, transaction fees, and breakup fees allocated to KKR Funds and Other Clients will generally reduce or offset management fees otherwise payable by investors in such KKR Funds and Other Clients as described in the offering materials, disclosure documents and/or governing documents of the relevant KKR Funds and Other Clients. The portion of allocable compensation that reduces or offsets management fees varies between KKR Funds and Other Clients. KKR will retain the portion of such compensation that is allocated to KKR Funds and Other Clients that does not reduce or offset management fees, as well as the allocated portion that is attributable to the relevant KKR GP. KKR retains such compensation to the extent it is allocable to KKR Associates Vehicles (except in the case of certain older KKR Funds), co-investment vehicles or KKR proprietary entities. Fees allocated to co-investment vehicles, KKR Associates Vehicles and KKR proprietary entities will not offset the management fees payable by KKR Funds or Other Clients.

In addition to the fees described above, certain officers and employees of KKR, including, unless otherwise specified, KKR Capstone executives (as defined below) (“Employees”), currently receive and are expected in the future to receive directors’ fees for serving on the boards of portfolio companies, holding vehicles and other entities in or through which KKR Funds (and Other Clients, if applicable) invest. For older KKR Funds, these directors’ fees are generally not offset against KKR Fund management fees and are permitted to be retained in whole or in part by the Employees. Generally, for KKR Funds and Other Clients established between 2010 and 2016, directors’ fees paid to Employees (including KKR Capstone executives) offset management fees. For newer KKR Funds (generally established in 2016 and later), directors’ fees paid to KKR Capstone executives are not subject to management fee offsets and are permitted to be retained in whole or in part by the KKR Capstone executives. In addition, from time to time, Employees will serve as interim executives of portfolio companies and other entities in or through which KKR Funds (and Other Clients) invest. An Employee serving as an interim executive either would not receive additional compensation for his or her service or KKR would share any compensation received by such Employee (excluding KKR Capstone executives) with the relevant KKR Funds or Other Clients (i.e., via a management fee offset) in the same manner and extent as monitoring fees offset management fees for such KKR Funds and Other Clients. Management fees will not be reduced or offset to the extent any Employee receives directors’ fees relating to continued director service after a KKR Fund or Other Client has exited a portfolio company or other entity or if received by an Employee following the termination of such Employee’s employment with KKR.

Non-Shared Fees

In addition to the shared fees described above, KKR and its affiliates, and Consultants will also receive fees for services provided to portfolio companies. KKR Funds and Other Clients indirectly bear the cost of these fees. Such fees do not offset management fees due from KKR Funds or Other Clients. Examples of non-shared fees for services include fees for third-party replacement services (i.e., fees received by KKR’s Consultants and Affiliated Brokers that otherwise would have been provided by other consultants or broker dealers).

In addition, KKR and its affiliates will also from time to time enter into participation or other “back-to-back” arrangements with third parties that provide services and products directly to or with respect to KKR

Funds and Other Clients and their portfolio companies, holding vehicles and other entities in or through which KKR Funds and Other Clients invest, and KKR will receive fees from the third party in connection with such activities. Under these arrangements, although neither KKR nor its affiliates will receive fees directly from KKR Funds, Other Clients or their portfolio companies, holding vehicles and other entities in or through which KKR Funds and Other Clients invest, KKR or its affiliates could be viewed as indirectly receiving such fees from a KKR Fund, Other Client or their portfolio companies or holding entities. Such fees do not offset management fees or carried interest distributions due from KKR Funds or Other Clients. KKR and its affiliates have an incentive to select third parties that are likely to engage KKR and its affiliates in such arrangements. Please see also Item 11 – “*Financial Interest in KKR Fund, Portfolio Company or Other Client Transactions*”.

KKR Capstone and Other Consultants

KKR acquired KKR Capstone Americas LLC (collectively with its related parties, “KKR Capstone”) effective January 1, 2020. KKR Capstone is a KKR affiliate owned and controlled by KKR. KKR Capstone operating executives (“KKR Capstone executives”) are generally employees of subsidiaries of KKR subsequent to KKR’s acquisition.

KKR Capstone provides consulting services to KKR, KKR Credit, KKR Funds, KKR Credit Funds, Other Clients and certain portfolio companies, holding companies and other entities (including non-controlled entities) in or through which KKR Funds, KKR Credit Funds, Other Clients and KKR invest.

KKR Capstone provides value creation services to portfolio companies that KKR’s investment executives do not otherwise provide, including, without limitation, replacement services.

KKR Capstone executives are expected to receive compensation in the form of (x) grants of equity in one or more of the parent entities of KKR (including equity awards from the KKR Public Company, which has listed certain securities on the NYSE), (y) a portion of the carried interest distributions received by KKR GPs that are part of KKR’s “carry pool” and/or (z) a profits interest in individual portfolio companies or assets of KKR Funds or Other Clients. KKR Capstone executives could serve on the boards of directors of the portfolio companies of KKR Funds and Other Clients and in such cases will generally receive directors’ fees and other compensation (including in the form of fixed and incentive compensation) in connection therewith from such companies. They also serve from time to time as interim executives of portfolio companies and receive compensation in connection therewith. Such compensation received by KKR Capstone executives will generally not be shared with KKR Funds or Other Clients or offset against management fees or carried interest distributions payable by KKR Funds or Other Clients.

KKR engages persons to provide various consulting services to KKR Funds and Other Clients (“Consultants”) including and in addition to KKR Capstone, including, without limitation, for sourcing, operational consulting, industry consulting, asset level consulting and operating services, debt servicing, engineering services, construction management, leasing management, development management, environmental compliance and remediation, purchasing, insurance negotiation and onboarding, and other property management services in the real estate sector, cybersecurity reviews, reviews of environmental, social, governance and sustainability issues, and general and administrative services, on terms substantially similar to those described with respect to KKR Capstone. KKR Capstone and other Consultants are often involved in due diligence in connection with KKR’s investment sourcing. KKR engages and expects in the future to engage particular Consultants for multiple projects related to existing portfolio companies or potential investment opportunities. Consultants have included and could in the future include former employees of KKR or its affiliates. Generally, KKR Capstone and certain other Consultants have master consulting agreements in place with KKR for due diligence work and other projects (including non-implementation advisory or scoping work to identify and evaluate the potential for consulting or similar

arrangements with existing portfolio companies and related operational changes and improvements) contracted by KKR on behalf of KKR Funds and Other Clients and they from time to time enter into engagement letters with KKR Fund portfolio companies, holding companies and other entities (including non-controlled entities) for consulting services provided to such entities. Under those agreements and engagement letters, KKR Capstone and other Consultants are generally entitled to fees, other compensation and expense reimbursement (and expenses can be determined as a fixed percentage of KKR Capstone's fee for a specific engagement). In connection with a KKR Fund's or Other Client's investment in a portfolio company, KKR could elect to invest additional amounts as part of the overall acquisition price for such investment to account for the payment of fees and reimbursable expenses relating to the anticipated engagement of KKR Capstone (and/or other Consultants) by the relevant portfolio company following the acquisition thereof by the KKR Fund or Other Client. Compensation for KKR Capstone (and other Consultants) will from time to time include success fees based on pre-agreed targets or milestones. While such fees and reimbursable expenses and other compensation paid to KKR Capstone is believed by KKR to be reasonable and generally at or below market rates for the relevant activities, such compensation is not negotiated at arm's length and from time to time might be in excess of fees, reimbursable expenses or other compensation that would be charged by comparable third parties. KKR Capstone periodically conducts fee and rate benchmarking through a third party to confirm and validate that its rates remain reasonable and customary relative to industry peers.

Other companies provide similar services as KKR Capstone and other Consultants, but KKR believes they are less customized to the business of KKR Funds and Other Clients. As is further described under **"Expenses – Senior Advisors, Executive Advisors, Industry Advisors and Other Consultants"** below, certain Consultants are external to KKR and are not affiliated with or employees of KKR. Such external Consultants could provide any of the services described above to KKR Funds, Other Clients or their portfolio companies.

Fees and compensation and expense reimbursement received by KKR Capstone and other Consultants in connection with their services are generally not shared with KKR Funds or Other Clients or offset against management fees or carried interest distributions payable by KKR Funds or Other Clients. Note that this will be the case irrespective of whether a Consultant holds itself out to the public as part of KKR, including by use of branding or other indicia that create the appearance that KKR controls and/or owns a given Consultant. As noted above, KKR acquired KKR Capstone on January 1, 2020.

With respect to operating partners, KKR will generally retain such operating partners on an ongoing basis through a consulting or joint venture arrangement involving the payment of annual retainer fees. Further, such operating partners will typically receive success fees, performance-based compensation and/or other compensation for assistance provided by such operators in sourcing and diligencing investments for a KKR Fund or Other Client. Such annual retainer fees, success fees, performance-based compensation and other costs of retaining such operating partners would ordinarily be borne directly by a KKR Fund or Other Client as fund expenses.

To the extent that an operating partner is providing services on an exclusive basis to KKR, or a KKR Fund or Other Client acquires an interest in such operating partner, members of such operating partner will not be treated as affiliates of KKR for purposes of the governing documents of the KKR Fund or Other Client. Accordingly, none of the compensation or expenses described above will be offset against any management fees or carried interest distributions payable to KKR or its affiliates in respect of such KKR Fund or Other Client. Note that this will be the case irrespective of whether an operating partner holds itself out to the public as part of KKR, including by use of branding or other indicia that create the appearance that KKR controls and/or owns a given operating partner. Operating partners (including operating partners in which a KKR Fund or Other Client owns an interest) operate assets on behalf of a KKR Fund or Other Client as well as other KKR investment vehicles and will also in certain cases operate assets for third parties, which

are generally expected to be similar to prevailing rates for such services, although the rates for such services often do not have readily available benchmarks for comparison. For further information, please see also **“Platforms, Joint Ventures and Other Portfolio Asset Arrangements”** below and in Item 8 - *“Operating Partners and Joint Venture Partners.”*

Affiliated Brokers

Affiliated U.S. and non-U.S. broker-dealers of KKR (including their respective related lending vehicles) (or “Affiliated Brokers” as defined in Item 10) manage or otherwise participate in underwriting syndicates and/or selling groups with respect to securities, debt instruments or other financial products of portfolio companies and other non-controlled entities in or through which certain KKR Funds or Other Clients invest or propose to invest, including in respect of securities or other instruments of such portfolio companies in which KKR Funds or Other Clients have not invested and for or in connection with the acquisition of such portfolio companies. Affiliated Brokers also manage or otherwise participate in underwriting syndicates and/or selling groups with respect to securities and other instruments held or proposed to be held directly or indirectly by certain co-investment vehicles.

Further, Affiliated Brokers are otherwise involved in the public offering or private placement of such securities and other instruments, and/or the provision of capital markets advisory services to portfolio companies and other controlled or non-controlled entities in or through which KKR Funds or Other Clients invest, including in connection with mergers and acquisitions, recapitalizations, refinancings and restructurings; and will alone, or with other counterparties (which might include other KKR investment vehicles, third party banks or other unaffiliated finance providers) provide acquisition financing, lines of credit, bridge financing, hedging and other corporate lending or financing products and services to such entities in addition to financing provided through a KKR Fund or Other Client’s investment. Affiliated Brokers also provide loans and lines of credit or bridge financing to KKR Funds and Other Clients, in addition to portfolio companies of KKR Funds and Other Clients, through the Affiliated Brokers’ respective related lending vehicles. Such financings arranged by Affiliated Brokers include the establishment of credit facilities for KKR Funds. Affiliated Brokers also provide syndication services to such entities including in respect of co-investments in transactions participated in by KKR Funds or Other Clients. Affiliated Brokers will generally receive fees, including underwriting, arranger, placement, syndication fees, transaction fees, commissions, underwriting discounts, interest payments and other compensation, payable in cash or securities, in respect of the activities described above. KKR Funds and Other Clients will directly bear, or indirectly bear through portfolio companies, holding vehicles and other entities in or through which they invest (including where such costs are shared between such entities and KKR Funds or Other Clients), the foregoing fees paid to Affiliated Brokers (as well as the expenses, charges and costs of any benchmarking, verification or other analysis related thereto). Affiliated Brokers from time to time waive such fees. Affiliated Brokers and other KKR entities will, as a consequence of such activities, from time to time hold positions in instruments or securities issued by portfolio companies. While such fees, commissions, interest payments and other compensation are believed by KKR to be reasonable and charged at market rates for the relevant activities, such compensation is generally determined through negotiations with related parties. No compensation received by Affiliated Brokers for the foregoing activities is offset against management fees or carried interest distributions payable by KKR Funds or Other Clients or otherwise shared with KKR Funds or Other Clients. Affiliated Brokers do not share in any transaction or monitoring fees earned by KKR, which are generally allocated among KKR Funds, Other Clients and KKR Associates Vehicles as discussed above. Global Atlantic has a registered broker-dealer, Global Atlantic Distributors, LLC (“GAD”), which constitutes an Affiliated Broker. GAD serves as wholesaler in furtherance of the distribution of several RICs managed by affiliates of KKR and one or more K-Series Vehicles (as defined in Item 8). GAD is compensated by an Affiliated Broker for such services. Please see Item 10 – **“Other Financial Industry Activities and Affiliations”** for further information regarding Affiliated Brokers.

Platforms, Joint Ventures and Other Portfolio Asset Arrangements

Certain KKR Funds or Other Clients form, enter into or invest in investment platforms, joint ventures, build-ups and other arrangements with third parties or KKR or its affiliates with respect to specified portfolio investments or categories of portfolio investments. In particular, such KKR Funds or Other Clients invest in opportunities through joint ventures, investment platforms or build-ups that provide one or more of the following services: origination or sourcing of potential investment opportunities, due diligence and negotiation of potential investment opportunities and/or servicing, development and management (including turnaround) and disposition of investments. Such investments in joint ventures, platforms and build-ups are made in or alongside existing or newly formed operators, consultants and/or managers (collectively, “Platform Managers”) that pursue such opportunities. Platform Managers have been established or otherwise invested in by KKR proprietary entities, and these Platform Managers could therefore be deemed to constitute affiliates of KKR or otherwise represent proprietary interests of KKR. As set forth in the governing documents for such KKR Funds, fees paid to such Platform Managers will not reduce management fees or other fees or carried interest distributions payable to KKR or its affiliates in respect of such KKR Funds. KKR Funds or Other Clients also invest in or own Platform Managers which involves joint ownership with KKR proprietary entities and/or third-party investors. Similarly, such joint ventures, platforms and build-ups include capital and/or assets contributed by KKR proprietary entities, KKR Funds or Other Clients and/or Platform Managers and/or third-party investors, which could include, without limitation, Global Atlantic Accounts (as defined in Item 11) (such joint ventures and investments in platforms and build-ups, collectively, “Platform Arrangements”). KKR maintains policies and procedures to provide guidance to its investment executives regarding the types of investments in Platform Arrangements and Platform Managers that are within the relevant investment strategies of KKR Funds and Other Clients.

Platform Arrangements also include certain investment vehicles, including, without limitation, Global Atlantic Accounts and other proprietary entities, that, directly or indirectly, hold or otherwise participate in aircraft, ships or other financial assets or related financing arrangements (“Portfolio Asset Vehicles”) managed in whole or in part by joint venture partners or third party asset administrators, servicers or other persons (collectively, “Asset Servicers”) or otherwise pursuant to arrangements with such Asset Servicers. Asset Servicers are entitled to fees and other expense reimbursements for sourcing such portfolio investments, success fees or carried interest distributions in respect of such portfolio investments and/or other compensation tied to the success of such portfolio investments and/or servicing fees and expense reimbursements for assistance with due diligence of such assets, negotiation of financing relating to asset acquisitions, administration and other services provided in respect of the relevant assets (including in particular asset leasing services provided in respect of hard assets held through such vehicles) (collectively, “Asset Servicing Fees”). KKR determines such compensation is appropriate where KKR believes such Asset Servicers have particular expertise, capability or knowledge with respect to the relevant category of assets, they have sourced such assets, or for regulatory reasons, in order to assist KKR in building relationships that KKR believes will be beneficial to a KKR Fund or Other Client and/or that will create opportunities for future investments or otherwise optimize returns for such KKR Fund or Other Client.

Certain Asset Servicers have been established or otherwise invested in by KKR proprietary entities and could therefore constitute affiliates of KKR or otherwise represent proprietary interests of KKR. For example, affiliates of KKR have made a proprietary investment into a joint venture partnership with a commercial aviation finance company which sources and provides services to investments by certain KKR Funds and Other Clients, including, without limitation, Global Atlantic Accounts, related to asset leasing arrangements for commercial aircraft, including assistance with sourcing of leasing opportunities and negotiating financing related to such opportunities, as well as repurposing and maintenance services. KJRM, which is a proprietary investment of the KKR Public Company, has and is expected from time to time in the future to be engaged to assist KKR in sourcing, executing and managing real estate investments

in Japan for certain KKR Funds and Other Clients, and/or to be engaged as an Asset Servicer for such investments. In addition, the JREITs have and are expected from time to time in the future to purchase real property or other assets from (or sell assets to) portfolio investments of KKR Funds or Other Clients, and/or to serve as lessor of such assets in sale leaseback transactions. There is currently minimal overlap between the investment strategies pursued by the JREITs and KKR Funds and Other Clients. However, the JREITs could from time to time participate in certain real estate investment strategies by co-investing alongside KKR Funds or Other Clients, or certain KKR Funds or Other Clients could participate in the JREITs' investment strategies by co-investing alongside the JREITs. Please see Item 11 – **“Allocations of Investment Opportunities – *KJRM*”** for further information. Further, KKR is expected to acquire a majority interest in a Korean asset management company (with an option to eventually acquire up to 100%), that is expected to offer sourcing, asset management and execution services, and/or to be engaged as an Asset Servicer, in respect of real estate investments in Korea by KKR Funds or Other Clients. In circumstances where KKR proprietary entities hold an economic interest in a Platform Manager or Platform Arrangement, KKR will receive an indirect economic benefit from asset originations and/or services provided by the Platform Arrangement to KKR Funds or Other Clients, and the success of KKR & Co.'s new Strategic Holdings segment (as defined in Item 11 *Proprietary Investments*), will depend in part on the investment performance and level of asset originations and/or services provided by such Platform Arrangements to KKR Funds and Other Clients.

In connection with Platform Arrangements, personnel of platform companies, joint venture companies, partners or Platform Managers or other persons, including personnel of Platform Managers affiliated with KKR, or of other entities formed by KKR or its affiliates to provide services to vehicles in which a KKR Fund or Other Client holds an investment, receive management fees or other fees (including, without limitation, consulting, servicing and/or origination fees), performance-based payments (including, without limitation, carried interest, incentive fees and/or transaction fees), equity (including, without limitation, options, warrants and restricted stock) and/or other compensation (including, without limitation, salaries, bonus, benefits and/or reimbursement of expenses) from Platform Managers or other vehicles which manage or advise such Platform Arrangements or through which such Platform Arrangements invest or conduct their business. Certain Platform Managers provide services exclusively to one or more Platform Arrangements.

KKR Funds or Other Clients will generally bear the expenses of the Platform Arrangements and Platform Managers, such as formation costs, ongoing general or administrative costs (including compensation of related personnel, rent and other overhead), due diligence expenses, working capital costs and other related expenses in connection with backing the Platform Arrangements and Platform Managers. Such expenses are borne directly by relevant KKR Funds or Other Clients (or as sourcing and diligence expenses, if applicable) or indirectly as KKR Funds or Other Clients fund the startup and ongoing expenses of a newly formed portfolio company. Where the management or operating team of a platform investment of a KKR Fund provides services that happen to benefit other KKR Funds or Other Clients that are not invested in such platform, those other KKR Funds or Other Clients will not bear their allocable share of platform related expenses, including compensation of management. Although platforms or build-up portfolio entities are controlled by a KKR Fund or Other Client, the compensation or expenses described above are not expected to be offset against any management or other fees or carried interest distributions payable to KKR or its affiliates in respect of such KKR Fund or Other Client.

The services provided by Platform Managers in respect of such Platform Arrangements will in certain cases be similar to and overlap with services provided by KKR to KKR Funds or Other Clients and a Platform Manager also has and could provide the same or similar services for assets owned by third parties, which could compete with KKR Funds or Other Clients for investment opportunities. Multiple KKR Funds or Other Clients could invest in the same Platform Arrangements. KKR Funds or Other Clients realize investments held through Platform Arrangements (in whole or in part) through a sale of all or a portion of

such Platform Arrangements or a disposition of assets held through such Platform Arrangements (including a payoff of any loans held through such Platform Arrangements), including to one or more KKR Funds, Other Clients or third parties.

Certain Platform Managers and Asset Servicers include former KKR personnel, Senior Advisors, Executive Advisors or Industry Advisors (each as defined below), or KKR Capstone executives, and such individuals are generally permitted to also provide the same or similar services with respect to other Platform Arrangements or Portfolio Asset Vehicles of a KKR Fund or Other Client. In certain instances, KKR will have little influence over certain unaffiliated Platform Managers and Asset Servicers invested in by a KKR Fund or Other Client, and there is no assurance that these investments will benefit such KKR Fund or Other Client, either economically or by achieving access to attractive future investment opportunities. Any compensation paid to Platform Managers or Asset Servicers, including Platform Managers and Asset Servicers that are KKR affiliates and including personnel that are former KKR personnel, Senior Advisors, Executive Advisors, Industry Advisors, or KKR Capstone executives, will increase the costs of and reduce the KKR Fund's or Other Client's returns from the relevant portfolio investments and will not offset carried interest or management fees or any other compensation paid by the KKR Fund or Other Client to the KKR GP. Please see the “**Expenses**” and “**Other**” sections below and “*Operating Partners and Joint Venture Partners*” in Item 8 for further information regarding the payment of fees, other compensation, and expense reimbursement to KKR Capstone and other Consultants.

Loan Servicing and Administrative Services

Affiliates of KKR also engage in loan servicing and other administrative services provided to borrowers, loan syndicates and similar arrangements. One or more of such KKR affiliates are generally entitled to provide these services to portfolio companies of KKR Funds and Other Clients and/or to lenders to such portfolio companies and receives or will receive fees in connection with such services. KKR has established a loan administration business pursuant to which it provides administrative agent, collateral agent and other loan administration services to borrowers and other portfolio entities and borrowers to which KKR Funds or Other Clients could provide financing, particularly (but not only) where such Affiliated Broker is the lead or sole arranger in the relevant transaction, and will be entitled to servicing fees and expense reimbursements in respect of these activities. In addition, affiliates of KKR have established K-Star Asset Management LLC (“K-Star”), which provides loan administration services, special servicing, loan or asset resolution, restructuring and reconstruction and other loan servicing services (including due diligence, underwriting and surveillance) to certain KKR Funds that invest in commercial real estate loans and securities, or to portfolio entities and/or borrowers to which they provide financing or in which they invest (including non-controlled entities) or to lending syndicates in which they participate, and will generally be entitled to servicing fees and expense reimbursements for such activities. Generally, any such loan servicing or administration or similar fees received by KKR or its affiliates from or with respect to KKR Funds' portfolio companies will be charged at market rates (net of expenses) and will not be shared with the KKR Fund or offset against management fees or carried interest distributions payable by such KKR Fund.

KKR and its affiliates could also receive payments for local administration or management services related to portfolio companies or investments of KKR Funds and Other Clients from those portfolio companies or from entities through which a KKR Fund or Other Client invests in a portfolio company or other investment, including, without limitation, executing contracts and other documents in connection with the loan closing process, reviewing and approving or declining requests by obligors for consents, modifications, waivers or amendments to any loan documentation, monitoring the status of any applicable real estate taxes, assessments and other similar items and verifying the payment of such items for each such loan investment, collecting and monitoring all loan payments due to applicable KKR Funds or Other Clients, general servicing or administration services in respect of loan portfolios as well as any and all other services which such KKR Fund determines necessary or appropriate to the customary servicing of its loan portfolio

(including participations therein). The amount and timing of the payment of such amounts will be determined by the relevant legal, tax or regulatory treatment that a KKR Fund is seeking to achieve, having regard to the circumstances in which such amounts are paid and the jurisdiction of establishment of the relevant portfolio company or intermediary entity. Generally, any such service costs received by KKR and its affiliates with respect to a KKR Fund will not be shared with the KKR Fund or offset against management fees or carried interest distributions payable by such KKR Fund.

In certain circumstances for commercial or tax efficiencies, KKR will also utilize and provide services to a foreign holding structure, which could also result in compensation payable to KKR or its affiliates. For example, certain KKR Funds utilize a Singapore holding structure for investments in Asia. Fees earned by such KKR affiliate will accrue entirely to the benefit of its KKR-affiliated equity owners, which will not include KKR Funds. Moreover, the remuneration will not offset management fees or carried interest distributions due from KKR Funds or Other Clients.

Proprietary Real Estate Platform Investments

Affiliates of KKR have also made proprietary investments in (and will likely make additional investments in) real estate asset management platforms (“RE Platforms”) and real estate investment managers that sponsor RE Platforms. RE Platforms (or funds sponsored by a RE Platform) are not expected to be advisory clients of KKR. Rather, RE Platforms are partnerships between an affiliate of KKR and a third-party management team, which are generally independently managed and operated. KKR could make a proprietary investment in a RE Platform, its manager or the recapitalization of a RE Platform’s investment manager. KKR real estate investment executives who participate in the investment decisions made on behalf of a KKR Fund or Other Client also participate in certain investment decisions made by RE Platforms. To the extent permitted by the terms of the RE Platform, KKR will in certain cases have the ability to seek to allocate investment opportunities sourced through a RE Platform to KKR Funds or Other Clients with overlapping investment mandates (any such investment, a “Joint Investment”). When KKR or an affiliate is an investor in a RE Platform, in addition to its ownership interest in the third-party investment manager of the RE Platform, KKR will have a conflict of interest in allocating such investments among the RE Platform and KKR Funds or Other Clients. For each Joint Investment, the applicable RE Platform’s third-party (i.e., non-KKR) management team is expected to be paid a management fee and receive an incentive allocation in respect of the KKR Fund’s or Other Client’s portion of such Joint Investment that will be negotiated directly by KKR with the third-party management team of the RE Platform on an arms-length basis. No portion of such fee or incentive allocation is expected to offset the management fee payable by the applicable KKR Fund or Other Client. Other fees related to Joint Investments, including but not limited to, leasing, property development, property management, capex supervisory fees, financing fees and other fees for real estate services, are also expected, from time to time, to be charged by the RE Platform to the KKR Fund or Other Client, or their respective investment vehicles, for services rendered to the Joint Investment. These services fall outside of the scope of the management fees and incentive allocations or performance fees paid to KKR by the KKR Fund or Other Client and, like other fees for replacement services that would be paid by the KKR Fund or Other Client to KKR (or an affiliate) or third parties, none of these fees or incentive allocations are expected to reduce management fees payable by the KKR Fund or Other Client. As such, KKR (or an affiliate) will benefit economically from such other fees paid by the KKR Fund, Other Client or Joint Investment through its ownership interest in the relevant RE Platform.

Warehoused Investments

KKR Funds or Other Clients from time to time acquire one or more portfolio investments acquired by KKR or its affiliates prior to a closing date or subscription period of such KKR Fund or Other Client. KKR or its affiliates receive certain fees, including fees paid to Affiliated Brokers, in connection with any such investments. Subject to any required insurance regulatory approvals and the governing agreements of

applicable KKR Funds and Other Clients, Global Atlantic Accounts warehouse such portfolio investments for KKR Funds or Other Clients for certain fees. KKR Capstone fees and other Consultants are also paid with respect to such investments. Any fees received by KKR or its affiliates with respect to such investments prior to the date of transfer of such warehoused investments to the relevant KKR Fund or Other Client will generally be retained by KKR or its affiliates and will not be shared with the KKR Fund or Other Client or otherwise reduce management fees payable by the KKR Fund or Other Client to KKR. The decision of the relevant KKR GP or KKR regarding the timing of the transfer of such warehoused investment to the KKR Fund or Other Client, therefore generally affects the portion of fees received by KKR and its affiliates with respect to the warehoused investments that are shared with the KKR Fund or Other Client and that otherwise reduce management fees payable by the KKR Fund or Other Client to KKR. In addition, the KKR Fund or Other Client will generally pay an additional amount on the acquisition cost of any warehoused investment equal to a certain percentage per annum from the date of closing of such warehoused investment until the date of transfer of such warehoused investment to the KKR Fund or Other Client. KKR or its affiliates will also make loans to KKR Funds or Other Clients to acquire portfolio investments prior to the KKR Fund or Other Client obtaining a subscription facility, and subject to any required insurance regulatory approvals and the governing agreements of applicable KKR Funds and Other Clients, Global Atlantic Accounts will also serve as a lender in such circumstances. The decision of the KKR GP or KKR regarding the timing of the transfer of the warehoused investment to the KKR Fund or Other Client (or, if applicable, the repayment of any such loan to a KKR Fund or Other Client to complete a portfolio acquisition directly) will therefore affect the quantum of the foregoing additional amount that is paid by the KKR Fund or Other Client to KKR or its affiliates.

Senior Advisors, Industry Advisors and Other Consultants

Senior advisors (“Senior Advisors”), executive advisors (“Executive Advisors”) and industry advisors (“Industry Advisors”) are certain third-party consultants that are typically senior business leaders who provide advisory and consulting services to KKR, KKR Funds, Other Clients, and portfolio companies of KKR Funds or Other Clients, including, among other things, with respect to additional operational and strategic insights into KKR’s investments. They are engaged as Consultants rather than employees of KKR and are compensated for services provided to KKR, KKR Funds, Other Clients and portfolio companies of KKR Funds and Other Clients. A significant portion of the compensation and reimbursement of expenses paid to Senior Advisors, Executive Advisors, Industry Advisors and other Consultants are allocated to KKR Funds and Other Clients as expenses, and as a result, these items are described in detail below under “**Expenses** – *Senior Advisors, Industry Advisors and Other Consultants*.” Senior Advisors, Executive Advisors, Industry Advisors and other Consultants also receive compensation and expense reimbursement for providing services to portfolio companies, which includes compensation for services on boards of directors, compensation for service as interim executives and consulting related compensation, which involves both fixed and incentive compensation. Accordingly, KKR Funds and Other Clients indirectly bear the cost of such compensation and expense reimbursement.

Compensation and expense reimbursement received by Senior Advisors, Executive Advisors and Industry Advisors do not offset management fees payable by KKR Funds or Other Clients.

Please see the “**Expenses**” section below for further information regarding allocation to KKR Funds and Other Clients of compensation and other payments received by Senior Advisors, Executive Advisors and Industry Advisors.

KKR Advisors

KKR advisors (“KKR Advisors”) are individuals who were formerly employees of KKR and are subsequently engaged as consultants for KKR. Compensation of KKR Advisors is not generally borne by

KKR Funds. However, KKR Advisors serve on the boards of portfolio companies, or are otherwise engaged to provide services to portfolio companies, and any fees paid to KKR Advisors by portfolio companies, such as director or consulting fees, will not be credited against any management fees payable by KKR Funds.

Expenses

Three general categories of expenses are allocated to and among KKR Funds, Other Clients, KKR Associates Vehicles, co-investment vehicles and certain KKR proprietary entities. As discussed further below, these categories are: (1) fund organizational and administrative expenses, (2) sourcing and diligence expenses and (3) oversight expenses. The offering and governing documents of each KKR Fund and Other Client contain more detailed information on the type of expenses that will be charged to such KKR Fund or Other Client.

In addition to calling capital to pay expenses, KKR (or an affiliate) from time to time advances funds on behalf of KKR Funds or Other Clients for the payment of expenses and is then reimbursed through a reduction of subsequent distributions by the relevant KKR Fund or Other Client (or subsidiary of a KKR Fund or Other Client) or by reducing the amount of monitoring fees, transaction fees and breakup fees allocable to such KKR Fund or Other Client that would otherwise reduce management fees.

When a portfolio company bears an expense directly, each direct and indirect equity owner of such company will indirectly bear a portion of such expenses. Expenses will also be reimbursed to KKR by portfolio companies, with the same effect. Expenses are also borne by (i) holding companies or other vehicles through which certain, but not all, of the direct and indirect equity owners of the portfolio company invest or (ii) a specific KKR Fund or Other Client. When such expenses are borne by such holding companies or other vehicles or by a specific KKR Fund or Other Client, such KKR Fund or Other Client will bear a greater portion of such expenses than would be the case if the relevant portfolio company paid such expenses, as only the investors in the holding company (or KKR Fund or Other Client) will bear the cost of such expenses.

Fund Organizational and Administrative Expenses

These expenses are related to the organization, operation and administration of KKR Funds or Other Clients and are not directly related to sourcing investments or to any particular portfolio company. These include expenses related to activities, operations, meetings and the eventual termination and liquidation of the KKR Fund or Other Client. Examples of organizational expenses are legal, accounting, and filing expenses incurred in connection with the organization and establishment of any KKR Fund and the related KKR GP, and the marketing and offering of interests in such KKR Fund or Other Client, including commissions, costs, fees, and expenses of placement agents or finders and legal, accounting, tax, filing, capital raising, travel (including first or business class airfare, black car services and premium meals) and accommodation (including first class lodging), printing, and other similar costs, fees, and expenses. Certain KKR Funds or Other Clients pay the cost of the fund administration services provided by KKR employees (including compensation otherwise payable by KKR), and/or internal costs (including compensation and overhead costs) attributable to certain Consultants. Such services typically consist of services that would otherwise be provided by a third party whose fees, costs, and expenses would be paid by the KKR Fund or Other Client.

Investors in KKR Funds (other than KKR Associates Vehicles, which do not bear management fees) or Other Clients will typically receive a reduction in management fees in respect of offering and organizational expenses in excess of specific amounts as described in the offering materials, disclosure documents and/or governing documents of the relevant KKR Fund or Other Client. KKR or one or more of its affiliates will

generally bear the allocable share of organizational costs and other expenses attributable to KKR Associates Vehicles without seeking reimbursement from such vehicles. In addition, organizational expenses of a feeder fund investing in a KKR Fund are borne by such KKR Fund or such feeder funds, as specified in the offering materials, disclosure documents and/or governing documents of the relevant KKR Fund.

Examples of direct and indirect operational expenses that fall within this category are professional fees directly attributable to a specific KKR Fund or Other Client, such as legal fees and audit fees; insurance premiums and fees (including costs of ERISA fidelity bonds); fund borrowings; indemnification obligations; expenses relating to legal and regulatory compliance; fees, costs and expenses relating to the administration of any fund and its assets; including, without limitation those incurred in connection with the preparation of financial statements, tax returns, K-1s, administration of assets, financial planning and treasury activities; fees, costs and expenses incurred in the preparation of and providing access to fund reports and information (including through websites or other portals) and related operational, secretarial or postage expenses (including technology and other administrative support); general and administrative costs (including salary, bonus, benefits and an allocated portion of overhead of certain Employees); compensation and expenses of Senior Advisors, Executive Advisors and Industry Advisors; fees, other compensation and expenses of KKR Capstone and other Consultants; principal, interest on and fees and expenses arising out of all fund borrowings; the costs of advisory committee meetings and the annual investors conference (or other investor meetings) and portfolio management committee meetings for the relevant KKR Fund or Other Client (including costs and expenses of meals, events, entertainment and travel and accommodation costs of KKR personnel, Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and employees of other Consultants attending such meetings); fees, costs and expenses incurred in connection with any amendments, restatements or other modifications to, or the monitoring of compliance with, fund agreements, side letters (including “most favored nations” provisions) and other constituent or related documents of the relevant KKR Fund and the general partner (including costs and expenses relating to investor and advisory committee consent, waiver or similar acknowledgment solicitations, and the preparation of compliance checklists and other comparable compliance and compliance monitoring-related materials); fees, costs and expenses relating to procuring, developing, implementing or maintaining information technology, data subscription and license-based services, including computer software and hardware, electronic equipment or information technology services purchased from third party vendors related thereto, risk analysis tools, research publications, materials, equipment and services, computer software or hardware and other electronic equipment used in connection with a fund and its operation, administration and investment activities and otherwise used in connection with providing services to a KKR Fund or Other Client; expenses of any actual or potential litigation, dispute, investigation or inquiry related to any KKR Fund or Other Client or any actual or potential portfolio investment (including expenses incurred in connection with the investigation, prosecution, defense, judgment or settlement of any litigation, dispute, investigation or inquiry and the appointment of any agents for service of process on behalf of such KKR Fund, Other Client, KKR or investors); and other extraordinary expenses related to any KKR Fund or such portfolio investments (including fees, costs and expenses classified as extraordinary expenses under generally accepted accounting principles in the United States). This list is not intended to be exhaustive; other situations and expenses arise in the course of operation of the KKR Funds or Other Clients. KKR Funds or Other Clients will also pay comparable costs, fees and expenses relating to any feeder funds (other than a KKR Credit Associates Vehicle), alternative vehicles, portfolio companies or entities through which a KKR Fund or Other Client invests that are not otherwise borne by such entities. KKR Fund or Other Client expenses and the repayment of any borrowings incurred by a KKR Fund or Other Client are allocated against and satisfied from investment proceeds received by such KKR Fund or Other Client in a manner reasonably determined by the applicable KKR GP. Generally, out-of-pocket expenses associated with completed portfolio investments are expected to be reimbursed to KKR by the seller or the portfolio company or capitalized as part of the acquisition price of the transaction.

As noted above, certain KKR Funds or Other Clients will also pay or otherwise bear the costs and expenses associated with administration of KKR Funds, Other Clients and their assets, including allocable compensation and overhead of applicable KKR employees (the “Applicable Employees”). Applicable Employees estimate their time engaged in a variety of matters that can be generally categorized as relating to (i) administration of KKR Funds and Other Clients, (ii) administration of KKR Fund or Other Client assets, and (iii) administration of non-KKR Fund or Other Client-related activities.

The time estimates are aggregated for all Applicable Employees across the categories for purposes of calculating the portion of the aggregate compensation and overhead of all Applicable Employees that is allocable to the applicable KKR Fund or Other Client, which, for the avoidance of doubt, is limited to clauses (i) and (ii) above. KKR bears the portion of compensation and overhead of Applicable Employees that is allocable to non-fund related activities (if any). Compensation of each Applicable Employee will generally include three elements: (a) salary and cash bonus; (b) payroll taxes; and (c) healthcare and other benefits costs. Overhead will generally include rent, property taxes and utilities that are allocable to workspaces and shared spaces used by Applicable Employees. KKR determines compensation of Applicable Employees in accordance with internally established methodologies. KKR does not obtain pricing information from unaffiliated third-party service providers and accordingly compensation and overhead of Applicable Employees charged to a KKR Fund or Other Client could be in excess of the cost of comparable services provided in an arm’s length transaction. While the KKR employee group included in the scope of Applicable Employees is generally limited at present to finance, tax, technology, public affairs, ESG, and operations, KKR expects from time to time, to expand the scope of Applicable Employees to apply to additional KKR employees (or categories of personnel) devoting time to fund administration matters, including potentially in-house attorneys, compliance professionals, accountants and tax advisers.

Sourcing and Diligence Expenses

These expenses relate more generally to investment sourcing and diligence for a particular investment strategy and include fees, costs and expenses of identifying, investigating (including conducting diligence with respect to), evaluating, structuring and negotiating potential investments for such strategy. The largest category of sourcing and diligence expenses are those expenses incurred with respect to the pursuit of particular investments that are never actually consummated. Examples of such “broken deal” expenses include fees and expenses of any legal, financial, accounting, consulting or other advisors or lenders, investment banks and other financing sources in connection with arranging financing for transactions that are not consummated; any travel and accommodation expenses; and any deposits or down payments that are forfeited in connection with, or amounts paid as a penalty for, unconsummated transactions.

Other sourcing and diligence expenses include certain organizational expenses (for example, those related to the establishment of a multi-investment arrangement for a strategy); legal, accounting and other professional fees and expenses; travel costs (including first or business class airfare, lodging (including first class lodging), ground transportation (including black car services), and premium meals; costs and expenses of attending trade association meetings, conferences or similar meetings to source and evaluate investment opportunities; fees and expenses of consultants (including Senior Advisors, Executive Advisors and Industry Advisors, KKR Capstone and other Consultants); and costs and expenses of research and technology (including costs of specialty data subscription and license-based services and risk analysis software). These expenses are allocated to the KKR Funds, Other Clients, and KKR Associates Vehicles (and if applicable, certain KKR proprietary entities) that participate in the relevant investment strategy. The proportion of such expenses allocated to any relevant KKR Fund, Other Client, KKR Associates Vehicles, or KKR proprietary entity varies from period to period, but as a general matter, the significant majority of such expenses will typically be borne by the primary investment vehicle for such strategy, which is generally the KKR Fund that has a minimum investment right in relation to the relevant strategy. Transaction expenses for consummated investments not reimbursed by a third party are generally allocated

based on the percentages of the investment held by the relevant KKR Funds or Other Clients and KKR Associates Vehicles.

Oversight Expenses

These expenses are incurred in connection with the oversight of portfolio companies. Examples of expenses that fall within this category are travel expenses (including first or business class airfare, first class lodging and ground transportation, such as a black car service) for an Employee to attend a board of directors meeting of a portfolio company, directors' fees, KKR Capstone (and other Consultant) fees, other compensation and expenses for services provided to or on behalf of a portfolio company, expenses relating to the disposition or management of the portfolio investment, consulting fees, expenses, equity grants and other compensation of Senior Advisors, Executive Advisors, Industry Advisors and/or KKR Capstone for services provided to a portfolio company and fees and expenses of any other consultants, counsel, accountants or other experts for services provided to (or on behalf of) a KKR Fund portfolio company. Other examples include: (i) brokerage commissions, clearing and settlement charges, investment banking fees and expenses, bank charges, placement, syndication and solicitation fees, arranger fees, sales commissions, bridge financing expenses (which in certain instances will be payable to another KKR Fund or Other Client co-investing in the bridged transaction or to KKR or an affiliate, in each case to the KKR entity that provides bridge financing to the relevant KKR Fund or Other Client) and other investment, execution, closing and administrative fees, costs and expenses of portfolio companies, (ii) costs (including administrative and filing fees and regulatory and compliance expenses) of maintaining the holding structure for portfolio investments, (iii) portfolio and risk management expenses (including hedging transactions and related costs), (iv) anti-money laundering and anti-bribery and corruption compliance costs, (v) ESG-related costs, (vi) cyber security costs, (vii) expenses of any actual or potential litigation, dispute, investigation or inquiry related to any portfolio company or any actual or potential portfolio investment (including expenses incurred in connection with the investigation, prosecution, defense, judgment or settlement of any such matter and the appointment of any agents for service of process on behalf of such portfolio company or KKR) and other extraordinary expenses related to any portfolio investments (including fees, costs and expenses classified as extraordinary expenses under generally accepted accounting principles in the United States), and (viii) expenses related to industry conferences directly related to a particular portfolio company. Oversight expenses are from time to time paid to KKR affiliates, including Affiliated Brokers. Oversight expenses also include amounts for service costs paid to KKR (or any affiliate) by a portfolio company or any entity through which a KKR Fund or Other Client (and, if applicable, certain KKR affiliated entities and proprietary entities) invests in a portfolio company for local administration or management services related to such portfolio company or entity.

Senior Advisors, Executive Advisors, Industry Advisors and Other Consultants

The terms of engagement, including the financial package, for Senior Advisors, Executive Advisors, Industry Advisors and other Consultants are generally agreed ("Terms of Engagement") between the Senior Advisor, Executive Advisor, Industry Advisor or other Consultant and KKR (or one of its affiliates) at the time of engagement. Terms of Engagement are negotiated individually with each counterparty, depending upon anticipated services, and differ based on the parties to the Terms of Engagement. Terms of Engagement are updated from time to time, taking into account considerations such as, but not limited to, performance or current market practices for similar consulting services. Senior Advisors, Executive Advisors and Industry Advisors typically receive a financial package comprised of one or more of the following: (i) an annual fee or retainer, (ii) a discretionary performance-related bonus, (iii) a portion of the carried interest distributions received by a general partner(s) of a KKR Fund, KKR Credit Fund or Other Client that are part of KKR's "carry pool," (iv) grants of equity in one or more of the parent entities of KKR (including equity awards from the KKR Public Company) and (v) an opportunity to invest in KKR Funds and KKR Credit Funds or specific transactions on a no-fee/no-carry basis. Senior Advisors, Executive

Advisors and Industry Advisors are also entitled to reimbursement for expenses incurred while providing services to KKR, KKR Credit, KKR Funds, KKR Credit Funds, Other Clients and their portfolio companies. Senior Advisors, Executive Advisors and Industry Advisors also receive consulting related compensation in the form of fixed and incentive compensation. KKR Funds and Other Clients bear, directly or indirectly, a portion of the costs of consulting services provided by Senior Advisors, Executive Advisors, Industry Advisors and other Consultants. KKR will generally seek to engage Senior Advisors, Executive Advisors, Industry Advisors and other external Consultants on the basis of the overall quality of advice and other services they provide as well as cost. Such external Consultants, however, will often charge rates or establish other terms in respect of advice and other services provided to KKR Funds, Other Clients or their portfolio companies that differ from rates or terms applicable to engagements of KKR Capstone or other affiliated Consultants for similar services.

KKR allocates Senior Advisor, Executive Advisor and Industry Advisor compensation (i.e., the annual fee and cash bonus) and expense reimbursement according to how the relevant Senior Advisor, Executive Advisor or Industry Advisor spends his or her time. The time of each Senior Advisor, Executive Advisor and Industry Advisor is allocated on a quarterly basis among three general categories: (i) investment sourcing activities (which are allocated as sourcing and diligence expenses (see description above of such expenses); (ii) activities related to monitoring or working with KKR Fund portfolio companies (which are allocated as portfolio company-related expenses (see description above of such expenses); and (iii) KKR related activities, such as meetings with investors and strategic planning, expenses of which are borne by KKR and its affiliates and not KKR Funds and Other Clients. The expenses related to equity grants in one or more of the parent entities of KKR have historically been borne by KKR (or one of its affiliates) and not allocated to KKR Funds and Other Clients. Certain Senior Advisors, Executive Advisors, Industry Advisors and other Consultants also receive profit participations or similar equity interests in portfolio companies or investment assets and/or a portion of performance related compensation from certain KKR GPs that in turn receive carried interest allocations from KKR Funds. Senior Advisors, Executive Advisors, Industry Advisors and other Consultants also serve on the boards of directors of KKR Fund portfolio companies and otherwise serve directly as consultants or interim executives to KKR Fund portfolio companies and receive directors' fees, consulting fees, equity grants and other compensation in connection therewith from KKR Fund portfolio companies. Such directors' fees or other compensation earned by Senior Advisors, Executive Advisors, Industry Advisors and other Consultants do not offset management fees payable by KKR Funds or Other Clients. Certain Terms of Engagement provide KKR the discretion to determine whether this additional compensation paid to Senior Advisors, Executive Advisors or Industry Advisors by KKR Fund portfolio companies will offset the cash compensation paid to such Senior Advisors, Executive Advisors or Industry Advisors under the Terms of Engagement, although KKR typically does not offset such cash compensation.

Expense Allocation

KKR allocates expenses among KKR Funds, Other Clients and KKR based on the nature of the expenses and from time to time will make corrective allocations if it determines that they are necessary or prudent. Expenses related to due diligence for a potential investment are generally either capitalized as part of the acquisition price of the relevant investment for consummated investments or treated as sourcing and diligence expenses for investments that are not consummated.

“Fund Organizational and Administrative Expenses” generally are charged to the KKR Fund or Other Client to which they relate.

“Oversight Expenses” are charged to the portfolio company to which they relate, or, if not, are generally allocated based on ownership percentages of the relevant portfolio company or investment held by the relevant KKR Funds, Other Clients, KKR Associates Vehicles and KKR proprietary entities. The specific

entity in the organizational holding structure which bears these expenses impacts the proportional sharing of these expenses. Transaction expenses for consummated investments will typically be borne by the relevant portfolio company or a related investment vehicle through which the investment is made and capitalized as part of the acquisition price of the relevant transaction to the extent not reimbursed by a third party. In addition, ongoing expenses that are specific to a portfolio company are borne by the relevant portfolio company.

“Sourcing and diligence expenses” are generally attributable to multiple KKR Funds and Other Clients that invest in a given strategy. KKR has therefore developed a methodology that seeks to allocate sourcing and diligence expenses among relevant KKR Funds, Other Clients, KKR proprietary entities and KKR Associates Vehicles. This methodology assists KKR in the allocation of such expenses, where appropriate, based upon the amount of capital historically invested within the relevant strategy. The expense allocation methodology allocates to each relevant vehicle based on the total equity invested by such vehicle within the relevant strategy over the prior eight quarters divided by the total equity invested by all relevant vehicles within such strategy over the prior eight quarters. The significant majority of these expenses is typically borne by the KKR Fund that is the primary (or flagship) fund for that strategy because such fund (or its predecessor) generally has the largest amount of invested capital in such strategy and also typically has a priority right to invest. Because KKR does not source investment opportunities generally within a strategy on behalf of third-party investors who invest on a deal by deal or “syndicated” basis, KKR does not allocate sourcing and diligence expenses to syndicated capital co-investment vehicles or syndication side cars.

Captive Insurance

KKR and its affiliates, KKR Funds, Other Clients and/or their portfolio entities could, in certain circumstances, self-insure through a captive insurance company (the “Captive”) owned entirely by one or more of such participants. An affiliate of KKR could provide oversight of the Captive’s management, sit on the boards of the Captive’s cells, provide a guarantee for a letter of credit to help capitalize the Captive, own one or more cells (including the central cell) and receive a fee based on a percentage of the premiums. A Captive’s “cells” are risk-bearing entities consisting of a core or central cell and an indefinite number of individual cell entities which are kept legally separate and insulated from the liabilities of each other. An individual “cell” is an insurance facility that can be utilized by a single company to underwrite its specific risks. A third-party insurance services firm, a portfolio entity of a KKR Fund or Other Client and/or a KKR affiliate could provide brokerage, placement, administration and insurer management services to the Captive. The fees and expenses of the Captive, including insurance premiums and fees paid to its manager, will be borne by KKR Funds, Other Clients and/or their respective affiliates and portfolio entities pro rata based on estimates of insurance premiums that would have been payable for each party’s respective assets, as benchmarked against amounts paid by or to third parties where practicable, and are paid by each participant annually. While KKR Funds and Other Clients do not expect to provide any funding in addition to such annual contribution, it is possible that each member of the Captive, including any relevant KKR Fund and its portfolio entities, is required to make additional capital contributions in certain circumstances. This arrangement, if implemented, is expected to provide a KKR Fund with greater control over its insurance programs and reduce overall costs of insurance through efficiencies and lower insurance costs. A KKR Fund, however, could be negatively affected to the extent there are disproportionate losses incurred on assets held by other KKR Funds or Other Clients participating in the Captive, including through increased future premiums or the lost ability to recoup capital contributions, and there can be no assurance that the arrangement will not result in under- or over-allocation of costs to a KKR Fund relative to other KKR Funds or Other Clients or that different allocations or arrangements than those provided above would not result in a KKR Fund and its portfolio entities bearing less (or more) premiums, deductibles, fees, costs and expenses for insurance policies. The Captive could engage a portfolio entity of a KKR Fund or Other Client to provide corporate support services in respect of the Captive’s activities (including assisting with Captive structuring, related insurance brokerage and placement and oversight and administration of claims).

In connection therewith, such portfolio entity is expected to earn commissions for such services related to the Captive's insurance programs and could earn additional commissions during each such policy year. Any such services and fees are in addition to any services provided and fees received by KKR and its affiliates.

Other

Portfolio companies of KKR Funds or Other Clients are counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other KKR Funds or Other Clients (for example, a portfolio company of a KKR Fund has retained a portfolio company of another KKR Fund to provide services or acquire an asset from such portfolio company).

Other agreements, transactions, and arrangements among portfolio companies involve fees, servicing payments, rebates, discounts and/or other benefits to KKR and its employees and affiliates (including KKR Capstone). For example, KKR encourages portfolio companies to enter into agreements regarding group procurement and/or vendor discounts. In certain cases, KKR and its affiliates (including KKR Capstone), also participate in these agreements, and potentially realize better pricing or discounts as a result of the participation of portfolio companies. Certain of these agreements provide for commissions, fees for services or similar payments and/or discounts or rebates to be paid (directly or indirectly) to a portfolio company, KKR (or one of its affiliates), KKR Capstone or other Consultants. Fees, payments, rebates, discounts and other benefits paid or otherwise provided by portfolio companies pursuant to these arrangements are not subject to management fee offsets or otherwise shared with KKR Funds or Other Clients. Under these arrangements, one particular portfolio company could benefit to a greater degree than the other participants in the arrangements, and the KKR Fund(s) and/or Other Client(s) that own an interest in such portfolio company will receive a greater relative benefit from the arrangement than other KKR Funds and Other Clients that do not own an interest in such portfolio company.

KKR or its affiliates, or the officers, directors and employees of KKR or its affiliates from time to time hold equity or other investments in companies or businesses that provide services or goods to or otherwise contract with portfolio companies of KKR Funds or Other Clients, subject to KKR's policies and procedures for addressing conflicts. Payments made by portfolio companies for such services, goods or contracts will not offset management fees payable by KKR Funds or Other Clients.

In addition, portfolio companies of KKR Funds or Other Clients from time to time make discounts and other benefits available to employees of KKR and its affiliates and to Consultants, Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and other persons associated with KKR with respect to products or services offered by such companies. Furthermore, airline travel or hotel stays incurred as KKR Fund or Other Client expenses often result in "miles" or "points" or credit in loyalty/status programs, and such benefits or discounts will, whether or not de minimis or difficult to value, inure exclusively to KKR and/or its personnel (and not KKR Funds, Other Clients or portfolio companies) even though the cost of the underlying service is often borne by the KKR Funds, Other Clients or portfolio companies. The amount of such discounts and other benefits will not offset management fees payable by KKR Funds or Other Clients.

In connection with the management and oversight of KKR Funds and Other Clients, neither KKR nor any of its supervised persons accept compensation from third parties for the sale of securities or other investment products except as described above.

Item 6 Performance-based Fees and Side-By-Side Management

As noted in Item 5 above, KKR (including the KKR GPs) generally receives carried interest allocations and fees from KKR Funds or Other Clients. KKR will in certain instances have an incentive to favor, or take increased investment risk with respect to, KKR Funds or Other Clients from which it receives higher carried interest allocation (or which are subject to lower preferred return hurdles) or higher fees over KKR Funds or Other Clients from which lower or no carried interest allocation or lower fees are received (and notwithstanding that such accounts do not give rise to carried interest allocations, KKR will in certain instances have an incentive to favor a certain KKR proprietary entity over any other KKR Fund or Other Client). KKR has in place policies and procedures to address these conflicts, including policies and procedures designed to ensure allocation of investment opportunities among all client and KKR proprietary entities on a fair and equitable basis, taking into account the client's investment objectives. These policies and procedures are described in more detail below in Item 11.

KKR advises certain KKR Funds that are either feeder funds investing in other KKR Funds or side-by-side vehicles investing alongside other KKR Funds established primarily for the benefit of Employees, Senior Advisors, Executive Advisors and Industry Advisors, KKR Advisors and certain other persons associated with KKR (including, without limitation, executives of KKR portfolio companies, external consultants and their affiliated entities) ("KKR Associates Vehicles"). KKR Associates Vehicles are not subject to management fees or carried interest allocations but are generally allocated monitoring fees and transaction fees, breakup fees and other similar fees based on their respective ownership (including indirect ownership through KKR Funds) of the relevant portfolio company or investment as discussed above in Item 5 (except in the case of certain older KKR Funds). KKR retains such compensation to the extent it is allocable to KKR Associates Vehicles (except in the case of investments made alongside certain older KKR Funds). KKR will generally bear any allocable share of KKR Fund organizational costs and other expenses on behalf of the KKR Associates Vehicles. As the investment activities of these vehicles are implemented indirectly through the other KKR Funds in which they invest or alongside other KKR Funds, as applicable, KKR does not view these arrangements as giving rise to the types of conflicts of interest described above.

Item 7 Types of Clients

KKR generally provides investment management, advisory and administrative services to KKR Funds and Other Clients, and/or KKR GPs and other investment vehicles sponsored by KKR GPs. These funds and vehicles are typically U.S. and non-U.S. limited partnerships and other investment vehicles that are not registered or required to be registered under the Investment Company Act, or the United States Securities Act of 1933, as amended (the "Securities Act"), and are privately placed to qualified investors in the United States and elsewhere.

Some of these investment vehicles accept qualified individual (non-institutional) investors primarily sourced through third party brokerage firms, banks, third-party feeder providers, and independent investment advisors ("K-Series Vehicles"). Certain K-Series Vehicles are RICs while certain others are holding company conglomerates that are structured and operated in a manner permitting them to be excluded from the definition of "investment company" under the Investment Company Act. Given the large number of investors, U.S. K-Series Vehicles are typically registered under the Securities Exchange Act of 1934, as amended.

Affiliates of KKR manage several publicly listed vehicles, including REITs, and several other vehicles that are traded on a stock exchange, including a publicly listed energy company, a business development company and multiple non-U.S. listed investment trusts or similar vehicles that provide certain non-U.S. investors with access to funds and investments managed by KKR or its affiliated investment advisers. KKR also sponsors and manages dedicated investment vehicles and/or strategic partnership arrangements for

certain institutional investors, and other feeder funds or side-by-side vehicles established primarily for employees and certain other persons associated with KKR and KKR Credit. KKR also provides investment advice directly to institutional clients through managed account arrangements.

Pooled investment funds, specific funds established for a single investor and other investment vehicles sponsored by KKR GPs to which KKR provides continuous and regular investment management, advisory and administrative services, are referred to throughout this brochure as “KKR Funds”. Institutional investors, or investment vehicles (such as a REIT and K-Series Vehicles), to which KKR provides services directly through a contractual relationship, such as an investment management agreement, are referred to throughout this brochure as “Other Clients”. KKR has entered into investment management agreements with various Global Atlantic Accounts (as defined in Item 11) which were approved by applicable insurance regulators. Unless otherwise specified herein, Global Atlantic Accounts are included in the definition of Other Clients. Please see Item 11 – “**Allocations of Investment Opportunities – Global Atlantic**” for further information.

With limited exceptions (including, currently, with respect to KKR Funds established as employee securities companies and KKR Associates Vehicles), investment in KKR Funds is generally only available to institutional investors and certain high net worth investors that are both “accredited investors” and “qualified purchasers” or in the case of Employees, “knowledgeable employees,” within the meaning of the Securities Act and the Investment Company Act, as applicable.

KKR Funds or Other Clients generally have a specified minimum investment amount as set forth in their offering materials, disclosure documents and/or governing documents. These minimum amounts are subject to discretion, on the part of KKR or the relevant KKR GP, to permit investments of a smaller amount generally or with respect to any investor. Individual investors investing in KKR Funds are typically subject to lower individual investment minimums when accessing KKR Funds or Other Clients, including K-Series Vehicles.

A broad range of U.S. and non-U.S. institutional investors, including, among others, governmental and corporate pension and profit sharing plans, including investors regulated under the U.S. Employee Retirement Income Security Act of 1976, as amended (“ERISA”), endowments and foundations, insurance companies, financial institutions, sovereign wealth funds, funds of funds, private wealth and other third party distribution platforms and certain high net worth individuals and family offices, invest in KKR Funds and Other Clients. Additionally, Employees and other persons associated with KKR and/or its affiliates and portfolio companies, including, for example, current or former portfolio company executives, and certain KKR proprietary entities, make capital contributions to KKR Funds including, in particular, KKR Associates Vehicles.

KKR also through KKR GPs provides certain administrative services to co-investment vehicles that are not advisory clients of KKR, such as syndicated capital co-investment vehicles and syndication side cars through which third-party investors co-invest alongside KKR Funds and Other Clients, as described in response to Item 11 – “**Allocations of Investment Opportunities**”.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

Investment Strategies and Methods of Analysis

As noted above in response to Item 4, KKR advises private equity funds and other investment vehicles that invest capital primarily for long-term appreciation, primarily either through controlling ownership of companies or minority positions. KKR also manages investments in infrastructure companies and assets

across a broad range of sectors and investment types, including: power and utilities; long-term contracted or “hedgeable” generation; midstream energy infrastructure; alternative energy infrastructure; airports; ports; transportation (roads, bridges, tunnels, railway lines, parking and mass transit structures); asset leasing; water and wastewater; social infrastructure (for example, schools, public healthcare facilities, and government housing); and telecommunications infrastructure. As part of KKR’s infrastructure platform, KKR manages KKR Funds that are focused on climate-related investments, including environmentally friendly technologies such as energy storage, battery-related ventures and transportation, and decarbonizing of existing assets, such as conventional power and infrastructure, as well as renewables deployment, to support the transition to a low carbon economy. In addition, KKR manages investments in energy assets, such as oil and gas properties, royalties and drilling activities that offer exposure to underlying commodities and current cash flows from the production of the acquired resources. KKR also manages investments in real estate assets, including direct investments in commercial or residential real property, debt (including loans, commercial mortgage backed securities, including subordinated tranches of commercial mortgage backed securities known as “B-Pieces,” and mezzanine debt), strategic investments and businesses with significant real estate holdings. KKR sponsors customized products that invest in KKR Funds and third party funds pursuing private equity and related co-investments, and strategic partnership vehicles that invest across multiple KKR Funds and investment strategies, and generally have longer investment periods than traditional KKR Funds and Other Clients. KKR also manages growth capital investments, including through KKR Funds focused on growth equity investments in the technology, media and telecommunications and health care sectors. KKR has also established core investment vehicles, through which it aims to make core investments across strategies that KKR manages (please see “*Core Investments*” below for further information). KKR also manages KKR Funds focused on making investments in companies seeking to implement or provide ESG-related solutions, (please see “*Social and Environmental Impact Investments*” below for further information). KKR’s Global Institute (“KGI”) periodically publishes papers, highlighting views from KKR’s portfolio companies and portfolio managers, and political, economic and social trends. KKR’s Global Macro and Asset Allocation Group also periodically publishes commentary on macro-economic trends and related topics through KGI and oversees a proprietary portfolio of investments in a variety of instruments and securities.

Certain KKR Funds or Other Clients make convertible arbitrage or other investments in Marketable Securities. KKR also employs hedging techniques and invests in derivative instruments, including without limitation, swaps, options and forward contracts, to hedge exchange rate and interest rate risks and other risks associated with the investment strategies described above, in each case as permitted pursuant to the offering materials, disclosure documents and/or governing documents of the relevant KKR Fund or Other Client.

KKR employs various methods of analysis, including fundamental and technical methods, when analyzing potential investments. KKR utilizes multiple sources of information in analyzing investments, including inspections of company activities, research material prepared by others, corporate rating services, annual reports, prospectuses, filings with the SEC, company press releases and other publicly available information. KKR also uses industry magazines, third party consultants, expert networks firms, lawyers, accountants, asset operators, regulatory filings filed with non-U.S. regulators, in-person meetings with company management, due diligence visits to operational facilities and other physical assets, discussions, as appropriate, with suppliers, customers, competitors, former employees, financial reports and projections and information provided by strategic investors in KKR Funds and by investment banks, and alternative or aggregated data and other artificial intelligence techniques, including algorithmic analysis. In addition, KKR Capstone, other Consultants, Senior Advisors, Executive Advisors, Industry Advisors and KKR Advisors often provide supplemental insights to KKR from a management consulting perspective and from the perspective of a C-level executive (i.e., “chief” executive officers or other senior officers) or board of directors. KKR has a roster of active Senior Advisors, Executive Advisors and Industry Advisors globally, many of whom have extensive corporate management expertise, having served as Chief Executive Officer,

Chief Financial Officer, Chairman of the Board or other comparable positions at large, industry-leading companies or governmental agencies. In conducting due diligence on investments in third party funds through KKR's customized portfolio solutions business, KKR will use many of the above due diligence methods, as appropriate, in addition to a detailed review of fund governing documents in conjunction with external counsel and consultants.

Material Risks

The risk factors briefly summarized below are not applicable to all KKR Funds or Other Clients. Such summary does not purport to be a complete list or explanation of the risks involved in an investment in a KKR Fund or Other Client. The offering materials, disclosure documents and/or governing documents of each KKR Fund or Other Client will typically include a more detailed summary of material risks applicable to the KKR Fund or Other Client and its investment strategy and structure and should be read in conjunction with the risks below.

Private Equity Investments and General Risks relating to KKR Funds and Other Clients Investments made by KKR Funds and Other Clients, including private equity investments, involve a number of material risks including (but not limited to) the risks discussed below.

Illiquid and Long-Term Investments Investment in KKR Funds and Other Clients are speculative in nature and require a long-term commitment, with no certainty of return of capital or gains. The investments are expected to be predominantly illiquid and there can be no assurance that a KKR Fund or Other Client will be able to generate returns for investors. The realizable value of a highly illiquid investment is often less than its intrinsic value.

Although certain investments by KKR Funds and Other Clients generate current income, the return of capital and the realization of gains, if any, from an investment generally will occur only upon the partial or complete disposition of such investment, as to which there can be no certainty. While investments of KKR Funds and Other Clients can generally be sold at any time, realization events such as sales typically only occur a substantial number of years after the investment is made. KKR Funds and Other Clients will generally not be able to sell securities comprising an investment publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases a KKR Fund or Other Client will be prohibited by contract from selling certain securities for a period of time, which will restrict their ability to exit the relevant investment and sometimes means that the KKR Fund or Other Client is unable to take advantage of favorable market prices when doing so. In view of such limitations on liquidity, which are illustrative and not exhaustive, KKR Funds or Other Clients will generally not be able to realize on an investment until the sale of such investment. Furthermore, such illiquidity sometimes continues even if the underlying portfolio companies or other relevant issuers obtain listings on securities exchanges. There can be no assurance that a KKR Fund or Other Client will be able to dispose of its investments at the price and at the time it wishes to do so, and investors should expect that they will likely not receive a return of any of their capital for a long period of time even if the valuations of the investments of the KKR Fund or Other Client in which they are invested appreciate. Certain investments by KKR Funds or Other Clients are in securities that are or become publicly traded. Such investments are subject to economic, political, interest rate and other risks, any of which could result in an adverse change in the market price.

Valuation Risks KKR Funds and Other Clients will rely on the relevant KKR GP or KKR and its affiliates, as applicable, for valuation of their assets and liabilities. KKR Funds and Other Clients will primarily hold securities and other assets that will not have readily ascertainable market values. In such instances, the relevant KKR GP or KKR will determine the fair value of such securities and assets in its reasonable judgment based on various factors and in reliance on internal pricing models, in accordance with

KKR's valuation policies and procedures. KKR makes use of, and relies on, valuation information and data developed and provided by certain third parties. Such valuations sometimes vary from similar valuations performed by other independent third parties for similar types of securities or assets. In addition, KKR Funds and Other Clients rely on the valuations or valuation information provided by, or determined in consultation with, the relevant KKR Credit general partner or KKR Credit and its affiliates, as applicable (for example, when KKR Funds or Other Clients are investing in KKR Credit strategies). The expansion of the KKR client base, for example, as a result of the launch of funds registered under the Investment Company Act and the K-Series Vehicles will increase related operational risks, such as obligations to conduct more frequent valuation processes, which will place increased demands on KKR's senior employees, require administrative, operational and accounting resources and involve significant additional expenses. For further information, please see "*Distribution of New Investment Products through Private Wealth Channels*" below. The valuation of illiquid securities and other assets is inherently subjective and subject to increased risk that the information utilized to value such assets or to create the price models could be inaccurate or subject to other error. The value of a KKR Fund or Other Client's portfolio is sometimes also affected by changes in accounting standards, policies or practices as well as general economic, political, regulatory and market conditions and the actual operations of portfolio investments which are not predictable and can have a material impact on the reliability and accuracy of such valuations. Various market and economic conditions and events outside of KKR's control that are difficult to quantify or predict could have a significant impact on the valuations of portfolio investments and therefore on the performance of KKR Funds and Other Clients. Due to a wide variety of market factors and the nature of certain securities and assets to be held by KKR Funds and Other Clients, there is no guarantee that the value determined by a KKR GP or KKR will represent the value that will be realized by a KKR Fund or Other Client on the eventual disposition of an investment or that would, in fact, be realized upon an immediate disposition of the investment. KKR regularly reports to investors and prospective investors certain metrics of KKR Funds' and Other Clients' performance, such as rates of return and multiples of money, which calculations depend on the value of such KKR Funds' or Other Clients' investments, including unrealized investments, and involves uncertainties and subjective determinations, including for difficult to value assets. The amount and timing of carried interest distributions received by KKR or a KKR GP with respect to a KKR Fund or Other Client will depend in part on the value of a KKR Fund's or Other Client's assets and liabilities. If the valuations made by the KKR GP or KKR are incorrect, the amount of carried interest received by the KKR GP or KKR or the timing of receipt of carried interest distributions would also be expected to be incorrect.

Due Diligence KKR seeks to conduct reasonable and appropriate analysis and due diligence of its investments based on the facts and circumstances applicable to each investment. The objective of such analysis and due diligence is to identify attractive investment opportunities based on the facts and circumstances surrounding an investment, to identify possible risks associated with that investment and, in the case of most private equity and real asset investments, to prepare a framework for driving operational achievement and value creation from the date of acquisition. Due diligence generally entails evaluation of important and complex business, financial, tax, accounting, ESG, regulatory and legal issues, assessment of cybersecurity, data privacy, information technology systems and other technological factors. Consultants, legal advisors, accountants, investment banks and other third parties are generally involved in the due diligence process to varying degrees depending on the type of investment. Involvement of third-party advisors or consultants present a number of risks primarily relating to KKR's reduced control of the functions that are outsourced. In addition, if KKR is unable to timely engage third-party providers, their ability to evaluate and acquire more complex targets could be adversely affected. When conducting due diligence and making an assessment regarding an investment, KKR will rely on the resources available to it, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that KKR carries out with respect to any investment opportunity will not always reveal or highlight all relevant facts that are necessary or helpful in evaluating such investment opportunity. In addition, instances of fraud and other deceptive practices committed by the management teams of portfolio companies in which a KKR Fund or Other Client has an investment could

undermine KKR's due diligence efforts with respect to such companies. Moreover, such an investigation will not necessarily result in the investment being successful. Conduct occurring at portfolio companies, even activities that occurred prior to a KKR Fund's or Other Client's investment therein, could have an adverse impact on a KKR Fund or Other Client. Additionally, in connection with the evaluation of potential investment opportunities, KKR engages with individuals retained by expert networks who are under an obligation not to disclose confidential information. KKR seeks to avoid inadvertently obtaining confidential information from such sources and has therefore implemented procedures to mitigate the risk that the use of expert networks could result in the receipt of confidential information by investment executives. However, no assurance can be made that such individuals do not share confidential information. In such cases, KKR could become restricted from pursuing investments, which could have an adverse impact on a KKR Fund or Other Client.

As a part of due diligence on a potential investment, KKR sometimes invests in the securities or interests of a portfolio company on the basis of the company's financial projections. Management judgments are generally the basis for projected operating results. Projections are merely estimates of future results based on assumptions made when the projections were developed. There is no certainty that a company will achieve its projected results, and actual results can vary significantly from projections. Unpredictable general economic conditions can have a material adverse impact on the reliability of such projections and the performance of an investment.

Instances of bribery, fraud, accounting irregularities and other improper, illegal or corrupt practices can be difficult to detect, and fraud and other deceptive practices can be widespread in certain jurisdictions. Several KKR Funds or Other Clients invest in emerging market countries that do not have established laws and regulations that are as stringent as in more developed nations, or where there exists insufficient coordination of anti-corruption initiatives and/or other existing laws and regulations are not consistently enforced. For example, KKR Funds invest throughout jurisdictions that have material perceptions of corruption according to international rating standards (such as "Transparency International" and "Corruption Perceptions Index") such as various countries in Asia, Central and South America, the Middle East and Africa. Due diligence on investment opportunities in these jurisdictions is frequently more complicated because consistent and uniform commercial practices in such locations have not developed. Bribery, fraud, accounting irregularities and corrupt practices can be especially difficult to detect in such locations. Accordingly, KKR cannot be certain that the due diligence investigation that it will carry out with respect to any investment opportunity will reveal or highlight all relevant facts (including fraud, bribery and other illegal activities and contingent liabilities) that are necessary or helpful in evaluating such investment opportunity, including the existence of contingent liabilities. KKR also cannot be certain that its 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 KKR used when evaluating that investment.

Further, due to jurisdictional limitations, matters of comity and other factors, the SEC, the U.S. Department of Justice (the "DOJ") and other U.S. and non-U.S. authorities will be limited in their ability to pursue enforcement or other actions against companies in certain emerging market jurisdictions that engage in fraud or other wrongdoings. For example, in certain jurisdictions, there are significant legal and other obstacles to obtaining information needed for investigations or litigation. Similar limitations also apply to pursuit of actions against individuals in certain emerging markets and other jurisdictions, including officers, directors and individual gatekeepers who could have engaged in fraud or other wrongdoing.

Expedited Transactions; Reliance on Consultants Investment analyses and decisions by KKR are frequently required to be undertaken on an expedited basis to take advantage of certain investment opportunities. In such cases, the information available to KKR at the time of making an investment decision is often limited, and KKR might not have access to detailed information regarding the investment. Therefore, no assurance can be given that KKR will have knowledge of all circumstances that adversely

affect an investment. In addition, KKR expects often to rely on outside advisors or Consultants in connection with its evaluation of proposed investments. No assurance can be given as to the accuracy or completeness of the information provided by such outside advisors or Consultants, and KKR Funds or Other Clients could incur liability as a result of such outside advisors' or Consultants' actions.

Risk Arising from Provision of Oversight Rights KKR Funds or Other Clients will typically seek to obtain oversight rights with respect to KKR Funds' or Other Clients' portfolio companies, and KKR executives, Executive Advisors and/or Senior Advisors often serve on the boards of directors of portfolio companies. The designation of directors and other types of participation could expose the assets of a KKR Fund or Other Client to liability for environmental damage, product defects, pension and other fringe benefits, failure to supervise management, violation of laws and government regulations (including securities laws) and other types of liability, for which the limited liability generally afforded to investors could be ignored, as well as claims by a portfolio company, its other security holders, its creditors, governmental authorities and other third parties, which could exceed the value of a KKR Fund's or Other Client's initial investment in that portfolio company. Regulators and courts in some jurisdictions could find a basis for attributing liability to a KKR Fund or Other Client even where the nexus between the KKR Fund or Other Client and the activities at the portfolio company that led to the liability being incurred in the first place are attenuated.

Complex Investments KKR often pursues complex investment opportunities. This can often take the form of substantial business, regulatory or legal complexity that might deter other investment managers. KKR's tolerance for complexity presents risks, as such transactions can be more difficult, expensive and time consuming to finance and execute; it can be more difficult to manage or realize value from the assets acquired in such transactions; and such transactions sometimes entail a higher level of regulatory scrutiny, the application of complex tax laws or a greater risk of contingent liabilities. KKR Fund (and potentially Other Client) transactions involve complex tax structures that are costly to establish, monitor and maintain, and as KKR pursues a larger number of transactions across multiple assets classes and in multiple jurisdictions, such costs will increase and the risk that a tax matter is overlooked or inadequately or inconsistently addressed will increase. Consequently, KKR is subject to the risk of failing to achieve the desired tax benefit or otherwise decrease the returns of KKR Fund and Other Client investments. Changes in law and regulation and in the enforcement of existing law and regulation, such as antitrust laws, data privacy and data protection laws and tax laws, also add complexity and risk to KKR's investment strategies. Further, there is a risk that KKR Funds or Other Clients will acquire an investment that is subject to contingent liabilities, which could be unknown to KKR at the time of acquisition or, if they are known to KKR, that KKR will not accurately assess or protect against the risks that they present. Acquired contingent liabilities could thus result in unforeseen losses for KKR Funds or Other Clients.

Investment Ranking In many cases, the portfolio companies in which KKR Funds and Other Clients invest have, or are permitted to have, outstanding indebtedness or equity securities that rank senior to a KKR Fund's or Other Client's investment. By their terms, such instruments generally provide that their holders are entitled to receive payments of distributions, interest or principal on or before the dates on which payments are to be made in respect of such investments of KKR Funds and Other Clients. Also, 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 the KKR Fund's or Other Client's investment would typically be entitled to receive payment in full before distributions could be made in respect of such investment. Dividends and distributions paid to KKR Funds and Other Clients, as well as fees such as transaction fees and monitoring fees which are creditable in part against management fees payable by KKR Funds or Other Clients, are potentially subject to clawback under various legal theories in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy. In addition, debt investments made by KKR Funds or Other Clients in portfolio companies could be equitably subordinated to the debt investments made by third parties in such portfolio companies. After repaying senior security holders, the company

might not have any remaining assets to use for repaying amounts owed in respect of such investments. To the extent that any assets remain, holders of claims that rank equally with the KKR Fund's or Other Client's investment would be entitled to share on an equal and ratable basis in distributions that are made out of those assets. Also, during periods of financial distress or following insolvency, the ability of KKR Funds or Other Clients to influence a company's affairs and to take actions to protect an investment might be substantially less than that of the senior creditors. For investments in companies and assets that are based outside of the United States, greater application of concepts like equitable subordination could, in a bankruptcy or insolvency, result in the subordination of debt or other senior interests held by KKR Funds or Other Clients in circumstances where KKR Funds or Other Clients also hold equity interests.

Investments Longer Than Term KKR Funds and Other Clients will generally be terminated and dissolved in accordance with the provisions governing their terms as set forth in their governing documents. KKR Funds and Other Clients might make investments that are not advantageously disposed of prior to the date that a KKR Fund will be dissolved or an Other Client relationship will terminate, as applicable, either by expiration of the term or otherwise pursuant to their governing documents.

Limited Number of Investments KKR Funds or Other Clients are permitted to participate in a relatively limited number of investments and, as a consequence, the aggregate return of KKR Funds or Other Clients could be substantially adversely affected by the unfavorable performance of even a single investment. In addition, KKR Funds' or Other Clients' investment programs are often concentrated in a limited number of sectors and geographies, and could be further limited due to limited availability of suitable investment opportunities. During periods of difficult market conditions or slowdowns in certain regions or geographies, the adverse effect on a KKR Fund or Other Client could be exacerbated by the geographic or sectoral concentration of its investments. If a KKR Fund or Other Client is unable to sell, assign or otherwise syndicate out positions in investments that it holds that are greater than the KKR Fund's or Other Clients' target positions, the KKR Fund or Other Client will be forced to hold its excess interest in such investments for an indeterminate period of time. This could result in KKR Funds' or Other Clients' investments being over-concentrated in certain companies, sectors or geographies. For certain KKR Funds, relevant KKR GPs are permitted, in their sole discretion, to designate one or more investments as a single platform portfolio company or as separate portfolio companies for purposes of applying concentration limits set forth in the governing documents for such KKR Funds or Other Clients. To the extent that a KKR Fund's or Other Client's investments are concentrated in a particular company, sector or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic or business conditions with respect thereto. In addition, to the extent an investor in a KKR Fund or Other Client is also an investor in one or more other KKR Funds or Other Clients that co-invest alongside each other in a particular investment, such investor's exposure to and risk of loss with respect to such investment will be further concentrated. In addition, the market, economic and political conditions globally and in the jurisdictions and sectors in which KKR Funds invest will often differ materially from those in which predecessor KKR Funds invested, and therefore the types of investments and their performance could differ materially among KKR Fund vintages. Further, notwithstanding KKR Funds' and Other Clients' investment objectives and focus, during the terms of KKR Funds and Other Clients, general economic conditions and other market, political and/or industry-specific developments could change significantly, which could result in KKR Funds or Other Clients targeting significantly different types of investment opportunities than originally anticipated.

Investment Leverage; Availability of Financing KKR Funds' and Other Clients' investments typically include investments in companies and assets whose capital structures include significant indebtedness. Such investments are inherently more sensitive to declines in revenues, competitive pressures and increases in expenses and interest rates. A highly leveraged company or asset often will be subject to restrictive covenants in its lending agreements restricting its activity, or limited in making strategic acquisitions or obtaining additional financing, and will have increased exposure to adverse economic

factors such as downturns in the economy or deterioration in the condition of the portfolio company or its industry. In addition, leveraged entities or assets are often subject to restrictions on making interest payments and other distributions. If an event occurs that prohibits a portfolio company or other portfolio investment from making distributions for a particular period, this could affect the levels and timing of any returns of a KKR Fund or Other Client. This leverage could result in more serious adverse consequences to such companies or assets (including their overall profitability or solvency) in the event these factors or events occur than would be the case for less leveraged investments. If a highly leveraged company or asset cannot generate adequate cash flow to meet debt obligations, it could default on its loan agreements or bonds or be forced into bankruptcy resulting in a restructuring of its capital structure or liquidation. Furthermore, to the extent companies or assets in which KKR Funds or Other Clients have invested become insolvent, KKR Funds or Other Clients could determine, in cooperation with other investors or on their own, to engage, at the KKR Funds' and Other Clients' expense in whole or in part, counsel and other advisors in connection therewith. In addition to leverage in the capital structure of companies and other assets, a KKR GP could incur leverage on behalf of KKR Funds or Other Clients.

Because KKR Funds and Other Clients typically make equity investments in portfolio companies, the equity securities received by KKR Funds and Other Clients will typically be the most junior or some of the most junior securities in the case of a levered capital structure, and thus subject to the greatest risk of loss in the case of the portfolio company's financial difficulty, or if an event of default occurs under the terms of the relevant financing and a lender decides to enforce its creditor rights. Events of default could in some cases be triggered by events not related directly to the borrower itself.

A KKR Fund's or Other Client's ability to achieve attractive rates of return in many cases will depend on the availability and terms of any borrowings that are required or desirable with respect to its investment strategy. For example, from time to time the market for private equity transactions has been adversely affected by a decrease in the availability of senior or subordinated financings for transactions. A decrease in the availability of financing or an increase in either interest rates or risk spreads demanded by financing sources, whether due to changes in economic or financial market conditions or a decreased appetite for risk by lenders, could also make it more expensive to finance investments by KKR Funds or Other Clients on acquisition and throughout the term of their investment and could make it more difficult to compete for new investments with other potential buyers that have a lower cost of capital. A portion of the indebtedness used to finance investments on acquisition and throughout the term of a KKR Fund's or Other Client's 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 are times when a KKR Fund or Other Client will not be able to access those markets at attractive rates, or at all, when completing an investment or as otherwise required during the term of the KKR Fund's or Other Client's investment. Leverage is also applied with respect to a KKR Fund's or Other Client's portfolio in entirety or with respect to one or more investments, and the presence of such borrowings will magnify the volatility of such KKR Fund's or Other Client's investment portfolio and could substantially increase the risk profile of a KKR Fund or Other Client and its investments.

When existing portfolio companies reach the point when debt incurred to finance those investments matures in significant amounts and must be either repaid or refinanced, those investments would likely materially suffer if they have generated insufficient 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 the financing for such purposes were to be unavailable or uneconomic when significant amounts of the debt incurred to finance existing portfolio investments start to come due, these investments could be materially and adversely affected. In the event of default or potential default under applicable financing arrangements, one or more portfolio companies could go bankrupt, which could give rise to substantial investment losses, adverse claims or litigation against KKR or KKR Funds or Other Clients. Any failure

by lenders to provide previously committed financing can also expose KKR Funds or Other Clients to potential claims by sellers of businesses which KKR Funds or Other Clients have contracted to purchase.

In addition, the leveraged lending guidelines published by U.S. federal bank regulatory agencies and the European Central Bank (“ECB”) (or similar guidelines or restrictions published or enacted in the future) could limit the willingness or ability of banks or other financing sources to provide financing sought by KKR Funds or Other Clients or their portfolio companies, and could result in an inability of a KKR Fund or Other Client or their portfolio companies to establish their desired financing or capital structures (please see “*Subscription Facilities; Guarantees; Contractual Obligations*” below).

Availability of Suitable Investment Opportunities The success of a KKR Fund’s or Other Client’s investment strategy depends on the ability of KKR to identify and select appropriate investment opportunities and to acquire these investments. The industries and sectors in which a KKR Fund or Other Client invests are highly competitive. KKR Funds and Other Clients compete for investments with operating companies, financial institutions, and other institutional investors as well as private equity, hedge, growth equity, venture capital and other investment funds, and this competition could adversely impact the availability of investments and the terms upon which KKR effects and exits them.

International Investments KKR Funds and Other Clients invest globally and in particular invest in emerging or developing market countries (including in Asia, Central and South America, Eastern Europe, countries in the Middle East, including Israel, and Africa). Investments in emerging and developing markets, as well as in certain more developed non-U.S. markets, involve certain factors not typically associated with investing in more developed countries and economies, including, without limitation, risks relating to: (i) differences between markets, including the relatively small size and low trading volumes of such markets, resulting in lack of liquidity and price volatility; (ii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements which could result in unreliable financial information or otherwise adversely affect the ability to perform due diligence; (iii) less government supervision and regulation in some countries, which could result in lower-quality information being available and less developed corporate laws regarding fiduciary duties and the protection of investors, the absence of developed legal structures governing private or foreign investment and private property, and less developed bankruptcy laws and difficulty in bringing suit and enforcing contractual obligations; (iv) certain economic and political risks, including potential economic, political or social instability, lower levels of democratic accountability, exchange control regulations, restrictions on foreign investment and repatriation of capital (possibly requiring government approval), expropriation or confiscatory taxation and higher rates of inflation or hyper-inflation and reliance on a more limited number of commodity inputs, service providers and/or distribution mechanisms; (v) unpredictable governmental influence on the national and local economies, including the risk of nationalization of key industries or changes in a country’s policies on privatizations; (vi) fewer or less attractive financing and structuring alternatives and exit strategies; (vii) the possible imposition of local taxes on income and gains recognized with respect to investments; (viii) increased currency, interest rate and credit risks; and (ix) different corporate governance frameworks. In addition, various countries and regulatory bodies from time to time implement controls on foreign exchange and outbound remittances of currency, which could impact not only the timing and amount of capital contributions that are required to be made to KKR Funds and Other Clients, but also the value, in U.S. dollars, of the investments and investment proceeds of KKR Funds and Other Clients. For example, China has implemented stricter controls on foreign exchange and outbound remittances. In addition, local authorities in certain emerging markets are often constrained in their ability to assist foreign authorities and foreign investors more generally. The risks of investing in emerging and developing markets, including the risks described above, are usually greater than the risks involved in investing in more developed markets and also increase counterparty risks for investments in those markets. In addition, investor risk aversion to developing or emerging markets can have a significant adverse effect on the value and/or liquidity of

investments made in or exposed to such markets and can accentuate any downward movement in the actual or anticipated value of such investments which is caused by the factors described above.

On February 24, 2022, Russian troops began a full-scale invasion of Ukraine, and, as of the date hereof, the countries remain in active armed conflict. Around the same time, the U.S. and other countries throughout the world began imposing and have continued to impose a broad array of sanctions, export controls and other measures against Russia and certain entities and individuals in response to Russia's actions. The significant expansion of the sanctions lists in the EU, UK, United States, Canada (and other jurisdictions) and targeting of major financial institutions, in addition to other measures to limit Russia's access to global financial markets and systems, particularly the removal of certain Russian banks from the SWIFT messaging system and resulting steps by financial institutions to de-risk more broadly, could impact the operations of KKR Funds, Other Clients and their portfolio companies. KKR Funds, Other Clients and their portfolio companies are or will be required to comply with these and potentially additional sanctions imposed by the U.S. and other countries, for which the full costs, burdens, and limitations on KKR Funds, Other Clients and their portfolio companies are currently unknown and could become significant. During 2022 and 2023, Russia's ongoing invasion of Ukraine has caused disruptions to European energy markets, adversely affecting the Eurozone and global business environment. Protectionist policies, such as restrictions on exports of food, have also increased globally as a result of Russia's invasion of Ukraine. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally, and therefore could adversely affect the performance of investments of KKR Funds and Other Clients. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict, and as a result, present material uncertainty and risk with respect to the operations and investment performance of KKR Funds and Other Clients. Additionally, to the extent that portfolio investments, related customer bases, service providers or certain other parties with which KKR Funds or Other Clients interact have material operations or assets in Russia, Ukraine, Belarus or the immediately surrounding areas, they could suffer adverse consequences related to the ongoing conflict, which in turn would be expected to adversely affect KKR Funds and Other Clients.

KKR Funds or Other Clients are permitted to invest in European companies and companies that have operations that are or could be affected by the Eurozone economy, including, without limitation, those factors described below under "*Changes Resulting from the United Kingdom's Exit from the European Union*". Investments in countries of the European Union ("EU") are subject to the risk that certain member states of the EU cease to use the euro as their national currency, that one or more member states in addition to the UK seeks to withdraw its EU membership, or even the collapse of the Eurozone as it is constituted today, which would likely have an adverse impact on the European and global economy and, consequently, KKR Funds and Other Clients with investments in Europe. To the extent any KKR Fund's or Other Client's investments are denominated in the euro, legal uncertainty about the funding of euro denominated obligations following any break up of or exits from the Eurozone (particularly in the case of investments in companies in affected countries) could also have material adverse effects on a KKR Fund or Other Client.

The economies of many countries are heavily dependent upon international trade and, accordingly, could be materially and adversely affected by protective trade barriers, exchange controls, managed adjustments in relative currency values and the economic conditions in the countries with which they trade. Any escalation in an actual or perceived trade war or barriers to investment between the U.S. and other countries or regions could chill or limit business opportunities, and otherwise negatively affect KKR Funds or Other Clients. Commodity prices are generally expected to rise in inflationary environments, and foreign exchange rates are often affected by countries' monetary and fiscal responses to inflationary trends. The Russian Ukraine conflict and conflict in the Middle East, has and could continue to exacerbate these issues and trends. The economies of certain European and Asian countries are vulnerable to weaknesses in world prices for their commodity exports or fluctuations of worldwide commodity prices.

These economies also have extensive external debt and have from time to time experienced high rates of inflation. In addition, intensifying rivalries and conflicts in the Asia-Pacific region, Middle East, EU and globally have created new complexities in the international business environment, including through the imposition of sanctions, national security-motivated regulatory changes, and protectionist policies by certain countries.

European Union regulations known as the Markets in Financial Instruments Directive II (“MiFID II”) and Markets in Financial Instruments Regulation (“MiFIR”) regulate the provision of investment services and trading financial instruments in the EU. The application of MiFIR and MiFID II (as well as equivalent UK legislation) could result in increased costs to KKR and its affiliates, including KKR Funds and Other Clients, and any failure to comply with the new requirements could result in enforcement action, including, but not limited to, fines.

Economic sanction laws in the United States and other jurisdictions prohibit KKR, KKR Funds and Other Clients from transacting with certain countries, individuals and companies. These sanctions, including sanctions imposed on Russia and certain Ukraine territories in response to the crisis in Ukraine are complex, frequently changing, and increasing in number, and they could impose additional prohibitions or compliance obligations on KKR, KKR Funds and Other Clients. In the United States, the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) administers and enforces laws, executive orders and regulations establishing U.S. economic and trade sanctions, which prohibit, among other things, transactions with, and the provision of services to, certain non-U.S. countries, territories, entities and individuals, as well as certain imports and exports. Laws and regulations enforced by other U.S. agencies also control the export, re-export or transfer of certain items to certain jurisdictions or end users. In addition, the EU has over forty sanctions regimes in place, targeting certain countries, territories, entities, individuals or categories of activities (such as chemical weapons or cyber attacks), which prohibit transactions with certain persons or entities or restrict imports or exports to or from certain countries. These types of trade sanctions significantly restrict or completely prohibit certain investment activities in regions outside the United States, and if a KKR Fund or Other Client or its portfolio companies were to violate any such laws or regulations, it could face significant legal and monetary penalties. Some of these regulations provide that penalties can be imposed on KKR, KKR Funds and Other Clients for the conduct of a portfolio company, even if KKR and KKR Funds or Other Clients have not violated any regulation.

Accordingly, KKR Funds and Other Clients will generally require each of its subscribers to represent and warrant, on a continuing basis, that it is not, and that to the best of its knowledge or belief its beneficial owners, controllers or authorized persons (“Related Persons”) (if any) are not; (i) named on any list of sanctioned entities or individuals maintained by OFAC or pursuant to EU and/or UK Regulations, (ii) operationally based or domiciled in a country or territory in relation to which sanctions imposed by the United Nations Security Council, OFAC, the EU and/or the UK apply, or (iii) otherwise subject to sanctions imposed by the United Nations Security Council, OFAC, the EU or the UK (collectively, a “Sanctions Subject”).

Where the subscriber or a Related Person is or becomes a Sanctions Subject, the KKR Fund or Other Client could be required to immediately and without notice to the subscriber cease any further dealings with the subscriber and/or the subscriber’s interest in the KKR Fund or Other Client (including “freezing” or “blocking” such subscriber’s interest) until the subscriber ceases to be a Sanctions Subject, or a license is obtained under applicable law to continue such dealings (a “Sanctioned Persons Event”). For the avoidance of doubt, KKR has the sole discretion to determine the remedy if a subscriber or a Related Person is or becomes a Sanctions Subject and is under no obligation to seek a license to continue dealing with such subscriber. KKR Funds and Other Clients, and KKR and its affiliates shall have no liability whatsoever for any liabilities, costs, expenses, damages and/or losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of revenue, loss of reputation and all interest, penalties and legal

costs and all other professional costs and expenses) incurred by the subscriber as a result of a Sanctioned Persons Event.

In addition, should any investment made on behalf of a KKR Fund or Other Client subsequently become subject to applicable sanctions, the KKR Fund or Other Client could immediately and without notice cease any further dealings with that investment and its interest in such investment could be “frozen” or “blocked” until the applicable sanctions are lifted or a license is obtained under applicable law to continue such dealings or divest from such investment.

KKR and KKR Funds and Other Clients are committed to comply with the U.S. Foreign Corrupt Practices Act (“FCPA”) and the FCPA and other anti-corruption laws and regulations would likely cause KKR to be unwilling to enter into certain potential investments that KKR spent substantial time and effort identifying and developing. The FCPA and other anti-corruption laws, anti-bribery laws and regulations, as well as anti-boycott regulations, could also apply to and restrict the activities of KKR Funds’ and Other Clients’ portfolio companies. If a portfolio company of a KKR Fund or Other Client were to violate any such laws or regulations, such portfolio company could face significant legal and monetary penalties. The U.S. government has indicated that it is focused on FCPA enforcement, which increases the risk that KKR Funds’ and Other Clients’ portfolio companies or KKR Funds or Other Clients become the subject of such actual or threatened enforcement. As such, a violation of the FCPA or other applicable regulations by a portfolio company could have a material adverse effect on KKR Funds and Other Clients.

In recent years, the DOJ and the SEC have devoted significant resources to enforcement of the FCPA. In addition, the UK recently has expanded significantly the reach of its anti-bribery laws. While KKR has developed and implemented policies and procedures designed to ensure compliance by KKR and its personnel with the FCPA and other anti-bribery laws, such policies and procedures might not be effective in all instances to prevent violations. Any determination that KKR has violated the FCPA or other applicable anti-corruption laws or anti-bribery laws could subject it 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 KKR’s business prospects and/or financial position, as well as the ability of a KKR Fund or Other Client to achieve its investment objective and/or conduct operations.

Changes Resulting from the United Kingdom’s Exit from the European Union In July 2022, the United Kingdom (“UK”) put forth a new bill (the “Financial Services and Markets Bill”) which makes significant reforms to the regulation of the UK financial services sector. The Financial Services and Markets Bill contains measures to, among other things: (i) establish a framework for the revocation of EU financial services law that was retained in English law following the UK’s withdrawal from the EU and EEA on January 31, 2020 (“Brexit”); (ii) reform the legislative framework governing the UK’s capital markets; (iii) reform the financial promotion framework; and (iv) give the the Financial Conduct Authority (“FCA”) and the Prudential Regulation Authority (“PRA”) a new secondary objective to advance long-term economic growth and international competitiveness of the UK. The exact impact of these changes is not yet known, but they could result in increasing and, ultimately, potentially significant divergence between the UK’s and the EU’s financial services regulatory framework, which could increase regulatory compliance costs across KKR, KKR Funds and Other Clients and impact the ability of their regulated portfolio companies to scale across the UK and EU markets.

The future application of EU-based legislation to the private fund industry in the UK will depend on the territorial scope of KKR Funds and Other Clients and the actions of the UK government. Any renegotiated terms or amended laws and regulations could have an adverse impact on KKR Funds and Other Clients and their investments. Brexit could result in significant market dislocation, heightened counterparty risk, an

adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, and increased legal, regulatory or compliance burden for KKR and its affiliates, which could have a negative impact on the operations, financial condition, returns or prospects of KKR Funds and Other Clients.

Brexit could have an adverse effect on the tax treatment of the investments of KKR Funds or Other Clients, in particular, where reliance might have been placed on a UK entity's status as being in an EU member state for the purposes of determining eligibility for benefits of another entity under a double tax treaty. In particular, EU directives preventing withholding taxes being imposed on intra-group dividends, interest and royalties will no longer apply to payments made into and out of the UK, meaning that instead the UK's double tax treaty network will in relevant cases need to be relied upon. Further, changes to the operation of VAT could impact KKR Funds, Other Clients and their portfolio investments under certain circumstances.

While the most immediate impacts on corporate transactions will likely be related to changes in market conditions, the development of new regulatory regimes and parallel competition law enforcement could have an adverse impact on transactions, particularly those occurring in, or impacted by conditions in, the UK and elsewhere in the EU.

Global Limitations on Trade and Foreign Investment There is often a high degree of government regulation of economies and trade in the financial markets. Moreover, political leaders in the U.S. and certain European nations have in the recent past been elected on protectionist economic policies, fueling doubts about the future of global free trade. The U.S. government, among others, has altered its approach to international trade policy, and in some cases, chosen to renegotiate or potentially terminate certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries. On November 30, 2018, the United States, Mexico and Canada signed the United States-Mexico-Canada Agreement ("USMCA"), which replaced the North American Free Trade Agreement ("NAFTA"). The governments involved could theoretically choose to withdraw from or alter the USMCA, which could contribute to a heightened risk of additional tariff barriers.

As noted below in "*Market, Economic and Political Risks*," market, economic and political conditions can negatively impact funds such as KKR Funds and Other Clients. Trade tensions, for example, between the United States and China, as well as other countries, give rise to concerns about economic and geopolitical stability and have had and likely will continue to have an adverse impact on global economic conditions. The United States and China have each been implementing a number of tariffs and retaliatory tariffs on a variety of imports from each other targeting a variety of sectors, including aerospace, information and communications technology, industrial machinery, automobiles and agricultural products. The United States has continued to adopt certain targeted measures such as export controls and sanctions implicating Chinese companies and officials. In June 2021, China enacted the Anti-Foreign Sanctions Law, which authorizes the imposition of countermeasures in response to sanctions imposed on Chinese individuals or entities by foreign governments, such that a company that complies with U.S. sanctions against a Chinese entity could then face penalties in China. Further, in October 2022, the U.S. enacted rules aimed at restricting China's ability to obtain advanced computing chips, develop and maintain supercomputers, and manufacture advanced semiconductors. In 2023, China restricted the export of gallium and germanium products, which are used in the fabrication of microchips, and could impose additional export restrictions in the future. The U.S. has also added several Chinese companies related to its domestic semiconductor industry to the Commerce Department Entity List and has coordinated with other countries in the semiconductor supply chain to align restrictions on trade with Chinese semiconductor companies. This continuing trade dispute has already had, and if it remains unresolved, could lead to additional, adverse economic effects on global markets, and negatively affect portfolio investments of KKR Funds and Other Clients. In addition, a continued trade dispute between the United States and China would be an ongoing

source of instability, potentially resulting in significant currency fluctuations, or have other adverse effects on international markets, international trade agreements or other existing cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise), which could present similar or additional potential risk and consequences for KKR Funds, Other Clients and their portfolio investments.

While certain trade agreements were agreed between the two countries, the trade dispute is still ongoing, and the United States and China have yet to reach a compromise. There remains much uncertainty as to whether the trade negotiations between the United States and China (and other countries globally) will be successful and how the trade dispute between the United States and China will progress. Furthermore, if the trade tensions between the United States and China continue or escalate, or if additional tariffs, trade restrictions, economic sanctions, export controls or retaliatory measures are implemented by the United States, China or other countries in connection with trade disputes or otherwise, there could be material adverse effects on the global economy, and KKR Funds and Other Clients and their portfolio investments could be materially and adversely affected.

Pandemics, Epidemics and Other Public Health Crises

A pandemic, epidemic or other public health crisis could adversely impact KKR, KKR Funds, Other Clients and their portfolio companies. Many countries have experienced outbreaks of infectious illnesses in recent decades, including swine flu, avian influenza, SARS and SARS-CoV-2 and its different strains (“COVID-19”). The COVID-19 pandemic has had, and could in the future have, a material adverse impact on local economies in the affected jurisdictions and also on the global economy. In addition to these developments having adverse consequences for certain portfolio companies in which KKR Funds and Other Clients invest and the value of KKR Funds’ and Other Clients’ investments therein, the operations of KKR and KKR Funds and Other Clients in many jurisdictions have been, and could in the future be, adversely impacted. Disruptions to commercial activity relating to the imposition of quarantines or travel restrictions (or more generally, a failure of containment efforts) could adversely impact investments of KKR Funds and Other Clients, including by delaying or causing supply chain disruptions or by causing staffing shortages or key person events. Any of the foregoing events could materially and adversely affect a KKR Funds’ or Other Clients’ ability to source, manage and divest their investments and their ability to fulfill their investment objectives. Similar consequences could arise with respect to other comparable infectious diseases.

The COVID-19 pandemic contributed to volatility in financial markets, including changes in interest rates and an increase in inflationary pressures, driven by multiple factors, including supply chain disruptions, consumer demand, employment levels and residential vacancy rates. It also had a material and negative impact on certain economic fundamentals and consumer confidence, increased the risk of default of particular portfolio companies, reduced the availability of debt financing to KKR Funds and Other Clients and potential purchasers of their portfolio companies, negatively impacted market values, caused credit spreads to widen and reduced liquidity, all of which have had and in the future could have in the event of a prolonged period of global outbreak, an adverse effect on the returns of KKR Funds and Other Clients. The shortage of workers and lack of key components and raw materials that arose as a result of COVID-19 contributed to and in the future could contribute to manufacturers and distributors being unable to produce or supply enough goods to meet increasing demands. The impact of these global supply chain constraints might not be fully reflected until future periods and could have an adverse impact on KKR Funds or Other Clients and their portfolio entities at a future point. No assurance can be given as to the long-term effect of these events on the value of KKR Funds’ and Other Clients’ investments. The impact of a public health crisis, such as COVID-19 (or any future pandemic, epidemic or other outbreak of a contagious disease), is difficult to predict, which presents material uncertainty and risk with respect to the performance of KKR Funds and Other Clients. Furthermore, traditional valuation approaches that have been used historically might need to be modified in order to effectively capture fair value in the midst of significant volatility or market dislocation. The effects of a public health emergency could materially and adversely impact the value and performance of a KKR Fund’s or Other Client’s portfolio entities, and/or KKR Funds’ or Other

Clients' ability to source, manage and divest investments and achieve their investment objectives, all of which could result in significant losses to KKR Funds or Other Clients.

In particular, KKR's headquarters and most of its senior administrative personnel are located in the New York City office. Any disruption in the operation of, or inability to access, the New York City office could have a significant impact on KKR's business, and such risk of disruption or inaccessibility could be heightened during a terrorist attack, a public health crisis or pandemic located in or around New York City. It is impossible to predict with certainty the possible future material adverse effects to KKR arising from natural or man-made disasters or catastrophes, or any other public health crisis, pandemic or epidemic, and these effects could include the exacerbation of many of the other risks discussed in this Brochure, especially with respect to investment activities of KKR Funds and Other Clients. Public health crises, pandemics, wars, terrorist attacks, epidemics and weather events could also directly and indirectly impact KKR Funds, Other Clients and their portfolio investments in material respects that KKR is unable to predict or control, and which could materially and adversely impact valuations, especially valuations of investments directly in or collateralized by real assets, loans or other assets as well as portfolio companies that rely on physical factories, plants or stores located in the affected areas.

Foreign Direct Investment Considerations including CFIUS Certain investments by KKR Funds and Other Clients that involve the acquisition of a business connected with or related to national security or critical infrastructure, or those that could affect certain projects or programs of interest to the EU on grounds of security or public order, could be subject to review and approval by national security/investment clearance regulators, potentially including the U.S. Committee on Foreign Investment in the United States ("CFIUS") and/or other non-U.S. national security/investment clearance regulators depending on the beneficial ownership and control of interests in the KKR Fund or Other Client. The U.S. government and many non-U.S. countries have enacted laws designed to protect national security or to restrict foreign direct investment. For example, under the Foreign Investment Risk Review Modernization Act ("FIRRMA") and related regulations, which significantly expanded the types of transactions that are subject to the jurisdiction of CFIUS. Under FIRRMA, CFIUS has the authority to review and potentially block or impose conditions on certain foreign investments in U.S. companies or real estate. In addition to the United States, many other countries are enacting or beginning to enforce their own foreign direct investment laws, for example: the European Union has adopted an EU-wide mechanism to screen foreign investment on national security grounds and most EU member states now have a foreign investment screening mechanism in place or have initiated a consultative or legislative process expected to result in the adoption of a new or amended mechanism, aimed at regulation of foreign subsidies that could distort the internal EU market; certain transactions in Australia are subject to review by the Foreign Investment Review Board; transactions in the UK must comply with the National Security and Investment Act 2021; and transactions in China must comply with the Measures for the Security Review of Foreign Investment. In addition, during 2022, Japan enacted economic security legislation to protect Japanese national security from adverse economic activities, focusing in particular on protecting sensitive industry sectors, such as semiconductors, rare earths, infrastructure, as well as research and development of defense and dual-use technologies. In addition, in 2023, certain U.S. states enacted their own state-level restrictions on Chinese investments in their states. Other countries could adopt similar investment restrictions in the future. In addition, a number of U.S. states are passing and implementing state laws prohibiting or otherwise restricting the acquisition of interests in real property located in the state by foreign persons.

The U.S. government announced in 2023 the signing of an executive order addressing out-bound U.S. investments in certain technologies and products critical to national security in "countries of concern". The U.S. Department of Treasury is currently working on implementing regulations needed to action the executive order. Once the rules are effective, the new regulatory review process for outbound investment will subject certain types of outbound flows of capital, goods or services from the U.S. or by U.S. persons

to new restrictions and disclosure requirements, with an expected particular focus on transactions involving semiconductors, microelectronics, quantum information technologies and certain artificial intelligence systems. Often referred to as a “reverse-CFIUS process,” the new outbound review regime is expected to reflect certain hallmarks of U.S. economic sanctions and export control restrictions, which already limit to varying degrees the export of categories of U.S. capital, goods or services to specially restricted foreign persons, industrial sectors or countries. Although the precise scope of the new regime remains unclear and initial reports might not reflect the final regime that will emerge, this new regulatory process could have significant implications for KKR and certain KKR Funds or Other Clients.

In the event that CFIUS or another regulator reviews one or more of a KKR Fund’s or Other Client’s proposed or existing investments, or proposed or existing investments are subject to review pursuant to a reverse-CFIUS process, there can be no assurances that the KKR Fund or Other Client will be able to maintain, or proceed with, such investments on terms acceptable to the KKR Fund or Other Client. CFIUS or another regulator could seek to impose limitations on or prohibit one or more investments of the KKR Fund or Other Client. Such limitations or restrictions might prevent a KKR Fund or Other Client from maintaining or pursuing investments, reduce the number of potential purchasers of existing investments of KKR Funds or Other Clients, or limit the ability of KKR Funds or Other Clients to exit from certain investments, which could adversely affect the performance of a KKR Fund or Other Client with respect to such investments. Under such circumstances, KKR Funds or Other Clients could also be forced to dispose of investments sooner than otherwise desirable. In addition, non-U.S. investors in KKR Funds and Other Clients comprise or are likely to comprise a substantial portion of the aggregate capital commitments of a KKR Fund or Other Client, which increases both the risk that investments could be subject to review, and the risk that limitations or restrictions will be imposed by CFIUS or other non-U.S. regulators on the portfolio investments of KKR Funds or Other Clients. In the event that restrictions are imposed on any investment by a KKR Fund or Other Client due to the non-U.S. status of an investor or group of investors or other related CFIUS, reverse-CFIUS or national security considerations, KKR could choose to restrict such investor’s or such group of investors’ ability to invest in or receive information with respect to any such portfolio investment or cause the investor to withdraw from a KKR Fund or Other Client. However, there can be no assurance that any restrictions implemented on any such investor or any such group of investors will allow KKR Funds or Other Clients to maintain, or proceed with, any investment.

Investments through Offshore Holding Companies KKR Funds and Other Clients are permitted to invest in portfolio companies operating in a particular country indirectly through holding companies organized outside of such country. Government regulation in the first country from time to time, however, restricts the ability of the portfolio companies to pay dividends or make other payments to a foreign holding company. Additionally, any transfer of funds from a holding company to its operating subsidiary, either as a shareholder loan or as an increase in equity capital, is from time to time subject to registration with or approval by government authorities in such country. Such restrictions could materially and adversely limit the ability of any foreign holding company in which KKR Funds or Other Clients invest to grow or make investments or acquisitions that could be beneficial to its businesses, pay dividends, or otherwise fund and conduct its business.

Regulatory Approvals and Government Licenses Portfolio companies in certain jurisdictions are dependent upon the grant, renewal or continuance in force of appropriate contracts, licenses, permits and regulatory approvals and consents which are generally valid only for a defined time period, subject to limitations or provide for withdrawal in certain circumstances. There can be no assurance that a portfolio company targeted by a KKR Fund or Other Client will be able to (i) obtain all such required regulatory approvals and licenses that it does not yet have or that it will require in the future; (ii) obtain any necessary modifications to existing regulatory approvals and licenses; or (iii) maintain required regulatory approvals and licenses. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory

approvals and licenses, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent operation of a facility owned by a portfolio company, the completion of a previously announced acquisition or sales to third parties, could limit the portfolio company's ability to engage in certain regulated activities or could otherwise result in additional costs to a portfolio company. Additionally, governments and other regulators often impose conditions on the operations and activities of a portfolio company as a condition of granting its approval or to satisfy regulatory requirements. Such conditions, which could be statutory or commercial in nature, could limit a portfolio company's ability to invest in competing industries or acquire significant market power in a particular market, or provide a disincentive to do so. Further, governmental agencies from time to time impose conditions of ongoing ownership or equivalent requirements on a portfolio company in respect of underlying projects. This could include a requirement that certain assets remain managed by a portfolio company, a KKR Fund or Other Client or their affiliates in the absence of further approval. Such conditions are susceptible to revision or cancellation and legal redress could be uncertain or delayed. There can be no assurance that joint ventures, licenses, license applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements cannot be assured (see also Infrastructure Investments – “*Government and Agency Risk*,” and “*Concessions, Leases and Public Ways*” below).

Credit Facilities; Guarantees; Contractual Obligations Certain KKR Funds obtain one or more revolving credit facilities. The collateral for these facilities could be, for example, one or more assets of KKR Funds (i.e., asset-backed facilities) or the unused capital commitments of KKR Funds (i.e., subscription facilities). Credit facilities of KKR Funds are expected to be used by KKR Funds to make investments, or otherwise in connection with the making, holding or disposition of investments, including, without limitation, to support ongoing operations and activities of KKR Funds' portfolio companies and entities through which investments are directly or indirectly held (including on an aggregated basis with co-investors or other investors and/or related investment vehicles) and in order to enable KKR Funds to pay management fees or other fund expenses and liabilities. Borrowings under credit facilities are permitted to be entered into on a joint, several, joint and several or cross-collateralized basis with, or for the benefit of any alternative vehicles or other parallel fund of a KKR Fund or their respective direct or indirect portfolio companies or other entities in or through which investments are directly or indirectly held, including on an aggregated basis with co-investors or other investors and/or related investment vehicles (and any of the foregoing are generally permitted to be added as an additional borrower under a KKR Fund's credit facilities), in which case such KKR Fund's assets (including unused capital commitments) would be available to satisfy the liabilities and other obligations of any such vehicles, companies or other entities. In addition, investors in KKR Funds could be required to recontribute funds previously distributed by a KKR Fund in the event that the KKR Fund's assets are insufficient to satisfy such liabilities and obligations. KKR Funds are also permitted to pledge their assets (including unused capital commitments), grant security interests in, liens on and otherwise encumber such assets and expect to guarantee loans and other extensions of credit and otherwise provide credit support with respect to the indebtedness of others (including portfolio companies and entities through which investments by the KKR Fund are directly or indirectly held) for the above purposes. In certain cases, KKR parallel funds established to invest alongside a KKR Fund will not hold a closing or call capital until the final closing of the KKR Fund. Such KKR parallel funds will, however, receive an allocation of any investments made by the KKR Fund prior to its final closing based on their uncalled commitments. KKR parallel funds will therefore benefit from borrowings by the KKR Fund under its subscription facilities, which could in certain cases have funded these investments. Aside from an allocable portion of interest expenses, such KKR parallel funds will not bear any other costs and expenses incurred by the KKR Fund in connection with these borrowings, including, without limitation, any associated legal costs or expenses. If a KKR Fund obtains a subscription facility, it is generally expected that the KKR Fund's capital needs (including prior to the KKR Fund's final closing date) will be satisfied through borrowings by the KKR Fund under the subscription facility, and drawdowns of capital contributions by the KKR Fund, including those used to pay interest on subscription

facilities, will generally be expected to be “batched” together into larger, less frequent capital calls (although actual timing and amounts will vary). Subject to any required insurance regulatory approvals and the governing agreements of applicable KKR Funds, Global Atlantic Accounts will also serve as lenders under subscription facilities provided to KKR Funds.

Although there are typically limitations regarding the time that borrowings incurred by KKR Funds under subscription facilities secured by unused capital commitments are permitted to remain outstanding, there are generally no limitations on the length of time that guarantees by KKR Funds, borrowings that are not secured by the unused capital commitments, and borrowings of portfolio companies or entities through which portfolio investments are directly or indirectly held (including on an aggregated basis as described above), are permitted to remain outstanding. The interest expense and other costs of any such borrowings and guarantees will be KKR Fund expenses and, accordingly, would decrease net returns of KKR Funds. It is expected that interest will accrue on any such outstanding borrowings at a rate lower than the KKR Funds’ preferred returns (with the preferred returns beginning to accrue when capital contributions to repay borrowings are actually made to the KKR Funds, and not upon the occurrence of such borrowings). The use of subscription facilities impacts internal rates of return as a result of greater leverage. For a successful investment, greater leverage will generally cause higher returns. However, for investments which do not have positive returns, greater leverage as well as related borrowing costs will generally further decrease returns. Additionally, the internal rates of return of KKR Funds are generally calculated using the dates of each contribution by investors to KKR Funds rather than the dates of each investment. As a result, KKR Funds’ internal rate of return will generally be higher (or more negative, in the case of investments with negative returns) than they would have been in the absence of such borrowings as the internal rate of return will be calculated over a shorter period of time. Borrowings by KKR Funds under their subscription facilities could cause certain tax-exempt investors to have to pay tax on “unrelated business taxable income” in respect of acquisition indebtedness. To the extent that a KKR Fund is unable to obtain a subscription facility, access to such facility becomes unavailable or a KKR GP otherwise determines not to use such facility, a KKR GP is generally permitted to draw down capital commitments in advance and hold them in reserve in order to make portfolio investments, satisfy fees and expenses and other capital needs as such needs arise in the future. Guarantees given by KKR are generally not treated as borrowings that are subject to limitations under the governing documents of KKR Funds. In addition, certain KKR Funds are permitted to enter into contractual arrangements, including deferred purchase price payments, staged funding obligations, earn outs, milestone payments, equity commitment letters and other forms of credit support, and other contractual undertakings such as indemnification obligations that obligate it to fund amounts to special purpose vehicles, portfolio companies or other third parties. Such arrangements are not treated as borrowings that are subject to limitations under the governing documents of KKR Funds even though these arrangements pose many of the same risks and conflicts associated with the use of leverage that such limitations intend to address.

With respect to any asset-backed facility entered into by a KKR Fund (or an affiliate thereof), a significant or sudden decrease in the market value of the KKR Fund’s investments would increase the effective amount of leverage and could result in the possibility of a violation of financial covenants or financial ratios, which could potentially cause the KKR Fund to suffer foreclosure or forced liquidation of one or more portfolio investments that have been pledged at a time when the relevant KKR GP would not otherwise seek to dispose of such assets. Such a sale could be on terms (including price) that are less advantageous than would be obtained in a disposition in the ordinary course, which could result in losses for the KKR Fund. There is no assurance that KKR Funds will have sufficient cash flow to meet their debt service obligations. KKR Funds’ investments are generally highly illiquid, which increases the possibility that KKR Funds would have insufficient cash to meet such obligations. KKR Funds could incur indebtedness under a credit facility at a variable interest rate. Economic conditions could result in higher interest rates, which could increase debt service requirements on variable rate debt and could reduce the amount of cash available to KKR Funds for other purposes, including without limitation, for meeting fund liabilities or making

distributions to its investors, which could reduce returns to investors or result in default under other obligations of KKR Funds, resulting in further losses.

Recycling; Reinvestment Investment proceeds received by KKR Funds and Other Clients during their respective investment periods can, depending on the terms of the relevant KKR Fund or Other Client, be retained in whole or in part by KKR Funds or Other Clients, or restored to investors' unused capital commitments and subsequently recalled, for future investments. In addition, the amount of capital contributions from investors used to pay KKR Fund or Other Client expenses subsequently distributed to investors will, with respect to certain KKR Funds or Other Clients, be restored to the investors' unused capital commitments and become available to be recalled for future use. In addition, with respect to certain KKR Funds and Other Clients, certain contributions will not reduce unused capital commitments. Accordingly, an investor in a KKR Fund or Other Client can be required to make capital contributions in excess of its capital commitment and, to the extent such recalled or retained amounts are reinvested in investments, such investor will remain subject to investment risks and other risks associated with such investments. Additionally, proceeds from investments made through a single portfolio of assets or Platform Arrangement are generally expected to be re-invested, in the applicable KKR GP's discretion, without an obligation to distribute such proceeds to KKR Funds, Other Clients or their investors.

In-Kind Distributions In certain circumstances, a KKR Fund or Other Client is permitted to distribute securities and other assets to investors that are not marketable or are otherwise illiquid. The risk of loss and delay in liquidating such assets will be borne by the investors, with the result that investors could receive less cash than was reflected in the fair value of such assets as determined by KKR. In addition, when investments are distributed to investors in kind, such investors could then become minority shareholders in, or lenders to, the underlying portfolio companies and might be unable to protect their interests effectively. In addition, a KKR GP could, subject to the governing documents of the applicable KKR Fund or Other Client, elect to receive an in-kind distribution in lieu of a cash distribution with respect to carried interest or other amounts distributable to the KKR GP, which will result in a conflict of interest (see "Other Conflicts of Interest – *General Partner's Interest; Fees*" below).

Consequences of Default by Investors If an investor fails to pay when due, installments of its capital commitment to a KKR Fund or Other Client, and the contributions made by non-defaulting investors and borrowings by a KKR Fund or Other Client are inadequate to cover the defaulted contribution, the KKR Fund or Other Client might be unable to pay its obligations when due, and could be subjected to significant penalties, including remedies similar to those that the KKR Fund or Other Client can exercise against defaulting investors, that could materially and adversely affect the returns to all investors (including non-defaulting investors) of the KKR Fund or Other Client. In addition, each defaulting investor could incur significant economic losses, including, without limitation, forfeiture of capital accounts and distributions, forced transfer of its interests in such KKR Fund or Other Client at a discounted price and loss of the right to make future capital contributions to the KKR Fund or Other Client. Subject to any limitations in the governing documents of KKR Funds and Other Clients, relevant KKR GPs are permitted to require an additional funding of contributions from the non-defaulting investors, to the extent of their unused capital commitments, to fund the shortfall caused by the defaulting investor of the KKR Fund or Other Client.

In seeking to manage the impact of investor default on the activities of a KKR Fund or Other Client, KKR can, from time to time as it deems appropriate, determine to call an aggregate amount of capital from investors in respect of an investment that is in excess of the amount required and use such additional capital to make the relevant investment, notwithstanding that one or more investors that ultimately participate in the investment fund their capital call after the scheduled funding date (assuming that the relevant KKR GP has determined in its sole discretion not to declare such investor a defaulting investor as defined in the KKR Fund's or Other Client's governing documents). A capital call funded on a timely basis by an investor could therefore serve to bridge late-funding investors.

Dilution from Subsequent Closings

Investors admitted or increasing their capital commitment to a KKR Fund following the first closing date of such KKR Fund will generally participate in investments made prior to such admission or increase, diluting the interest of existing investors; provided that the relevant KKR GP is generally permitted to exclude any investor admitted or increasing its capital commitments to a KKR Fund in a subsequent closing from participating in prior investments made by the KKR Fund. Furthermore, a KKR GP could require any investor admitted or increasing its capital commitments to a KKR Fund in a subsequent closing to contribute its pro rata share of capital contributions in respect of the KKR Fund's prior investments at the time such investor is admitted or increases its commitments (or such later date as the KKR GP determines). Although investors will typically contribute their pro rata share of previously contributed capital for such investments at original cost plus an associated interest charge, in such situations, there can be no assurance that this payment will reflect the fair value of the KKR Fund's existing investments at the time such additional investors subscribe for interests in the KKR Fund or existing investors increase their respective capital commitments to such KKR Fund.

Non-Controlling Investment Positions

While certain KKR Funds or Other Clients are generally expected to seek to acquire majority ownership of assets and businesses in order to allow significant strategic and operating influence over investments, KKR Funds and Other Clients are also expected to invest or co-invest with third parties, including through partnerships, joint ventures and other entities. Such third parties, which could include third party managers, might have larger or controlling ownership interests in, or governance rights in respect of, such investments. In some cases, decisions require the consent of other investors, thereby lessening KKR's control and, therefore, its ability to protect the position of KKR Funds and Other Clients. In addition, there are instances in which a KKR Fund or Other Client makes an investment in publicly or privately traded securities without the intent to control or influence the assets or companies in which it invests, and in such cases, the KKR Fund or Other Client will be significantly reliant on the existing management, board of directors and other shareholders of such companies, with whom the KKR Fund or Other Client is not affiliated and whose interests conflict with the interests of the KKR Fund or Other Client. In the event that a KKR Fund or Other Client has a non-controlling interest in any such investment, there can be no assurance that minority rights will be available to it or that such rights will provide sufficient protection of a KKR Fund's or Other Client's interests.

In some transactions, the amount of equity capital that is required to complete a large capitalization private equity transaction will be significant, and are therefore required to be structured as a consortium transaction. A consortium transaction involves an equity investment in which two or more other private equity firms serve together or collectively as equity sponsors. While KKR generally seeks to limit the amount of consortium transactions in which KKR Funds have been involved where possible, KKR Funds and Other Clients have participated in a significant number of those transactions. Consortium transactions generally entail a reduced level of control by KKR over the investment because KKR must share its governance rights with the other consortium investors. Accordingly, KKR might 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. Any of these factors could increase the risk that larger investments could be less successful. The consequences to KKR Funds or any Other Client of an unsuccessful larger investment could be more severe given the size of the investment.

Middle-Market Companies

Certain KKR Funds or Other Clients invest in middle-market companies. While such companies generally have potential for rapid growth, they often involve higher risks because they lack the management experience, financial resources, product diversification and competitive strength of larger corporations. The prices of securities of middle-market companies are generally more volatile than prices of the securities of companies with large market capitalizations and the risk of bankruptcy or insolvency of such companies is generally higher than for larger companies. In many instances, the frequency and volume of the trading of investments, including bonds issued by middle-market companies, is substantially less than is typical of larger companies and as such it could be more difficult for KKR Funds

or Other Clients to exit an investment in a middle-market company at its then fair value than would be the case with a larger cap investment.

Operating Partners and Joint Venture Partners KKR Funds or Other Clients make portfolio investments alongside operating partners, including through partnerships, joint ventures or other entities. Operating partners generally are expected to provide various services to portfolio companies, including acquisition-related services (such as sourcing, evaluating, structuring, underwriting, due diligence and execution with respect to actual or potential investment opportunities) and asset and development management-related services with respect to such portfolio investments (including day-to-day asset management and oversight). In addition, certain KKR Funds or Other Clients (or entities through which KKR Funds or Other Clients participate) have and could in the future retain service providers in which KKR has a proprietary interest to provide asset leasing services relating to investment opportunities. Such operating partners with respect to a particular portfolio investment could also provide the same or similar services with respect to one or more other portfolio investments of a KKR Fund or Other Client, as well as to third parties unaffiliated with a KKR Fund, Other Client or KKR.

From time to time, a KKR Fund or Other Client or an affiliate of a KKR Fund or Other Client, including KKR, enter into exclusivity, non-competition or other arrangements with one or more joint venture partners, operating partners or other third parties (each, an “Exclusive JV Partner”) with respect to potential investments in a particular geographic region or with respect to a specific industry or asset type pursuant to which the KKR Fund or Other Client or such affiliate (including KKR), could agree, to among other things, not make investments in such region or with respect to such industry or asset type outside of its arrangement with such Exclusive JV Partner. Accordingly, there are circumstances in which KKR sources a potential investment opportunity or is presented with an opportunity by a third party, and as a result of such arrangements with an Exclusive JV Partner, a KKR Fund or Other Client could be precluded from pursuing such investment opportunity or obligated to bear an incremental layer of fees and expenses with respect to such investment.

Such investments involve risks in connection with such third-party involvement; including the possibility that a third party could have financial difficulties resulting in a negative impact on such investments. Furthermore, a third-party co-investor, manager or operator might have economic or business interests or goals that are inconsistent with those of the KKR Fund or Other Client or could be in a position to take (or block) action in a manner contrary to the KKR Fund’s or Other Client’s investment objectives. The KKR Fund or Other Client might also in certain circumstances be liable for the actions of such third parties. Investments made with such third parties in joint ventures or other entities in certain cases involve arrangements whereby a KKR Fund and/or Other Client would fund a portion of the expenses in excess of its equity ownership percentage, including management fees or other fees payable to the joint venture partner (or its management team), employee compensation, diligence expenses or other related expenses. Such expenses can be borne directly by the KKR Funds or Other Clients as fund expenses (or sourcing and diligence expenses, if applicable) or indirectly as a KKR Fund or Other Client bears the start-up and ongoing expenses of the newly formed joint venture portfolio entity.

The compensation paid to joint venture and operating partners could be comprised of various types of arrangements, including one or more of the following: (i) management or other fees, such as, origination fees and development fees payable to the joint venture partner (or its management team); (ii) carried interest distributions and/or other profit sharing arrangements payable to the joint venture partner (or its management team), including profits realized in connection with the disposition of a single asset, multiple assets or a joint venture portfolio entity; and (iii) other types of fees, bonuses and compensation not otherwise specified above. None of the compensation or expenses described above will be offset against any management fees payable or carried interest distributions of KKR Funds or Other Clients. In addition, joint venture, operating partners (and/or their officers, directors, employees or other

associated persons), if any, are sometimes permitted to invest on a no-fee/no-carry basis in KKR Funds or Other Clients or in specific investments). Members of the management team for a joint venture portfolio entity sometimes include former KKR personnel, Industry Advisors, Senior Advisors, Executive Advisors, KKR Advisors, KKR Capstone executives and other Consultants.

In addition, KKR Fund and Other Client investment strategies in certain investments could depend on the ability to enter into satisfactory relationships with joint venture or operating partners. There can be no assurance that KKR's future relationship with any such partner or operator would continue (whether on currently applicable terms or otherwise) with respect to a KKR Fund or Other Client or that any relationship with other such persons would be able to be established in the future as desired with respect to any sector or geographic market and on terms favorable to a KKR Fund or Other Client.

Investments in Platform Arrangements and Platform Managers KKR Funds or Other Clients make investments in newly formed Platform Arrangements and Platform Managers through joint venture and other origination, investment or servicing arrangements. Such companies often have no or short operating histories, new technologies and products and their management teams have limited experience working together, all of which enhance the difficulty of evaluating these investment opportunities. The management of such companies will need to have sufficient resources and personnel and be able to implement and maintain financial and operational strategies in order to become and remain successful. Other substantial operational risks to which such companies are subject include uncertain market acceptance of the company's services, a potential regulatory risk for new or untried and/or untested business models (if applicable), products and services to the extent they relate to regulated activities in the relevant jurisdiction, high levels of competition among similarly situated companies, lower capitalizations and fewer financial resources and the potential for rapid organizational or strategic change. Such companies will have no or short operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow.

Toehold Investments and Certain Investments in Publicly Traded Securities KKR Funds or Other Clients frequently accumulate minority positions in the outstanding voting stock, securities convertible into the voting stock or debt instruments of existing or potential portfolio companies. While KKR Funds or Other Clients typically seek to achieve such accumulation through open market purchases, registered tender offers, negotiated transactions or private placements, they could be unable to accumulate a sufficiently large position in a target company to execute the investment strategy formulated in respect of that company. In such circumstances, the KKR Fund or Other Client might dispose of its position in the target company within a short time of acquiring it. There can be no assurance that the price at which the KKR Fund or Other Client can sell such securities will not have declined since the time of acquisition; this outcome is made more likely where the securities of the target companies are thinly traded and the KKR Fund's or Other Client's position is substantial, as a result of which its disposal would likely depress the market price for such securities.

Disclosure to investors of a KKR Fund's or Other Client's investments in publicly traded securities might not be advisable in light of the KKR Fund's or Other Client's investment objectives and could, in fact, be counterproductive to the KKR Fund's or Other Client's ability to execute on its investment objectives. Accordingly, certain KKR GPs are permitted to exclude from reports to investors, subject to applicable regulatory requirements, information regarding its investment activity in publicly traded securities if they determine that disclosure is not at such time commercially practicable or in the interests of the KKR Fund or Other Client, or otherwise limited by information sharing policies and procedures that apply to KKR's credit and public equity business and its broker-dealer affiliate. In addition, any investor that has a right to be excused from certain investments might not be able to exercise that right with respect to the KKR Fund's or Other Client's investments in publicly traded securities until such time as the KKR GP discloses such investment to the investors.

Investment Focus Adjustments Certain KKR Funds and Other Clients are not restricted in terms of the percentage of their capital that can be invested in a particular industry, geographical region or type of investment. While their governing documents often contain a description of the types of investments that other KKR Funds or Other Clients have historically made and/or information about the relevant KKR Funds' or Other Clients' investment expectations, many factors contribute to changes in emphasis in the construction of such KKR Funds' or Other Clients' portfolios, including changes in market or economic conditions or regulation as they affect various industries and changes in the political or social situations in particular countries. There can be no assurance that the investment portfolio of any KKR Fund or Other Client will resemble the portfolio of any prior KKR Fund or Other Client.

Material, Non-Public Information KKR investment executives often acquire confidential or material, non-public information concerning an entity in which KKR Funds or Other Clients have invested or propose to invest, and the possession of such information would likely limit KKR's ability to buy or sell particular securities of such entity on behalf of KKR Funds or Other Clients, thereby limiting the investment opportunities or exit strategies available to KKR Funds or Other Clients. In addition, holdings in the securities of an issuer by KKR or its affiliates could affect the ability of KKR Funds or Other Clients to make certain acquisitions of, or enter into certain transactions with, such issuer. Affiliated Brokers and investment advisers affiliated with KKR also in certain instances acquire confidential or material non-public information concerning entities in which KKR Funds or Other Clients have invested or propose to invest, which could restrict KKR's ability to buy or sell (or otherwise transact in) securities of such entities, thus limiting investment opportunities or exit strategies available to KKR Funds or Other Clients.

Investments in Emerging and Less Established Companies Certain KKR Funds or Other Clients make investments in companies that are in a conceptual or an early stage of development. These companies are often characterized by short operating histories, new technologies and products, quickly evolving markets and management teams that sometimes have limited experience working together, all of which enhance the difficulty of evaluating these investment opportunities. The management of such companies will need to implement and maintain successful sales and marketing, finance capabilities and personnel and other operational strategies in order to become and remain successful. Other substantial operational risks to which such companies are subject include uncertain market acceptance of the company's products or services, a high degree of regulatory risk for new or untried and/or untested business models, products and services, high levels of competition among similarly situated companies, lower capitalizations and fewer financial resources, the potential for rapid organizational or strategic change and susceptibility to personal misconduct by or departure of key executives or founders. Emerging technology companies are subject to specific industry based risks, including the possibility that rapid technological developments could render such companies' technology obsolete, uneconomical or uncompetitive prior to the company achieving profitability. Certain of these companies will need substantial additional capital to support expansion or to achieve or maintain a competitive position. Such companies also often have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. In addition, emerging growth equity companies are often more susceptible to macroeconomic effects and industry downturns. Such companies also face intense competition, including from companies with greater financial resources, more extensive marketing and service capabilities and a larger number of qualified personnel.

Moreover, certain companies in which KKR Funds or Other Clients invest have significantly fewer products, services or clients than more established companies, and competition to such companies can develop from other new and existing companies, products and services. If a company is dependent on a limited number of products or services or the business of a limited number of clients, a significant risk exists that a proposed service or product cannot be developed successfully with the resources available to the company. There is no assurance that the development efforts of any company will be successful, or, if

successful, will be completed within the budget or time period originally estimated. The consequences of failure of such products or services or the loss of such clients could be devastating to the prospects of such company, which in turn could negatively affect the performance of a KKR Fund or Other Client.

Additional Capital Requirements of Portfolio Companies

Certain portfolio companies of KKR Funds and Other Clients, including those in a development or “platform” phase, can require additional financing to satisfy, among other things, their working capital requirements or acquisition strategies. The amount of such additional financing will depend upon the needs and objectives of the particular portfolio company. Each such round of financing (whether from a KKR Fund, Other Clients or other investors) is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone. If the funds provided are not sufficient, such portfolio company might have to raise additional capital at a price unfavorable to the existing investors, including KKR Funds or Other Clients. In addition, certain KKR Funds and Other Clients are permitted to make additional debt and equity investments or exercise warrants, options or convertible securities that were acquired in the initial investment in such portfolio company in order to preserve the KKR Fund’s or Other Client’s proportionate ownership when a subsequent financing is planned, or to protect an investment of a KKR Fund or Other Client when such portfolio company’s performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of KKR Funds and Other Clients or any portfolio company. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.

Investments in Companies in Regulated Industries and Companies Subject to Collective Bargaining Agreements

Certain industries are heavily regulated. KKR Funds or Other Clients make investments in companies in these industries, and these investments pose additional risks relative to investments in other companies. Changes in applicable laws or regulations, or in the interpretations of these laws and regulations, could result in increased compliance costs or the need for additional capital expenditures. If a portfolio company fails to comply with these requirements, it could also be subject to civil or criminal liability and the imposition of fines. Portfolio companies also could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such issuers. Governments have considerable discretion in implementing regulations that impact a portfolio company’s business, and governments are influenced by political considerations and make decisions that adversely affect a portfolio company’s business. Additionally, certain portfolio companies have a unionized workforce or employees who are covered by a collective bargaining agreement, which could subject any such issuer’s activities and labor relations matters to complex laws and regulations relating thereto. Moreover, a portfolio company’s operations and profitability could suffer if it experiences labor relations problems. Upon the expiration of any such portfolio company’s collective bargaining agreements, it could be unable to negotiate new collective bargaining agreements on terms favorable to it, and its business operations at one or more of its facilities could be interrupted as a result of labor disputes or difficulties and delays in the process of renegotiating its collective bargaining agreements. A work stoppage at one or more of any such portfolio company’s facilities could have a material adverse effect on its business, results of operations and financial condition. Any such problems additionally create the potential for scrutiny and attention to KKR Funds or Other Clients, which could adversely affect the KKR Funds’ or Other Clients’ ability to implement its investment objectives.

Investments in Restructurings

KKR Funds or Other Clients make investments that involve portfolio companies that are experiencing or are expected to experience financial difficulties. These financial difficulties might never be overcome and from time to time cause such portfolio companies to become subject to bankruptcy proceedings. Such investments could, in certain circumstances, subject a KKR Fund or Other Client to certain additional potential liabilities that exceed the value of the KKR Fund’s or Other

Client's original investment therein. In addition, under certain circumstances, payments to KKR Funds or Other Clients and distributions by KKR Funds or Other Clients to investors could be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment, or similar transaction under applicable bankruptcy and insolvency laws. Furthermore, investments in companies undergoing restructuring could be adversely affected by local statutes relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims.

Reliance on Portfolio Company Management The day-to-day operations of each portfolio company in which KKR Funds or Other Clients invest will be the responsibility of such portfolio company's management team, which, in each case, could likely include representatives of other financial investors with whom KKR Funds or Other Clients are not affiliated and whose interests at times conflict with the interests of KKR Funds or Other Clients. Although the KKR GPs will be responsible for monitoring the performance of each investment, KKR Funds or Other Clients will rely significantly on the management teams and boards of directors of portfolio companies in which the KKR Funds or Other Clients invest, including to effectively implement any agreed upon reorganization plans. With respect to emerging companies, KKR GPs have limited ability to evaluate the management of such companies based on past performance, and such companies could rely more on individual members of the management team than more established companies do. There can be no assurance that the existing management team of any portfolio company or any successor thereto will be able to operate such portfolio company in accordance with a KKR Fund's or Other Client's expectations. Misconduct by management (or other employees) of a portfolio company could cause significant losses in respect of the relevant investment.

Risks in Effecting Operating Improvements In some cases, the success of a KKR Fund's or Other Client's investment strategy will depend, in part, on the ability of KKR (or its affiliates), including, KKR Capstone, to restructure and effect improvements in the operations of a portfolio company or its assets. The activity of identifying and implementing restructuring programs and operating improvements within portfolio companies entails a high degree of uncertainty. There can be no assurance that KKR Funds or Other Clients will be able to successfully identify and implement such restructuring programs and improvements.

Need for Follow-on Investments Following its initial investment in a given portfolio company, a KKR Fund or Other Client from time to time has the opportunity to provide additional funds or increase its investment in such portfolio company. There is no assurance that a KKR Fund or Other Client will make follow-on investments or that a KKR Fund or Other Client will have sufficient funds or investment capacity to make (or will be permitted to make under investment restrictions applicable to the KKR Fund or Other Client) all or any of such investments. Any decision by a KKR Fund or Other Client not to make follow-on investments or its inability to make such investments could have a substantial negative effect on a portfolio company in need of such an investment, result in a lost opportunity for the KKR Fund or Other Client to increase its participation in a successful investment, or result in a KKR Fund's or Other Client's investments in the relevant portfolio company becoming diluted, and, particularly in circumstances where the follow-on investment is offered at a discount to market value, could result in a loss of value for the KKR Fund or Other Client.

Contingent Liabilities on Dispositions In connection with the disposition of an investment, KKR Funds or Other Clients might be required to make representations typical of those made in connection with the sale of any such asset, including representations in relation to the business and financial affairs of a portfolio company. KKR Funds or Other Clients could also be required to indemnify the purchasers of such an investment to the extent that any such representation turns out to be inaccurate or with respect to other matters. These arrangements result from time to time in liabilities even after the disposition of an investment, which if not satisfied out of a KKR Fund's or Other Client's assets, might ultimately be required

to be funded by investors making contributions to the KKR Fund or Other Client or returning previous distributions received from the KKR Fund or Other Client. In light of the impact on KKR Fund and Other Client returns, as well as KKR's entitlement to receive carried interest and the capital interest of KKR GPs and their affiliates in KKR Funds and Other Clients, KKR GPs have an incentive to distribute investment proceeds to investors rather than establishing an escrow or other reserve, which could increase the risk that the investors are required to make contributions or return distributions in order to satisfy contingent liabilities related to KKR Fund and Other Client investments.

Interest Rate Risk KKR Fund or Other Client investments expose a KKR Fund or Other Client to interest rate risk, meaning that changes in prevailing market interest rates could negatively affect the value of such investments. Factors that can affect market interest rates include, without limitation, inflation, deflation, slow or stagnant economic growth or recession, unemployment, money supply, governmental monetary policies, international disorder and instability in domestic and foreign financial markets. There are from time to time significant expected and unexpected movements in interest rates, which movements could have adverse effects on portfolio companies and the broader economy. In light of the foregoing, and more generally, a KKR Fund or Other Client could periodically experience imbalances in the interest rate sensitivities of its assets and liabilities and the relationships of various interest rates to each other, which could adversely affect their performance.

KKR Funds, Other Clients and their portfolio companies regularly utilize the corporate debt markets in order to obtain financing for their operations, and as indicated above, certain KKR Fund or Other Client investments are highly leveraged. As such, movements in the level of interest rates affect the returns from these assets more significantly than other assets. The structure and nature of the debt encumbering an investment is therefore an important element to consider in assessing the interest rate risk of the investment. In particular, the type of facilities, maturity profile, rates being paid, fixed versus variable components and covenants in place (including the manner in which they affect returns to equity holders) are crucial factors in assessing any interest rate risk.

Favorable market conditions in certain countries have been and are dependent to some extent on continued monetary policy accommodations from central banks. Beginning in early 2022 various central banks, including among others, the U.S. Federal Reserve as well as the ECB and the Bank of England, began raising interest rates in an effort to stabilize rising inflation. Although, in general, central banks are expected to seek to increase interest rates gradually, to the extent such rate increases continue, many central banks will have raised interest rates more quickly, and to a larger extent, than many had forecasted, and there is no guarantee that any further increases in global interest rates will occur gradually. Accordingly, there could be significant fluctuations in interest rates and in light of the foregoing, and more generally, KKR Funds and Other Clients could periodically experience imbalances in the interest rate sensitivities of their assets and liabilities and the relationships of various interest rates to each other, which could adversely affect their performance. During 2022 and 2023, economic activity was adversely impacted by the effects of monetary and fiscal policy tightening as years of fiscal stimulus from governments and continued accommodative monetary policy from global central banks began to wane and central banks took measures to combat significant inflationary pressures in many major economies around the world. Market participants remain uncertain about how long interest rates will stay near current levels. In particular, in response to persistent inflationary pressure and central bank policy designed to combat inflation, short- and medium-term interest rates have and could continue to rise, which could adversely impact equity and credit markets with tightening financial conditions and slowing growth. Furthermore, higher interest rates in the U.S. has and could continue to reduce the relative attractiveness of other global markets, thereby applying pressure to foreign asset values and currencies. To the extent that credit markets render such financing difficult to obtain or more expensive, there could be a negative impact on the operating performance of KKR portfolio companies and, therefore, the investment returns of KKR Funds and Other Clients. Moreover, KKR Funds and Other Clients 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. In addition, idiosyncratic events, such as challenges during 2023 in the banking sector described below, can also exacerbate difficult market and economic conditions, including relating to interest rates and valuations.

Recent Developments in the Banking Sector

In early 2023, bank failures in the U.S. and EU caused uncertainty for financial services companies—especially in the banking sector, and U.S. middle market banks in particular—and fear of instability in the global financial system generally. Many financial institutions experienced volatile stock prices and significant losses in their equity value, and there is concern that depositors have withdrawn, or could withdraw in the future, significant sums from their accounts at these institutions (each, a “Distress Event”). As a result, U.S. governmental agencies (including the U.S. Federal Deposit Insurance Corporation (the “FDIC”) and the U.S. Federal Reserve Bank) intervened directly and indirectly to protect the uninsured depositors of banks that have recently closed or who have experienced a significant Distress Event. Simultaneously, as a result of depositary outflows and other existential issues, the Swiss Financial Market Supervisory Authority intervened in the collapse of Credit Suisse, one of the global systemically important banks, brokering its partial sale to UBS. There is a risk that other financial institutions could undergo Distress Events as a result of contagion disconnected from market fundamentals or for other reasons, and it is unclear what steps regulators would take, if any, in the event of further bank closures or continuing (or increasing) market distress.

Banks and other financial institutions, including those that could undergo Distress Events could provide credit facilities and/or other forms of financing to KKR Funds, Other Clients or their portfolio investments. There can be no assurance that such financial institutions will honor their obligations as creditors or that another financial institution would be willing and able to provide replacement financing or similar capabilities and on similar terms. If a financial institution closes, whether as a result of a Distress Event or otherwise, there is no guarantee that its uninsured depositors, which could include KKR Funds, Other Clients or their portfolio investments, will be made whole or, even if made whole, that such deposits will become available for withdrawal in short order. Pursuant to statute, certain U.S. bank accounts are insured by the FDIC in an amount up to \$250,000. While the U.S. government has considered raising that limit, there can be no guarantee that such limit will be increased. As a consequence, for example, if a Distress Event occurs, KKR Funds, Other Clients or their portfolio investments could be delayed or prevented from accessing a portion or all of their bank accounts or making required payments under their debt or other contractual obligations. Investors could be impacted in their ability to honor capital calls and/or receive distributions for related reasons.

Distress Events could have a potentially adverse effect on the ability of KKR GPs to manage KKR Funds, Other Clients and their investments, and on the ability of KKR Funds, Other Clients and any of their portfolio investments to maintain operations, which in each case could result in significant losses and in unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event KKR Funds or Other Clients are not able to close a transaction (whether due to the inability to draw capital on a credit line provided by a financial institution experiencing a Distress Event, the inability of KKR Funds or Other Clients to access capital contributions or otherwise); the inability of KKR Funds or Other Clients to acquire or dispose of investments, or acquire or dispose of such investments at prices that KKR believes reflect the fair value of such investments; and the inability of portfolio companies to make payroll, fulfill obligations or maintain operations. If a Distress Event leads to a loss of access to a financial institution’s services, it is also possible that KKR Funds, Other Clients or their portfolio investments will incur additional expenses or delays in putting in place alternative arrangements or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). Although KKR GPs expect to exercise contractual remedies under agreements with financial institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. KKR Funds, Other Clients and their portfolio

investments are subject to similar risks if any financial institution utilized by investors in KKR Funds or Other Clients, or by suppliers, vendors, service providers or other counterparties of KKR Funds, Other Clients or their portfolio investments become subject to a Distress Event, which could have a material adverse effect on KKR Funds and Other Clients.

Many financial institutions require, as a condition to using their services (including lending services), that KKR GPs and/or KKR Funds or Other Clients maintain all or a set amount or percentage of their respective accounts or assets with the financial institution, which heightens the concentration risks associated with a Distress Event with respect to such financial institutions. Although KKR seeks to only do business with financial institutions that it believes are creditworthy and capable of fulfilling their respective obligations to KKR Funds and Other Clients, KKR is generally under no obligation with respect to KKR Funds and Other Clients to use a minimum number of financial institutions or to maintain account balances at or below the relevant insured amounts.

Uncertainty caused by recent bank failures—and general concern regarding the financial health and outlook for other financial institutions—could have an overall negative effect on banking systems and financial markets generally. The recent developments could also have other implications for broader economic and monetary policy, including interest rate policy. For the foregoing reasons, there can be no assurances that conditions in the banking sector and in global financial markets will not worsen or adversely affect KKR Funds, Other Clients or their portfolio investments.

Transition Away from LIBOR Transition away from the London interbank offered rate (“LIBOR”) as a benchmark reference for interest rates could affect the cost of capital and require amending or restructuring existing debt instruments and related hedging arrangements for KKR Funds, Other Clients and their portfolio investments, and could impact the value of floating rate securities or loans based on LIBOR that KKR Funds or Other Clients have held, all of which could result in additional costs or adversely affect portfolio investments of KKR Funds and Other Clients.

In January 2021, International Swaps and Derivatives Association amended the definitions used in derivative contracts to incorporate Secured Overnight Financing Rate (“SOFR”) as the successor rate to LIBOR. Furthermore, on December 16, 2022, the U.S. Board of Governors of the Federal Reserve System (the “Federal Reserve Board”) adopted the final rule that implements the Adjustable Interest Rate (LIBOR) Act by identifying benchmark rates based on SOFR that replaced LIBOR in certain financial contracts after June 30, 2022. Remaining tenors of USD LIBOR ceased to be published as of June 30, 2023 in the United States, and SOFR became the predominant replacement for LIBOR. On April 3, 2023, the FCA announced its decision to require LIBOR’s administrator to continue to publish certain LIBOR short tenors pursuant to an unrepresentative synthetic methodology through September 30, 2024 and thereafter is expected to be permanently discontinued.

Certain credit assets held by KKR Funds and Other Clients and long-term indebtedness incurred by KKR Funds, Other Clients and their portfolio investments have residual exposure that bears interest at variable interest rates, including rates linked to LIBOR. KKR Funds, Other Clients and their portfolio investments have other LIBOR-based debt instruments and related hedging arrangements that could require amending or restructuring, which could be difficult, costly and time consuming. In situations where existing LIBOR-based contracts do not contain clear fallback language governing the transition to a successor reference rate, KKR, KKR Funds or Other Clients could incur increased costs, including litigation-related costs, related to the determination of an appropriate successor rate.

Inflation Risk If a portfolio company is unable to increase its revenue in times of higher inflation, its profitability would be adversely affected. Typically, as inflation rises, a portfolio company will earn more revenue but also will incur higher expenses; as inflation declines, a portfolio company might be unable

to reduce expenses in line with any resulting reduction in revenue. A rise in real interest rates would likely result in higher financing costs for portfolio companies and could therefore result in a reduction in the amount of cash available for distribution to investors or the value of the portfolio company. The U.S. and other developed economies have been experiencing higher than normal inflation rates. It remains uncertain whether substantial inflation in the U.S. and other developed economies will be sustained over an extended period of time or have a significant adverse effect on the U.S. or other economies. In an attempt to stabilize inflation, countries could impose wage and price controls or otherwise intervene in the economy, and certain central banks have raised interest rates, as described above. Governmental efforts to curb inflation often have negative effects on the level of economic activity. Further, some countries have historically experienced substantial rates of inflation. Past governmental efforts to curb inflation have also involved more drastic economic measures that have had a material adverse effect on the level of economic activity in the countries where such measures were employed. Inflation and rapid fluctuations in inflation rates have had, and could continue to have, negative effects on the economies and securities markets of certain emerging economies, including in countries where KKR Funds and Other Clients are expected to invest.

Non-Performing Loans Directive On November 24, 2021, the European Parliament approved the final version of Directive 2021/2167 which addresses high levels of non-performing loans held by banks in the EU (the “NPL Directive”). The NPL Directive targets certain entities acting as credit servicers which become subject to new requirements in relation to the conduct of credit servicing business. The impact of the NPL Directive on the operations of KKR Funds or Other Clients and their service providers is presently unclear and will take time to quantify, but could be significant, taking into consideration the new obligations of credit servicers and credit purchasers, and the new pre-sale and post-sale disclosures and reporting, as foreseen under the NPL Directive.

Commodity Price Risk Investments made by KKR Funds and Other Clients are often subject to commodity price risk. The operation and cash flows of any investment will depend, in some cases to a significant extent, upon prevailing market prices of commodities, including, for example, commodities such as oil, natural gas, coal, electricity, steel or concrete. Commodity prices fluctuate depending on a variety of factors beyond the control of KKR, KKR Funds or Other Clients, including, without limitation, weather conditions, foreign and domestic supply and demand, force majeure events, pandemics, changes in laws, governmental regulations, price and availability of alternative commodities, international political conditions and overall economic conditions. As described above, the actions taken by Russia in the Ukraine and the conflict in the Middle East have substantially increased volatility and uncertainty in the commodities markets and have caused substantial disruptions to the European and global energy markets. Some KKR investments or portfolio companies, such as commodity producers benefit from an increase in commodity prices (or are harmed by a decline in commodity prices), while other KKR investments or portfolio companies, such as companies dependent on the use of commodities, are effected inversely. If certain portfolio companies are unable to raise prices to offset increases in the cost of raw materials or other inputs, or if customers defer purchases of or seek substitutes for the products of KKR Funds, Other Clients or such portfolio companies, KKR Funds, Other Clients or such portfolio companies could experience lower operating income which could in turn reduce the valuation of investments of such KKR Funds, Other Clients or those portfolio companies. In addition, portfolio companies are dependent to varying degrees on the energy sector through, for example, the provision of equipment and services used in energy exploration and production. These companies benefit from an increase or suffer from a decline in commodity prices.

Currency Risk A significant number of investments by KKR Funds or Other Clients and the income received by KKR Funds or Other Clients with respect to such investments, are denominated in various currencies. The books of KKR Funds or Other Clients, will however, be maintained, and capital contributions to and distributions from the KKR Funds or Other Clients will be made, in U.S. dollars or euros or another base currency. Accordingly, fluctuations in currency values could adversely affect the relevant base currency value of portfolio investments, interest, dividends and other revenue streams

received by KKR Funds or Other Clients, gains and losses realized on the sale of investments and the amount of distributions, if any, made by the KKR Funds or Other Clients. In particular, certain countries have experienced substantial devaluations compared to the U.S. dollar and further devaluations could occur in the future. Certain countries have implemented or could implement strict controls on foreign exchange, which could result in artificially pegged exchange rates that distort the results of, and returns on, investments in such countries. Relatedly, foreign exchange rates are often affected by countries' monetary and fiscal responses to inflationary trends. To the extent that the U.S. dollar appreciates relative to these currencies, the U.S. dollar value of these investments is likely to be adversely affected. In addition, if the currency in which a KKR Fund or Other Client receives dividends, interest or other types of payments (such as liquidating payments) declines in value against the U.S. dollar before such payments are distributed, the dollar value of these payments would be adversely affected if not sufficiently hedged. Among the factors that could affect currency values are trade balances, the level 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 and economic developments. KKR could try to hedge these risks by investing directly in foreign currencies, buying and selling forward foreign currency exchange contracts and selling options on foreign currencies, but there can be no assurance such strategies will be effective. Further, the ability of a KKR Fund or Other Client and companies in which they invest to convert freely between the U.S. dollar and the local currencies could be restricted or limited and, in a number of instances, exchange rates and currency conversion are controlled directly or indirectly by governments or related entities. Currencies of some countries in which KKR Funds or Other Clients are expected to invest are often subject to government intervention, restrictions on repatriation and similar restrictions, which exacerbate the risk of unexpected fluctuations and/or could cause KKR Funds or Other Clients and/or their investments to incur significant costs or experience substantial delays in, or be prohibited from, converting currencies. Varying rates of exchange between the U.S. dollar and the euro, or with respect to the currency in which an investment is consummated, will vary the percentage interests of the investors from investment to investment (determined at the time each investment is made). In addition, KKR Funds or Other Clients will incur costs in converting investment proceeds from one currency to another. Where practicable, KKR or the KKR GPs might enter into hedging transactions designed to reduce such currency risks. Furthermore, the portfolio companies in which KKR Funds or Other Clients invest will in many cases be subject to risks relating to changes in currency values, as described above. If a portfolio company suffers adverse consequences as a result of such changes, KKR Funds or Other Clients likely would also be adversely affected as a result.

Hedging KKR, on behalf of a KKR Fund or Other Client generally has discretion to (but is under no obligation to) enter into swaps, forward contracts and other arrangements for hedging purposes to preserve a return on a particular investment or to seek to protect against risks relating to a KKR Fund's or Other Client's investments, including currency exchange rate fluctuations. Such transactions have special risks associated with them, including the possible bankruptcy, or insolvency of, or default by the counterparty to the transaction and the illiquidity of the instrument acquired by the KKR Fund or Other Client relating thereto. Although a KKR Fund or Other Client might benefit from the use of hedging transactions, unanticipated changes in interest rates, securities prices or currency exchange rates and the costs associated with these arrangements could result in a poorer overall performance for the KKR Fund or Other Client than if it had not entered into such hedging transactions. Due to the regulation of OTC derivatives, KKR Funds' and Other Clients' ability to enter into such hedging transactions could be limited. KKR does not always apply a hedging strategy on behalf of KKR Funds and Other Clients (and is under no obligation to do so), and hedging strategies applied across KKR Funds, Other Clients and KKR proprietary entities sometimes differ in material respects. The absence or divergence of hedging strategies for a particular KKR Fund or Other Client could result in poorer overall performance compared to what the performance would have been if such KKR Fund or Other Client had entered into hedging transactions at all or had entered into the same hedging transactions of other KKR Funds, Other Clients or KKR proprietary entities. It is not possible to hedge fully or perfectly against currency fluctuations affecting the value of

investments because the value of those investments is likely to fluctuate as a result of independent factors not related to currency fluctuations. When engaging in hedging transaction with respect to KKR Funds and Other Clients, KKR will not be taking into consideration any hedging transactions separately entered into by investors in such KKR Funds or Other Clients, which could result in an investor's own hedging activities being rendered ineffective or resulting in adverse or otherwise undesired effects with respect to an investor's interest in a KKR Fund or Other Client. Portfolio companies also enter into hedging transactions in order to hedge risks applicable to them. Such transactions are subject to similar risks to those described above. A KKR Fund or Other Client would be exposed to such risks by reason of its investment in the relevant portfolio company, and there can be no assurance that any hedging strategies will be effective in protecting against currency exchange rate fluctuations or other risks. In addition, although such hedging transactions may hedge economic risks, they might not be effective hedges for tax purposes. For example, the tax character of the gain or loss on the hedging transaction could differ from the character of the loss or gain on the investment, or the timing of gain or loss for tax purposes could differ between the hedging transaction and the investment.

Credit Risk; Collateral The terms of derivative hedging arrangements entered into by a KKR Fund or Other Client sometimes provide that related collateral given to, or received by, the KKR Fund or Other Client is permitted to be reinvested or otherwise reused by the KKR Fund or Other Client for its own purposes which exposes the KKR Fund or Other Client to the risk of loss on that investment and reduced protection if the counterparty defaults. Similarly, if the counterparty reinvests or otherwise reuses collateral received from the KKR Fund or Other Client and suffers a loss as a result, it might not be in a position to return that collateral to the KKR Fund or Other Client should the relevant transaction be completed, unwound or otherwise terminated, exposing the KKR Fund or Other Client to the risk of loss of the amount of collateral provided to the counterparty.

Debt Investments KKR Funds and Other Clients invest in debt instruments, including through vehicles holding debt issued by a KKR Fund or Other Client portfolio company, which vehicles are managed by KKR Credit (please see Items 10 and 11 below for additional information), and other KKR Funds and Other Clients that make debt investments in or relating to real estate-related businesses, assets or interests. In the absence of appropriate hedging measures, changes in interest rates generally will cause the value of debt investments to vary inversely to such changes. The obligor of a debt security or instrument might not be able or willing to pay interest or to repay principal when due in accordance with the terms of the associated agreement and collateral might not be available or sufficient to cover such liabilities. Commercial bank lenders and other creditors could be able to contest payments to the holders of other debt obligations of the same obligor in the event of default under their commercial bank loan agreements. Investments are often made in loans and other forms of debt that are not Marketable Securities and therefore are not liquid. Sub-participation interests in syndicated debt could be subject to certain risks because they have no direct contractual relationship with underlying borrowers. Debt securities and instruments, in which KKR Funds and Other Clients invest are generally rated below investment grade by recognized rating agencies or unrated and face ongoing uncertainties and exposure to adverse business, financial or economic conditions and the issuer's failure to make timely interest and principal payments. Issuers of debt investments from time to time become involved in bankruptcy or other reorganization and liquidation proceedings. Such investments involve a substantial degree of risk. Any deterioration of real estate fundamentals generally, and in the U.S. in particular, generally negatively impact the performance of KKR Funds and Other Clients that make real estate debt investments, increasing the default risk applicable to borrowers, and/or making it relatively more difficult for such vehicles to generate attractive risk-adjusted returns. Please see "*Investments in Real Estate*" below for further information.

Convertible Securities KKR Funds or Other Clients sometimes invest in or otherwise hold convertible securities. Convertible securities are bonds, debentures, notes, preferred stocks or other securities that could be converted into, or exchanged for, a specified amount of common stock of the same

or different issuer within a particular period of time at a specified price or formula. A convertible security entitles its holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics, and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. If the value of the underlying common stock decreases, the conversion value of the convertible security will also decrease. If a convertible security held by KKR Funds or Other Clients is called for redemption, the relevant KKR Funds or Other Clients will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third-party. Any of these events could have an adverse effect on such KKR Funds' or Other Clients' ability to achieve their investment objective.

Preferred Stock KKR Funds or Other Clients invest in preferred stock which generally pays dividends at a defined rate. Unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Dividends on preferred stock can be cumulative, meaning that, in the event the issuer fails to make one or more dividend payments on the preferred stock, no dividends could be paid on the issuer's common stock until all unpaid preferred stock dividends have been paid. Preferred stock also is sometimes subject to optional or mandatory redemption provisions.

Options KKR Funds and Other Clients invest in options. Purchasing put and call options, as well as writing options, are highly specialized activities and entail greater than normal investment risks. Although an option buyer's risk is limited to the amount of the original purchase of the option, from time to time, an investment in an option is subject to greater fluctuation than an investment in the underlying securities entails. An uncovered call writer's loss is potentially unlimited, but the risk of loss is generally limited by the expiration date of the call option. The risk for put option writers is that the price of the underlying securities falls below the exercise price. The ability to trade on or exercise options would likely be restricted if trading in the underlying securities interest becomes restricted. Unlike exchange-traded options, which are standardized with respect to the underlying instrument, expiration date, contract size and strike price, the terms of the over-the-counter ("OTC") options (options not traded on exchanges) are generally established through negotiation with the other party to the option contract. While this type of arrangement allows KKR Funds and Other Clients greater flexibility to tailor options to their needs, these arrangements also involve greater credit risk than exchange-traded options, which are guaranteed by the clearing organization of the exchanges where they were traded.

Synthetic Instruments KKR Funds or Other Clients invest in synthetic instruments such as swaps (including total return swaps), synthetic swaps, OTC and other derivative instruments. Investing through the purchase of synthetic instruments presents risks in addition to those resulting from direct purchases of underlying securities or assets. KKR Funds or Other Clients usually have a contractual relationship with the counterparty of such synthetic instrument, rather than the underlying obligor. Under the terms of these synthetic instruments, KKR Funds or Other Clients will generally have neither the right to enforce compliance by the underlying obligor directly, nor any voting or other consensual rights of ownership with respect to the underlying obligation. KKR Funds or Other Clients will not benefit directly from any collateral supporting the underlying obligation and will not have the benefit of remedies normally available to a holder of such underlying obligation. In addition, if the counterparty becomes insolvent, KKR Funds or Other Clients will be treated as general creditors of such counterparty and will not have any claim of title with respect to the underlying obligation. Consequently, KKR Funds or Other Clients will be subject to the credit risk of the counterparty as well as that of the underlying obligor. In 2021, the SEC proposed rules that would require any entity that establishes positions in security-based swaps above certain specified threshold levels to file reports with the SEC, which would become publicly available. This requirement could adversely affect KKR Funds and Other Clients by making it more costly and burdensome, and

potentially impractical, to enter into security-based swap transactions. Additionally, KKR Funds and Other Clients are subject to regulatory minimum swap margin requirements, which increase the costs of trading and could make it infeasible in certain instances.

Portfolio Company Corruption and Fraud Regulatory agencies or other counterparties in certain instances have the right to terminate an agreement relating to a portfolio company where management, any related third-party management company, operator or any of their affiliates has committed bribery, corruption or another fraudulent act in connection with the investment by a KKR Fund or Other Client in such portfolio company. Most capital put toward such an investment will not be compensated in these circumstances, and such corruption and fraud could result in the loss of rights to assets or profits or operational difficulties. In addition, certain investment activities could be more susceptible to irregular accounting or other fraudulent practices. In the event of fraud by (or involvement with corrupt payments by) any company in which a KKR Fund or Other Client invests, the KKR Fund or Other Client will likely suffer a partial or total loss of capital invested in that company.

Insurance Certain losses of a catastrophic nature impact companies and assets acquired by KKR Funds or Other Clients, such as wars, natural disasters, epidemics and pandemics, terrorist attacks or other similar events beyond KKR's control, and are either uninsurable or insurable at such high rates that to maintain such coverage would cause an adverse impact on the related investments.

Even where insurance is available, KKR sometimes determines not to obtain such insurance if KKR concludes that the terms are not commercially reasonable, and sometimes when such insurance is obtained, it has meaningful coverage limits and high deductibles. KKR Fund and Other Clients or their affiliates do often maintain insurance, where available on terms they believe to be commercially reasonable, for KKR Fund's or Other Client's portfolio companies and investments to protect against certain risks, such as business interruption insurance that is intended to offset loss of revenues during an operational interruption. Such insurance is likely to be subject to customary deductibles and coverage limits and are frequently insufficient to recoup all losses with respect to the relevant investment. There can be no assurance that an investment's insurance would cover liabilities resulting from claims relating to the design, construction, maintenance, or operation of the real assets and businesses in which KKR Fund and Other Clients invest, and lost revenues or increased expenses could result from such damage. If a major uninsured loss occurs, a KKR Fund or Other Client could lose both invested capital in and anticipated profits from, the affected investments.

With respect to such insurance policies that KKR does maintain, certain policies are expected to cover certain KKR Funds, Other Clients, as well as KKR and its affiliates, and as noted in Item 5 above, KKR Funds, Other Clients and KKR will bear an allocable portion of the premiums and fees for such policies, including any expenses or fees of insurance brokers. KKR believes that employing insurance policies covering multiple parties enables KKR to achieve lower overall premiums and fees for KKR Funds, Other Clients and KKR and its affiliates. Such policies typically carry a per occurrence deductible, which would be expected to be borne by the relevant insured person(s) making a claim under the policy and not by other insured persons. Such insurance policies also typically have a maximum amount that will be paid to insured person(s) making any claim, and, as such, it is possible that a KKR Fund or Other Client will have insufficient coverage to the extent that a claim by another KKR Fund, Other Client, KKR and/or one or more of its affiliates is paid for their insurance claims up to such maximum amount. In addition, because certain insurance policies maintained by KKR cover multiple parties, if a substantial claim were to be made against one or several covered entities, including KKR or its affiliates, there could be a resulting increase in insurance premiums for all parties covered under the applicable insurance policy.

Absence of Recourse; Indemnification KKR Fund or Other Client governing documents include exculpation and indemnification provisions that will limit the circumstances under which the relevant KKR

GP, KKR and their respective affiliates and other persons can be held liable to the KKR Fund or Other Client. Additionally, certain service providers and other consultants to KKR, KKR Funds or Other Clients, the KKR GPs, their affiliates, agents and other persons, including, without limitation, the members of the advisory committees of the KKR Funds, KKR investment executives, depository and placement agents and finders, are generally entitled to exculpation and indemnification (in certain cases, on terms more favorable to them than those available to indemnitees, generally). The assets of a KKR Fund or Other Client, including the unused capital commitments of their investors, will be available to satisfy these indemnification obligations and investors are often required under governing documents to return distributions to satisfy such obligations, subject to certain limitations set forth in the KKR Fund or Other Client governing documents. Such obligations will generally survive the dissolution of the relevant KKR Fund or Other Client.

Terrorism KKR Fund or Other Client investments sometimes involve significant strategic assets having a national or regional profile. The nature of these assets could expose them to a greater risk of being the subject of a terrorist attack than other assets or businesses. Any terrorist attacks that occur at or near strategic assets would likely cause significant harm to employees, property, and, potentially, the surrounding community, and could result in liability with respect to a portfolio company far in excess of available insurance coverage. A terrorist attack on an asset could also have adverse consequences for assets of that type or in the same vicinity, including those owned by a portfolio company, and could result in a portfolio company being forced to increase preventative security measures or expand its insurance coverage (if available), adversely affecting the profitability of the investment. Terrorist attacks could reduce the availability of insurance coverage going forward for losses arising from similar events. A terrorist attack could cause reduced patronage, usage, and demand for an entire class of assets or for assets in the region of the terrorist attack, either of which could adversely affect an investment's profitability. In general, losses related to terrorism are becoming harder and more expensive to insure against. Most insurers are excluding terrorism coverage from their all-risk policies. In some cases, insurers offer significantly limited coverage against terrorist acts for additional premiums which can greatly increase the total costs of casualty insurance. As a result, many portfolio investments will not be insured against terrorism.

Force Majeure Portfolio investments could be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability). Some force majeure events could adversely affect the ability of a party (including a portfolio company or a counterparty to a KKR Fund, Other Client or a portfolio company) to perform its obligations until it is able to remedy the force majeure event. For example, certain areas of North America have been affected by earthquakes, floods, hurricanes, tornadoes, landslides, explosions, drought, heat waves or forest fires, and Southeast Asia and many other countries in Asia, including China, Japan, Indonesia and Australia, have been affected by earthquakes, floods, typhoons, drought, heat waves or forest fires. Disease outbreaks have occurred globally in the past and are currently occurring, including severe acute respiratory syndrome, or SARS, avian flu, H1N1/09 flu and COVID-19 and any prolonged occurrence of infectious disease, or other adverse public health developments or natural or man-made disasters in any country in which KKR Funds or Other Clients target investments could have a material adverse effect on the macro economy and/or the business operations of portfolio entities in which KKR Funds and Other Clients invest. In addition, forced events, such as the cessation of the operation of machinery for repair or upgrade, could similarly lead to the unavailability of essential machinery and technologies. These risks could, among other effects, cause personal injury or loss of life, damage to property, or disruptions of service. In addition, the cost to a portfolio company or a KKR Fund or Other Client of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Force majeure events that are incapable of or are too costly to cure might have a permanent

adverse effect on a portfolio company. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the global or local economy and international business activity generally, or in any of the countries in which KKR Funds or Other Clients specifically invest. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more portfolio companies or its assets, could result in a loss to KKR Funds or Other Clients, including if the investment in such portfolio companies is canceled, unwound or acquired (which could be without adequate compensation).

Climate Change Prolonged changes in climatic conditions could have significant impact on the revenues, expenses and conditions of certain investments of KKR Funds and Other Clients. While the precise future effects of climate change are unknown, it is possible that climate change could affect precipitation levels, droughts, wind levels, annual sunshine, sea levels and the severity and frequency of storms and other severe weather events. Reductions in precipitation levels, wind or sunlight could materially and adversely affect the revenues and cash flows of renewable energy-related assets that depend on the capture of waterflow, wind or sunlight to derive revenues. If such reductions are significant, any such assets could be rendered inoperable. Conversely, significant increases in precipitation or wind velocity could cause damage to such assets or create periods when such assets are not able to function. In the event that climate change causes sea levels to rise, certain portfolio companies might be forced to incur expenses to prevent assets from being damaged or rendered unusable by such rising sea levels. Potential changes in climatic conditions, together with the response or failure to respond to these changes, could precipitate natural disasters. These events and the disruptions that they cause, alone or in combination, also have the potential to strain or deplete infrastructure and response capabilities generally, leading to increased costs and higher taxes, decreases in economic efficiency, or both. Climate change related disruptions could have material and adverse impacts on the business of portfolio companies of KKR Funds and Other Clients and on the broader society and economy in which such portfolio companies operate.

KKR Funds, Other Clients and their portfolio companies also face climate transition risks that could arise, for example, from climate-related legislation and policy developments (both domestically and internationally), and business trends and changes in consumer behavior related to climate change and technology (such as the process of transitioning to a lower-carbon economy). New climate-related regulations or interpretations of existing laws could result in enhanced disclosure obligations, which could negatively affect KKR Funds, Other Clients and their portfolio investments and materially increase regulatory burdens and costs of compliance.

Various Regulatory Agencies have enacted or proposed new or revised environmental regulations in an effort to reduce carbon emissions and the emissions of other gases believed to be contributing factors to climate change. These measures are varied and diverse across national, state or provincial and local jurisdictions, including targeted reductions in emissions, mandatory quotas, tax regimes based on emissions, bans or restrictions on the production of fossil fuels or on the construction of new infrastructure supporting the fossil fuel industry, and other measures. These measures could materially impact the performance of portfolio companies in many ways, including by increasing costs of doing business or compliance, through the imposition of fines or other penalties, or through reputational damage resulting from association (or perceived association) with industries viewed as contributing to climate change.

Various governments have in the past and are expected to continue to provide subsidies for “green” energy technologies, such as solar, wind, bio-fuel, geothermal, hydrogen and other non-fossil fuel based energy sources, with the goal of reducing carbon emissions in an effort to mitigate the impacts of climate change. Even with potentially large public and private investment in these technologies, it is possible that “green” energy technologies will be unable to be deployed at a scale sufficient to meet growing global energy demand, or even existing energy demand. Moreover, these technologies require significant changes to existing infrastructure in order to provide for a level of energy security and reliability comparable to existing

fossil fuel-based energy generation technologies. The cost of upgrading infrastructure for this purpose, or energy disruptions if such infrastructure upgrades are not successfully completed, could result in significant disruptions to local, regional or national economies.

As a result of climate change, and given its unpredictable nature, investments could also be vulnerable, without limitation, to the following risks: increased insurance claims that lead to higher premiums and deductibles; decreases in the availability of insurance coverage for investments in areas subject to extreme conditions; increases in energy costs that affect returns; changes in the availability of natural resources, or the quality of those resources, on which an investment depends; inaccurate long-term valuations of an investment landscape not previously anticipated at the time of the investment; indirect financial and operational disruptions; and other economic disturbances arising from the foregoing.

Real asset investments can be especially prone to adverse consequences of climate change and prolonged and potentially accelerating changes in climatic conditions, together with the response or failure to respond to these changes could have a significant impact on the revenues, expenses and conditions of real assets and related investments of KKR Funds and Other Clients.

Cybersecurity Risks including Business Disruption and Information Security Risks KKR Funds, Other Clients, KKR and their affiliates and service providers are subject to risks associated with cybersecurity compromises. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users, as well as unintentional damage or interruption that, in either case, can result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Cybersecurity attacks are evolving and include, but are not limited to, malicious software, including harmful malware and ransomware, denial-of-service attacks, social engineering, and other means to affect service reliability and attempt to gain unauthorized access to data, and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information, including, without limitation, information regarding investors and KKR Fund's and Other Client's investment activities, and corruption of data. Third parties also attempt to fraudulently induce employees, KKR counterparties and third-party service providers to disclose sensitive information in order to gain access to KKR data or that of KKR Funds and Other Clients. The risk of a security compromise or disruption, particularly through accidental actions or omissions by trusted insiders, cyber-attacks or cyber intrusions, including by computer hackers, viruses, foreign governments, and cyber terrorists, has increased as the number, intensity, and sophistication of attempted attacks and intrusions from around the world have increased. A successful penetration or circumvention of the security of such systems could result in the unauthorized transfer of funds to an illegitimate counterparty, financial loss and expense, theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. KKR Funds, Other Clients, KKR and their affiliates could be exposed to a more significant risk if these activities are taken by state actors. These same cybersecurity breaches, cyber-attacks and cyber intrusions could also be employed against various KKR stakeholders or other third parties, including to impersonate KKR or its employees, which could cause similar security impacts and materially and adversely impact KKR and KKR Funds or Other Clients. Certain damage or interruptions to information technology systems would cause losses to KKR Funds, Other Clients or their investors, including, without limitation, by interfering with the processing of transactions, affecting a KKR Fund's or Other Client's ability to conduct valuations or impeding or sabotaging trading. KKR Funds and Other Clients would also incur substantial costs as the result of a certain cybersecurity incidents, including costs associated with forensic analysis of the origin and scope of the incident, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage. Any such cybersecurity incidents could expose a KKR Fund, Other

Client and KKR to civil liability as well as regulatory inquiry and/or action. Investors could also be exposed to losses resulting from unauthorized use or dissemination of their personal and confidential information.

KKR Funds, Other Clients, KKR and their affiliates rely extensively on computer programs and systems (and will likely rely on new systems and technology in the future) for various purposes, including trading, clearing and settling transactions, evaluating certain investments, monitoring a KKR Fund's or Other Client's portfolio and net capital and generating risk management and other reports that are critical to oversight of a KKR Fund's or Other Client's activities. KKR's and certain KKR Funds' and Other Clients' operations will be dependent upon systems operated by third parties, including prime-brokers, administrators, market counterparties and their sub-custodians and other service providers. KKR Funds' and Other Clients' service providers also depend on information technology systems and, notwithstanding the diligence that KKR Funds and Other Clients perform on its service providers or the assurances that KKR could seek to obtain that these third parties will implement appropriate security controls to protect KKR's confidential information, KKR might not be in a position to verify the risks or reliability of such information technology systems and there is a risk that unauthorized individuals could improperly gain access to KKR's confidential data stored or accessed by third parties. Moreover, third parties that have access to KKR's systems are subject to risks of cyber attacks, which could adversely affect KKR, KKR Funds, Other Clients and their portfolio companies. The techniques used by cyber criminals change frequently, might not be recognized until launched, and can originate from a wide variety of sources, including outside groups such as external service providers, organized crime affiliates, terrorist organizations, hostile foreign governments or agencies, or cybersecurity researchers. KKR's controls and procedures, business continuity systems, and data security systems could also prove to be inadequate. Certain failures, corruptions or cybersecurity incidents (including as a result of the occurrence of a disaster such as a cyber-attack, a natural catastrophe, an industrial accident, a terrorist attack or war, events unanticipated in KKR's disaster recovery systems, or a support failure from external providers) or the inability of such systems to satisfy investor's needs, including the execution of orders, would have a negative effect on KKR's ability to conduct business and thus, KKR Funds or Other Clients, particularly if those events affect KKR's computer-based data processing, transmission, storage and retrieval systems or destroy KKR's data. If a significant number of KKR's personnel were to be unavailable in the event of a disaster or other event, KKR's ability to effectively conduct the business of KKR Funds or Other Clients would likely be compromised. A KKR Fund's or Other Client's controls and procedures, business continuity systems, and data security systems could prove to be inadequate. These problems could arise in KKR's internally developed systems and the systems of third-party service providers. KKR could have insufficient recourse against such third parties and could have to expend significant resources to mitigate the impact of such an event, and to develop and implement protections to prevent future events of this nature.

Information and technology systems of KKR, KKR Funds, Other Clients and their affiliates (in addition to those of the issuers of the investments of a KKR Fund or Other Client) could be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and cybersecurity incidents, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Notwithstanding measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, KKR and its affiliates might have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of KKR and its affiliates and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the reputation of KKR and its affiliates, subject KKR and its affiliates to legal claims and otherwise affect their business and financial performance.

The SEC has underscored its focus on cybersecurity. In July 2023, the SEC adopted new cybersecurity disclosure rules, aimed at enhancing and standardizing disclosures made by public companies regarding cybersecurity risk management, strategy, governance and incident reporting. Some jurisdictions have also enacted laws requiring companies to notify individuals of data security breaches involving certain types of personal data. In February 2022, the SEC proposed similar cybersecurity regulations for regulated investment advisers. The SEC has also proposed a similar cybersecurity rule for broker-dealers, and other security market participants. Many other regulators have also indicated an intention to take more aggressive enforcement actions regarding cybersecurity matters, and private litigation resulting from such matters is increasing and resulting in progressively larger judgments and settlements. The increased regulatory focus on the reporting of data security breaches and reduced time periods for providing such reporting under recently enacted rules and proposals, increase compliance costs and burdens, and heighten the risk of regulatory inquiry and/or action regarding cybersecurity matters for KKR, and KKR Funds, Other Clients and their portfolio companies.

Data Privacy Risk KKR, KKR Funds and Other Clients and/or a KKR AIFM are subject to various requirements, risks and costs associated with the processing of personal information, including, the collection, storage and transmission of personal information. KKR employees (and, in certain cases, third-party service providers) have access to, and process, personal information of actual or prospective investors, employees, contractors or other personnel, advisors, contractual counterparties, suppliers or other third parties through a variety of media, including technology systems. Third-party administrators and their employees have access to, and routinely process, personal information of investors, employees, contractors and other counterparties and third parties, and KKR is also dependent on such third parties and their systems to protect such data. Any inability, or perceived inability, by KKR, KKR Funds and Other Clients and/or a KKR AIFM to adequately address privacy and data protection concerns, or comply with applicable privacy and data protection laws, regulations, policies, regulatory or industry standards and guidance, or relevant contractual obligations, could result in significant regulatory and third party liabilities or penalties, increased costs, disruption to the business and operations of KKR, KKR Funds and Other Clients and/or a KKR AIFM, and a loss of fund investor confidence and other reputational damage.

Legal requirements relating to the collection, storage, handling and transfer of personal data continue to develop. KKR, KKR Funds and Other Clients and/or a KKR AIFM are directly or indirectly subject to the requirements of the European data protection laws, including the European General Data Protection Regulation (“EU GDPR”), and the UK General Data Protection Regulation (“UK GDPR”). The EU GDPR has direct effect in all European Economic Area (“EEA”) member states and the UK GDPR has direct effect in the UK. Both the EU GDPR and the UK GDPR have extraterritorial effect, in certain circumstances, including where non-EEA or non-UK entities or persons process personal information in relation to the offering of goods or services to individuals in the EEA or UK, or the monitoring of the behavior of individuals in the EEA or UK. Both the EU GDPR and the UK GDPR impose a number of obligations on “data controllers,” which are persons or entities that are responsible for determining the purposes for which, and means by which, personal information is processed. These obligations include, among others: (i) accountability and transparency requirements, which require controllers to demonstrate and record their compliance with the EU GDPR and the UK GDPR and to disclose specified information to individuals regarding how their personal information is used; (ii) requirements to identify a lawful basis for any processing of personal information; (iii) obligations to consider data protection as part of the development of any new products or services and to limit the amount of personal information processed to what is strictly necessary; (iv) obligations to comply with data protection rights made by individuals; and (v) requirements to report certain types of personal information breaches to supervisory authorities or affected individuals within prescribed timeframes. Both the EU GDPR and the UK GDPR also contain rules relating to fines that could be levied for violations of their requirements. Depending on the violation, such fines could be up to the higher of 4% of annual worldwide turnover or €20,000,000/£17,500,000. Individuals may also have

a right to compensation for financial or non-financial losses (e.g., distress) arising in relation to breaches of applicable data protection laws. While KKR and its affiliates intend to comply with their privacy obligations under EU GDPR and the UK GDPR and other applicable data privacy laws, it is possible that KKR and its affiliates will not be able to accurately anticipate the ways in which regulators and courts will apply or interpret the law. Furthermore, KKR, KKR Funds and Other Clients and their portfolio companies frequently assume privacy compliance-related obligations as a result of entering into contractual relationships with counterparties. As new privacy and data protection-related laws and regulations come into effect in different jurisdictions, the time, costs and resources associated with efforts to comply with such laws and regulations continues to increase. Any inability, or perceived inability (even if unfounded), to adequately address privacy and data protection concerns, or to comply with applicable laws, regulations, policies, guidance, industry standards or contractual obligations related to privacy and data protection, could result in additional cost and liability and could damage KKR's reputation and adversely affect KKR Funds and Other Clients. In the event of violations of the EU GDPR and the UK GDPR, KKR, a KKR Fund, Other Client, KKR AIFM or portfolio company and their respective affiliates (as relevant) could face significant administrative and monetary sanctions, remediation related costs, as well as reputational damage which could have a material adverse effect on their respective operations.

At the U.S. federal level, KKR, KKR Funds and Other Clients and/or a KKR AIFM are directly or indirectly subject to the Gramm-Leach-Bliley Act of 1999, as amended in June 2023 ("Gramm-Leach-Bliley Act"), which imposes privacy requirements on financial institutions, including obligations to protect and safeguard consumers' nonpublic personal information and records, and limits the ability to share and reuse such information. In March 2023, the SEC proposed amendments to Regulation S-P, its rules implementing the The Gramm-Leach-Bliley Act, which, if adopted, would require broker-dealers, registered investment companies and investment advisers to adopt written policies and procedures creating an incident response program to deal with unauthorized access to customer information, including procedures for notifying persons affected by the incident within 30 days.

KKR, KKR Funds and Other Clients and/or a KKR AIFM are directly or indirectly subject to the requirements of the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act of 2020 ("CPRA") along with their implementing regulations (collectively, the "CCPA"). The CCPA imposes obligations on covered businesses, including, among others: (i) obligations to comply with requests made by California residents to exercise rights in their personal information; (ii) requirements to provide disclosures about how and the purposes for which their personal information will be used; and (iii) a requirement to ensure that all individuals responsible for handling consumer inquiries about the business's privacy practices are informed of the CCPA's requirements. The CCPA is enforceable by the California Attorney General and the California Privacy Protection Agency and it authorizes civil penalties up to \$2,500 for each non-intentional violation or \$7,500 for each intentional violation. The CCPA also provides a private right of action but only in connection with certain "unauthorized access and exfiltration, theft, or disclosure" of a California resident's nonencrypted or nonredacted personal information that was a result of the business' failure to implement and maintain reasonable security procedures and practices appropriate to the nature of the information. The CPRA took effect on January 1, 2023 (with certain provisions having retroactive effect to January 1, 2022). The CPRA amended and expanded the pre-existing rules by creating additional privacy rights for California residents, establishing the California Privacy Protection Agency as an enforcement body, and imposing additional obligations on covered businesses. The California Privacy Protection Agency issued the California Consumer Privacy Act Regulations which took effect on March 29, 2023. These regulations are designed to implement the CPRA and operationalize new rights and concepts that form part of California's consumer privacy framework.

Other U.S. states either have recently passed their own comprehensive consumer privacy legislation (such as Colorado, Connecticut, Utah and Virginia) or are considering doing so. In recent years, there have also been attempts in U.S. Congress to pass a comprehensive federal privacy law. The U.S. also has a variety of

sector-specific privacy legislation, such as the U.S. Health Insurance Portability and Accountability Act and the Gramm-Leach-Bliley Act described above.

Legal frameworks relating to privacy and data protection are rapidly evolving, and KKR, KKR Funds and Other Clients and/or a KKR AIFM are, and will be, directly or indirectly subject to new or changing legal and regulatory obligations both domestically and internationally. The application, interpretation and enforcement of these developing legal and regulatory obligations are often uncertain, may conflict among themselves, and could require KKR to further modify certain information practices and could subject KKR, KKR Funds and Other Clients to additional compliance costs and regulatory scrutiny. There is a risk that the measures taken to comply with the privacy and data protection laws and regulations will not be sufficient or implemented correctly, particularly where conflicting requirements exist, or if individuals within the business do not fully comply with the requirements, controls and related procedures applicable to them. If the measures taken to comply with privacy and data protection laws and regulations are insufficient or incorrectly implemented, KKR, a KKR Fund, Other Client or KKR AIFM and their respective affiliates (as relevant) could face significant administrative and monetary sanctions, liability to individuals or other third parties, as well as reputational damage which could have a material adverse effect on their respective operations. The above considerations also apply to the portfolio companies of KKR Funds and Other Clients and other counterparties with which KKR, KKR Funds and Other Clients conduct investment activities.

Artificial Intelligence Developments The use of artificial intelligence by KKR and others, and the overall adoption of artificial intelligence throughout society, could exacerbate or create new and unpredictable competitive, operational, legal and regulatory risks to KKR, KKR Funds, Other Clients and their portfolio companies. Artificial intelligence and its applications, including in the private investment and financial sectors, continue to develop rapidly, and it is impossible to fully predict the future risks that will arise from such developments. Technological innovation, including the use of artificial intelligence and data science, has the potential to disrupt industries and change the ways they do business. Competitors of portfolio companies of KKR Funds and Other Clients could be swifter and/or more successful in the development and implementation of services and platforms based on artificial intelligence and machine learning technology, resulting in a competitive disadvantage for portfolio companies of KKR Funds and Other Clients and a material adverse impact on the performance of KKR Funds and Other Clients.

There is also a risk that artificial intelligence could be misused or misappropriated by employees or third parties engaged by KKR and its affiliates. For example, a user could input confidential information, including material non-public information or personally identifiable information, into artificial intelligence applications, resulting in such information becoming a part of a dataset that is accessible by third party technology applications and users, including competitors. Further, KKR and its affiliates will generally not be able to control how third-party artificial intelligence selected for use is developed or maintained, or how data input is used or disclosed, even where contractual protections with respect to these matters have been obtained. The misuse or misappropriation of the data of KKR and its affiliates could have an adverse impact on KKR's reputation and could subject KKR, KKR Funds, Other Clients or their portfolio companies to legal and regulatory investigations or actions or create competitive risk.

If the data KKR and its affiliates, or third parties service providers, use in connection with the possible development or deployment of artificial intelligence is incomplete, inadequate or biased in some way, the performance of KKR Funds, Other Clients and their portfolio companies could suffer. In addition, KKR and its affiliates analyze data through different means, including manual reviews, automated rules as well as the use of artificial intelligence and machine learning technologies. Recent technological advances in artificial intelligence and machine-learning technology both present opportunities and pose risks to KKR, KKR Funds, Other Clients and their portfolio companies. Data in technology that uses artificial intelligence could contain a degree of inaccuracy and error, which could result in flawed algorithms in various models

used by KKR and its affiliates, or by the portfolio companies of KKR Funds or Other Clients. KKR's personnel or the personnel of KKR's service providers could improperly utilize artificial intelligence and machine learning-technology while carrying out their responsibilities. This could reduce the effectiveness of artificial intelligence technologies and adversely impact KKR and KKR Funds or Other Clients to the extent that KKR or its affiliates rely on the work product of such artificial intelligence in their operations.

In addition, the use of artificial intelligence by KKR and its affiliates or others could require compliance with legal or regulatory frameworks that are not fully developed or tested, and KKR, KKR Funds, Other Clients and their portfolio companies could face litigation and regulatory actions related to the use of artificial intelligence. There has been increased scrutiny, including from global regulators, regarding the use of "big data," diligence of data sets and oversight of data vendors. KKR's ability to use data to gain insights into and manage KKR Funds and Other Clients could be limited in the future by regulatory scrutiny and legal developments. For more information on risks relating to information security and developing global privacy and data laws see also "*Cybersecurity Risks including Business Disruption and Information Security Risks*" and "*Data Privacy Risk*" above.

Certain Social Media Risks The use of social networks such as Facebook, Twitter and Instagram, message boards such as Reddit and other internet channels has become widespread within the U.S. and globally. As a result, individuals now have the ability to rapidly and broadly disseminate information or misinformation without relying on traditional media intermediaries. Information often spreads rapidly across large segments of the U.S. and global population, frequently without any independent verification as to its accuracy, which has led to the spread of misinformation in many cases. The spread of information or misinformation regarding KKR, KKR Funds or Other Clients and their respective portfolio companies could result in material and adverse effects on any of the foregoing. Furthermore, certain administrators of or other service providers to social networks, message boards, app stores, websites and other internet outlets have taken actions to ban, block, verify or censor the content disseminated on their networks. Such actions, or similar actions taken by government regulators or courts, could negatively affect KKR, KKR Funds Other Clients and their respective portfolio companies (e.g., if a portfolio company were to face public backlash or regulatory penalties for taking such actions, or if a portfolio company were itself the subject of such a ban).

Recourse to a KKR Fund's or Other Client's Assets The assets of KKR Funds and Other Clients, including unused capital commitments, any investments made by the KKR Fund or Other Client and any capital held by the KKR Fund or Other Client, are available to satisfy all liabilities and other obligations of such KKR Fund or Other Client, for any proper purpose relating to the activities of the KKR Fund or Other Client, including, without limitation, with respect to investments, payment of KKR Fund or Other Client expenses, indemnification obligations, making distributions to investors and, where provided by operative fund documents, the payment of amounts to withdrawing investors. If a KKR Fund or Other Client becomes subject to a liability, parties seeking to have the liability satisfied could have recourse to a KKR Fund's or Other Client's assets generally and might not be limited to any particular asset, such as the asset comprising the investment giving rise to the liability. In such situations, under the governing documents of KKR Funds or Other Clients, investors are often required under governing documents to make additional capital contributions, including to recontribute funds previously distributed by a KKR Fund or Other Client, in each case subject to the specific limitations set forth in their governing documents.

A KKR Fund's or Other Client's financing arrangements, including subscription facilities obtained by a KKR Fund or Other Client, specific borrowings made thereunder, and guarantees and other credit support obligations of a KKR Fund or Other Client, are often structured generally as a portfolio financing where all or certain investments provide security for such financing on a cross-collateralized basis and multiple investments are subject to the risk of loss in the event of a default. There likely will be circumstances in which investors have varying sharing percentages with respect to certain of a KKR Fund's or Other Client's

investments, including as a result of participation in subsequent closings, the exercise of excuse or exclusion rights or otherwise and could have sharing percentages (including in the aggregate) in investments or otherwise with respect to investment proceeds generated by a KKR Fund's or Other Client's investments to which third parties have recourse in respect of a KKR Fund or Other Client liability that are higher or lower than such investors' sharing percentages in the investment giving rise to the liability. As a result of the potential recourse obligations of a KKR Fund or Other Client as described above, liabilities relating to investments in which an investor has for example, a small sharing percentage, could adversely impact investments in which such investor holds a greater sharing percentage. In addition, where co-investors or other third-party investors participate in an investment, a KKR Fund or Other Client will at times (where the applicable KKR GP deems appropriate and subject to the governing documents of the relevant KKR Fund or Other Client) guarantee an amount in excess of its proportionate interest in the investment, including amounts in respect of the interests of co-investors or other third parties, which could remain outstanding on a temporary or ongoing basis over the term of the investment. In these circumstances, a KKR Fund or Other Client will bear a disproportionate amount of the liabilities and costs associated with the relevant guarantee or other credit support, and the KKR Fund's or Other Client's assets, as applicable, including the relevant investment as well as the KKR Fund's or Other Client's assets generally (including unused capital commitments) would be available to satisfy such liabilities and costs (see also "*Subscription Facilities; Guarantees; Contractual Obligations*" above).

Risks of Multi-Step Acquisitions In the event that KKR chooses to effect an investment transaction by means of a multi-step acquisition (such as a first-step cash tender offer or stock purchase followed by a merger), there can be no assurance that the remainder of the relevant investment can be successfully acquired. This could result in a KKR Fund or Other Client having only partial control over the investment or partial access to its cash flow to service debt incurred in connection with the acquisition.

Board Participation KKR employees serve as directors of many portfolio companies and, as such, have duties to persons other than a KKR Fund or Other Client, including other stockholders of such portfolio companies. Although holding board positions is viewed as important to the KKR Fund's or Other Client's investment strategy and is believed to improve KKR's oversight ability, board positions could impair KKR's ability to sell the relevant securities when and upon the terms it wants, and subject KKR and KKR Funds and Other Clients to claims they would otherwise not be subject to as an investor, including claims of breach of duty of loyalty, corporate waste, securities claims and other director-related claims.

Failure to Vote by a Limited Partner From time to time during the term of certain KKR Funds or Other Clients, a KKR GP is expected to require or otherwise solicit the vote, consent or waiver of limited partners or the limited partner advisory committee in connection with any proposed action or event relating to the relevant KKR Fund, Other Client, the KKR GP or its affiliates, including without limitation, any proposed amendment of the governing documents of such KKR Fund or Other Client. The outcome of any such vote, consent or waiver could potentially have an adverse impact on certain investors. For certain KKR Funds or Other Clients, any such vote, waiver or consent will be tabulated or made as if (subject to certain exceptions specified in the governing documents of KKR Funds and Other Clients) any investor that abstains from or fails to vote, consent or decide prior to any deadline established by the relevant KKR GP for such response, is not an investor in the KKR Fund or Other Client. In that event, the wishes of the relevant investor will not be taken into account in determining the outcome of any such solicitation by the KKR GP.

Trade Errors KKR, the KKR GPs and their respective affiliates will not be responsible for any losses resulting from any trade errors made by KKR or its affiliates, in respect of KKR Funds' or Other Clients' investments, except to the extent such parties are liable pursuant to the applicable governing documents of such KKR Funds or Other Clients. Trade errors might include, for example, keystroke errors that occur when entering trades into an electronic system or typographical or drafting errors related to

derivatives contracts or similar agreements. Investors should assume that trade errors (and similar errors or deviations from accuracy or correctness in the trade process) will occur and that none of KKR, any KKR GP, or their respective affiliates will be responsible for any resulting losses, even if such loss results from negligence (but not gross negligence), unless it has breached its standard of care as set out in applicable laws or regulations as well as the applicable limited partnership agreement, investment management agreement, prospectus or other offering document of KKR Funds or Other Clients.

FOIA/Public Disclosure As a result of the U.S. Freedom of Information Act (“FOIA”), any governmental public records access law, any state or other jurisdiction's laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement, KKR, investors in KKR Funds or Other Clients or any of their respective affiliates are sometimes required to disclose information relating to a KKR Fund or Other Client, or their affiliates, and/or any entity in which an investment is made, which disclosure could, for example, affect such KKR Fund's or Other Client's competitive advantage in finding attractive investment opportunities. In addition, the identity of and certain information regarding investors in KKR Funds and Other Clients, such as public pension plans and listed investment vehicles could be subject to public disclosure requirements. The amount of information about their investments that is required to be disclosed has increased in recent years and that trend could continue. To the extent that disclosure of confidential information relating to KKR Funds or Other Clients or their portfolio companies results from interests being held by public investors, KKR Funds and Other Clients could be adversely affected.

Misconduct of Employees and Third-Party Service Providers KKR depends to a large extent on its business relationships and reputation for integrity and high-caliber professional services to attract and retain qualified professionals and to pursue investment opportunities for KKR Funds and Other Clients. Misconduct by employees of KKR or by third-party service providers could cause significant losses to KKR Funds or Other Clients. Types of potential employee misconduct include binding KKR Funds or Other Clients to transactions that exceed authorized limits or present unacceptable risks and unauthorized investment activities or concealing unsuccessful investment activities (which, in either case, could result in unknown and unmanaged risks or losses). Employee misconduct could also involve illegal or otherwise inappropriate acts that are not directly related to a KKR Fund, Other Client or any portfolio company but nonetheless have a material adverse impact (including reputational damage) on KKR Funds and Other Clients, KKR or their affiliates. KKR also relies on third parties whom it does not control for significant operational support and assistance and other aspects of its business, including for various operational, accounting, and data processes and systems as well as on the systems of third-party service providers. Other aspects of the KKR business that depend on the services of third parties include law firms, prime brokers, custodians, escrow agents, placement agents, distribution partners, administrators and other consultants and agents to carry out administrative or other services, including valuations, insurance policy administration, securities transactions, recordkeeping, tax preparation, government filings, paying agent services, trustee services, technology services, administration services, tax and accounting services, and compliance functions. Losses could also result from erroneous, sub-standard or otherwise deficient actions by such third-party service providers, including, without limitation, failure to recognize trades and misappropriating assets. In addition, employees and third-party service providers might improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting KKR Funds' or Other Clients' business prospects or future marketing activities. No assurances can be given that the due diligence performed by KKR will identify or prevent any such misconduct.

Furthermore, KKR relies on individual consultants and other contingent workers who are not KKR employees but work directly in KKR's business alongside employees. Certain aspects of KKR's business also depends on the efforts, skills, reputations, business contacts, and conduct of these consultants and other contingent workers, sometimes to the same extent as employees. KKR expects to continue to rely on the engagement of consultants and other contingent workers to service important aspects of its business. The inability to retain them or to find their replacements could adversely impact KKR and KKR Funds and

Other Clients. In addition, even though these consultants and other contingent workers are not KKR employees, there are circumstances when their misconduct could adversely impact KKR and KKR Funds and Other Clients to same degree as if they were employees.

ERISA Considerations Operating a KKR-sponsored investment vehicle as a “venture capital operating company” (“VCOC”) within the meaning of ERISA requires that such investment vehicle obtain rights to substantially participate in or influence the conduct of the management of many of its portfolio investments, and the exercise of such rights could result in claims against or other adverse consequences to such investment vehicle. The designation of directors and other measures intended to influence management or operation could expose the assets of such investment vehicle to claims by a portfolio company, its security holders, and its creditor, as stated below under “*Control Person Liability*.” If a KKR Fund vehicle qualifies as a VCOC or a “real estate operating company” (“REOC”) within the meaning of ERISA, such investment vehicle could also be restricted or precluded from making certain investments. Furthermore, it could be necessary to liquidate investments at an otherwise disadvantageous time in order to avoid holding ERISA “plan assets,” which would result in lower proceeds to such investment vehicle than it might have received without the need to qualify as either a VCOC or REOC. Under ERISA, any entity designated as a trade or business within a controlled group can be liable for certain ERISA Title IV pension obligations of any member of the controlled group. In addition, in the case of a plan termination, the U.S. Pension Benefit Guaranty Corporation (“PBGC”) can assert a lien against any member of the controlled group of up to 30% of the collective net worth of all members of the controlled group. A “controlled group” generally requires 80% or greater common ownership, applying specified constructive ownership and exclusion rules. In October 2023, the U.S. Department of Labor proposed a rule that, if finalized, would materially increase the likelihood that a fund sponsor could inadvertently become a fiduciary to plans governed by ERISA, individual retirement accounts (“IRAs”) within the meaning of Section 4975 of the U.S. Internal Revenue Code (the “Code”), and similar plans, by reason of being deemed to have rendered investment advice in the context of fundraising and investor engagement. The proposal broadly applies to any communication made to ERISA-governed plans, IRAs, and their fiduciaries that would reasonably be viewed as a suggestion that the plan engage in, or refrain from taking, a particular course of action, and, therefore, could potentially create a fiduciary relationship between the fund sponsor and an ERISA plan or IRA for purposes of that communication. In the event that the fund sponsor was deemed to be an investment advice fiduciary, such fund sponsor would generally need to satisfy a complicated exemption to avoid a self dealing prohibited transaction under ERISA and the Code.

Control Person Liability KKR Funds and Other Clients generally have controlling interests in a number of portfolio companies. Exercising control over a company can impose additional risks of liabilities arising from activities of one or more portfolio companies, including liability for environmental damage, product defects, failure to supervise management, escheat or abandoned property laws, legal violations, pension and other fringe benefits, labor, tax, governmental regulation (including securities laws, anti-bribery, anti-money laundering, trade sanctions, and anti-corruption laws and anti-trust laws) and other types of liabilities for which the limited liability characteristic of business ownership could be ignored. As a result, KKR Funds and Other Clients could become jointly and severally liable for all or part of fines imposed on portfolio companies or be fined directly for violations committed by portfolio companies, and such fines imposed directly on KKR Funds or Other Clients could be greater than those imposed on the portfolio company. For example, on April 2, 2014, the European Commission announced that it had fined 11 producers of underground and submarine high voltage power cables a total of 302 million euros for participation in a ten-year market and customer sharing cartel. Fines were also imposed on parent companies of the producers involved, including Goldman Sachs, the former parent company of one of the cartel members. The European Court of Justice affirmed the decision on January 27, 2021. Similarly, on February 16, 2018, the DOJ named a private equity sponsor as a co-defendant in a False Claims Act case against one of its portfolio companies, alleging that the private equity sponsor had an active involvement in managing the company and in developing its strategy to use illegal kickback payments to increase

reimbursements. In addition to claims by governmental agencies, exercising control over a portfolio company could expose the assets of such KKR Fund or Other Client to claims by a portfolio company, its security holders and its creditors.

Risk Arising from Potential Control Group Liability Under ERISA, upon the termination of a tax-qualified single-employer defined benefit pension plan, the sponsoring employer and all members of its “controlled group” will be jointly and severally liable for 100% of the plan’s unfunded benefit liabilities whether or not the controlled group members have ever maintained or participated in the plan. In addition, the PBGC could assert a lien with respect to such liability against any member of the controlled group on up to 30% of the collective net worth of all members of the controlled group. Similarly, in the event a participating employer partially or completely withdraws from a multiemployer (union) defined benefit pension plan, any withdrawal liability incurred under ERISA will represent a joint and several liability of the withdrawing employer and each member of its controlled group.

A “controlled group” includes all “trades or businesses” under 80% or greater common ownership. This common ownership test is broadly applied to include both “parent-subsidiary groups” and “brother-sister groups” applying complex exclusion and constructive ownership rules. However, regardless of the percentage ownership that a KKR Fund holds in one or more of its portfolio entities, a KKR Fund itself cannot be considered part of an ERISA controlled group unless the KKR Fund is considered to be a “trade or business.”

While there are a number of cases that have held that managing investments is not a “trade or business” for tax purposes, in 2007, the PBGC Appeals Board ruled that a private equity fund was a “trade or business” for ERISA controlled group liability purposes and at least one United States Circuit Court of Appeals has similarly concluded that a private equity fund could be a trade or business for these purposes based upon a number of factors including the fund’s level of involvement in the management of its portfolio entities and the nature of any management fee arrangements.

If a KKR Fund were determined to be a trade or business for purposes of ERISA, it is possible, depending upon the structure of the investment by the KKR Fund and/or its affiliates and other co-investors in a portfolio entity and their respective ownership interests in the portfolio entity, that any tax-qualified single-employer defined benefit pension plan liabilities and/or multiemployer plan withdrawal liabilities incurred by the portfolio entity could result in liability being incurred by a KKR Fund, with a resulting need for additional capital contributions, the appropriation of KKR Fund assets to satisfy such pension liabilities and/or the imposition of a lien by the PBGC on certain KKR Fund assets. Moreover, regardless of whether or not a KKR Fund were determined to be a trade or business for purposes of ERISA, a court might hold that one of the KKR Fund’s portfolio entities could become jointly and severally liable for another portfolio entity’s unfunded pension liabilities pursuant to the ERISA “controlled group” rules, depending upon the relevant investment structures and ownership interests as noted above. Similar laws that could be applied with similar results also exist outside of the U.S.

Market, Economic and Political Risks KKR Funds, Other Clients and their portfolio companies could be materially affected by market, economic and political conditions globally and in the jurisdictions and sectors in which they invest or operate, including economic outlook, factors affecting interest rates, the availability of credit, currency exchange rates, changes in competitive environment, changes in national or international economic and market conditions and changes in laws, regulations, trade barriers, commodity prices and controls, fiscal policies or political conditions of countries in which investments are made, including the risks of war and the effects of terrorist attacks, security operations, infectious disease outbreaks, epidemics and pandemics. The market price of any publicly traded securities held by a KKR Fund or Other Client will separately be impacted by these conditions in various ways, including in a manner that does not reflect the direct impact on the relevant portfolio companies. These factors are outside KKR’s

control and could adversely affect the liquidity and value of KKR Funds' and Other Clients' investments and reduce the ability of KKR Funds and Other Clients to make attractive new investments. Difficult market and economic conditions or events generally adversely affect KKR Funds and Other Clients by reducing the value or performance of their investments or by reducing their ability to raise or deploy capital or obtain appropriate financing, each of which could negatively impact returns to investors. Investments made by KKR Funds and Other Clients often involve a high degree of business and financial risk that can result in substantial losses. Investors should not invest unless they can readily bear the consequences of partial or total loss of capital. Moreover, recent populist and anti-globalization movements could result in material changes in economic, trade and immigration policies, all of which could lead to significant disruption of global markets and could have material adverse consequences on the investments of KKR Funds and Other Clients, including in particular on portfolio companies whose operations are directly or indirectly dependent on international trade (see also "*Global Limitations on Trade and Foreign Investment*" above). More generally, political scrutiny, legislative acts, rulemaking adjudicatory or other activities, including in particular by the U.S. Congress, the SEC, the Federal Reserve Board, the Financial Industry Regulatory Authority ("FINRA") or other U.S. or non-U.S. governmental, quasi-governmental or self-regulatory bodies, agencies and regulatory organizations, could make it more difficult (or less attractive) for KKR Funds and Other Clients to achieve their investment objectives, or for some or all of their portfolio companies to engage in their respective businesses. Many of these regulations are described in the following risk factors.

Any significant changes in, among other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry, tax law, immigration policy, environmental protection, climate change policies or regulations or government entitlement programs during the term of KKR Funds or Other Clients could have a material adverse impact on KKR Funds or Other Clients and their investments, and/or result in KKR Funds or Other Clients targeting significantly different types of investment opportunities than originally anticipated, subject to their stated investment objectives and focus.

Increased Regulatory Oversight The financial services industry generally, and the activities of private investment funds and their managers, in particular, have been and continue to be subject to intense regulatory oversight and enforcement actions. Such scrutiny increases the exposure of KKR Funds or Other Clients, the KKR GPs, KKR and its affiliates to potential liabilities and to legal, compliance and other related costs. KKR's compliance with laws and regulations is subject to frequent examinations, inquiries and investigations by U.S. federal and state as well as non-U.S. governmental agencies and regulators and self-regulatory organizations in the various jurisdictions KKR operates in around the world. Increased regulatory oversight also imposes administrative burdens on the KKR GPs and KKR, including, without limitation, those arising from responding to investigations and implementing new policies and procedures. Such burdens could divert the KKR GPs' and KKR's time, attention and resources from portfolio management activities. Any of these governmental and regulatory authorities could challenge KKR and its employees' compliance with any applicable laws and regulations and KKR and its employees could become subject to civil or criminal proceedings brought by them for non-compliance. Many of these regulators are empowered to impose fines, penalties, restrictions on activities, suspensions of personnel or other sanctions, including censure, the issuance of cease-and-desist orders or the suspension or expulsion of applicable licenses, authorizations and memberships. Any resolution of claims brought by a governmental and regulatory authority could, in addition to the imposition of significant monetary penalties, require an admission of wrongdoing or include adverse limitations or prohibitions on the ability of KKR and its affiliates to conduct business. Any of the foregoing consequences or events could impair KKR's ability to carry out investment activities for KKR Funds or Other Clients.

Since the enactment of the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), there has been extensive rulemaking and regulatory changes that have affected private

fund managers, the funds that they manage and the financial industry. Pursuant to the Dodd-Frank Act, the SEC has adopted rules that require additional reporting by registered investment advisers to private funds, which has added costs to the legal, operations and compliance obligations of KKR and has increased the amount of time that KKR spends on non-investment-related activities. The Dodd-Frank Act also affects a broad range of financial market intermediaries and other market participants with whom KKR Funds or Other Clients interact or might interact.

In August 2023, the SEC adopted new rules and amendments to existing rules under the Investment Advisers Act of 1940, as amended (the “Advisers Act”) (collectively, the “Private Fund Adviser Rules”), which include, among other things, requiring registered investment advisers, like KKR, to: (i) prepare and distribute to private fund investors quarterly statements containing detailed information about compensation, fees and expenses, portfolio investments, and performance; obtain an annual audit for the private funds that they manage; and require registered advisers to obtain a fairness or valuation opinion and make certain disclosures in connection with adviser-led secondary transactions; (ii) be restricted from engaging in various practices unless they satisfy specified disclosure requirements and, in some cases, consent requirements, including charging various fees and borrowing money from a private fund client; (iii) be prohibited from providing preferential treatment to investors with regards to liquidity and information rights unless certain conditions are met; and (iv) retain certain records evidencing their compliance with the rules. The compliance dates for the Private Fund Adviser Rules are generally in September 2024 or March 2025, although the rules are being challenged in court by various private fund industry organizations. While the full extent of the Private Funds Adviser Rules’ impact cannot yet be determined, it is generally anticipated that they will have a significant effect on private fund advisers and their operations, including by increasing regulatory and compliance costs and burdens and heightening the risk of regulatory action. The Private Fund Adviser Rules could significantly increase certain costs for KKR, KKR Funds and Other Clients.

In May 2023, the SEC adopted changes to Form PF, a confidential form relating to reporting by private funds, which expands existing reporting obligations by requiring large hedge fund advisers to make a filing within 72 hours of certain current reporting events 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 dates for these expanded Form PF reporting requirements are in December 2023 and June 2024. In addition, in February 2024, the SEC and CFTC jointly adopted amendments to Form PF that expand the information that private fund advisors must provide in their Form PF filings. The compliance dates for these joint amendments is expected to be in the first half of 2025. The SEC has also adopted new and amended rules applicable to KKR and/or its investment advisory and other entities that, among other things, shorten the deadlines for filing beneficial ownership reports with the SEC, require annual reporting of votes on say-on-pay proxy matters, and increase reporting of short positions in equity securities. The foregoing SEC rules and amendments are expected to increase the costs of compliance, expose KKR and its affiliates to regulatory scrutiny, censure and penalties if they are unable to comply and could materially alter terms of agreements governing KKR Funds and Other Clients, including in ways that are less commercially attractive to KKR clients.

In September 2022, the SEC announced charges against 15 broker-dealers and one affiliated investment adviser for failures by those firms and their employees to maintain and preserve required electronic communications. The firms agreed to pay combined penalties of more than \$1.1 billion, and agreed to implement improvements to their compliance policies and procedures to settle these matters. In 2023 and 2024, over 40 broker-dealers, investment advisory firms and/or credit rating agencies also agreed to penalties and agreed to implement improvements to their compliance policies and procedures, including, in certain instances, the appointment of an independent third party compliance monitor to conduct regular testing regarding such practices, in order to settle these matters. A failure by KKR to maintain and preserve required electronic communications could result in further regulatory investigations, charges, penalties and

potential disqualifications as KKR and certain other alternative asset managers and investment advisers are presently subject to inquiries by the SEC related to business-related electronic communications. For further information, please see Item 9 “**Disciplinary Information**”.

The U.S. Federal Trade Commission (“FTC”) and the Antitrust Division of the DOJ have recently announced a number of initiatives and policy shifts to increase antitrust enforcement in the United States, where many KKR Funds and Other Clients and their portfolio companies conduct business. For example, on December 18, 2023, the FTC and DOJ jointly issued the final updated Merger Guidelines, which describe and guide the FTC’s and DOJ’s review of mergers and acquisitions under the federal antitrust laws. These Merger Guidelines reflect the U.S. government’s commitment to rigorous and aggressive antitrust enforcement practices. DOJ enforcement of Section 8 has resulted in a number of director resignations from companies (including private equity investments) since the effort began in October 2022. Across all areas of antitrust enforcement, FTC and DOJ officials have explicitly identified the private equity industry as an area of focus. The increased scope and vigor of antitrust regulation and enforcement could impact KKR’s business, the investment activities of KKR Funds and Other Clients and the businesses of portfolio companies. These initiatives are consistent with statements by officials from both the FTC and DOJ’s Antitrust Division, including the May 2023 statement by DOJ Assistant Attorney General Jonathan Kanter that the enforcement of Section 8 will continue to be a focus for the DOJ. In prior years, for example, in speeches in June and September 2022, in highlighting enforcement priorities, a DOJ Antitrust Division official stated that the DOJ is reviewing whether companies including private equity are fully complying with obligations with respect to merger filings under the Hart-Scott-Rodino (“HSR”) Act. In November 2022, the FTC issued a policy statement regarding the scope of unfair methods of competition under Section 5 of the Federal Trade Commission Act, declaring that Section 5 reaches beyond the Sherman and Clayton Acts to encompass various types of unfair conduct that tend to negatively affect competition conditions, including private equity roll ups, price discrimination, interlocking directorates, and non-compete agreements. The FTC also announced in September 2022 that it would increase enforcement of the Robinson Patman Act, which targets price discrimination, across all industries. The increased scope and vigor of antitrust enforcement could impact the KKR business, the investment activities of KKR Funds, Other Clients and their portfolio investments. KKR and certain other alternative asset managers and investment advisers are presently subject to various investigations by the Antitrust Division of the DOJ related to antitrust matters. For further information, please see Item 9 “**Disciplinary Information**”.

Any significant changes in, among other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry and the industries in which KKR Funds and Other Clients make investments, tax law, immigration policy and/or government entitlement programs could have a material adverse impact on KKR Funds, Other Clients and their investments. Such changes could result in KKR Funds or Other Clients being unable to meet their investment objectives, or could require KKR Funds or Other Clients to make, hold, manage and exit investments and otherwise operate in a manner that involves greater potential liability, risk and expense with lower potential returns for investors.

Ongoing Regulatory Actions Other ongoing regulatory reforms and actions (i.e., Basel III and the U.S. Interagency Guidance on Leveraged Lending) also continue to have a material impact on KKR’s private equity investment business. European bank regulatory initiatives, including the European Banking Authority’s guidelines on limits to exposures to shadow banking entities which carry out banking activities outside a regulated framework under EU law (including funds employing leverage on a substantial basis, within the meaning of AIFMD and its implementing rules), and guidance on leveraged lending also create a more challenging borrowing environment for KKR Funds and Other Clients. The implementation of such regulatory reform has resulted in elevated capital ratio requirements on large global banks, and further balance sheet “de-risking” within the sector as historical providers of capital for European corporates have

scaled back their balance sheets due to reduced risk appetite, and stringent regulatory developments such as Basel III and geopolitical events such as Brexit. In the circumstances where banks do lend, U.S. leveraged lending guidelines, which are applicable to European based U.S. banks, and the more recently issued ECB leveraged lending guidelines, which are applicable to significant banks operating in the EU, further limit the type and quantum of lending that banks are willing to do. In addition, the future implementation in the EU of Basel IV, as well as new capital, leverage ratio and liquidity rules contained in the amendments to the Capital Requirements Regulation and the Capital Requirements Directive, could have a further constraining effect on European-based U.S. banks' lending capacity. These factors will continue to have a significant impact on the ability and willingness of banks to provide financing and such reforms and actions with respect to the banking industry could result in KKR Funds or Other Clients being unable to obtain committed debt financing for potential acquisitions or only obtaining debt at an increased interest rate or on unfavorable terms. KKR Funds or Other Clients could therefore have difficulty completing otherwise profitable acquisitions or generate profits that are lower than would otherwise be the case.

Compliance with the AIFMD The Alternative Investment Fund Managers Directive (the "AIFMD") provides for a comprehensive regulatory and supervisory framework for alternative investment fund managers ("AIFMs") managing or marketing alternative investment funds in the EU. AIFMD came into force in July 2011 and has been implemented in all member states of the EU. The AIFMD applies to (i) AIFMs established in the EU who manage EU or non-EU alternative investment funds ("AIFs"), (ii) non-EU alternative investment fund managers who manage EU AIFs, and (iii) non-EU alternative investment fund managers which market their AIFs within the EU. The AIFMD has also been extended generally to the non-EU countries forming part of the European Economic Area (the "EEA"), i.e., Liechtenstein, Iceland and Norway. The AIFMD allows authorized AIFMs to market AIFs to professional investors throughout the EU under an "EU passport."

KKR is affiliated with KKR AIM, an Irish AIFM that is subject to various requirements under the AIFMD. The operating requirements imposed by the AIFMD include, among other things, rules relating to the remuneration of certain personnel, minimum regulatory capital requirements, restrictions on the use of leverage and restrictions on distributions that could impact an AIF's ability to recapitalize, refinance or potentially restructure an European Economic Area ("EEA") portfolio company within the first two years of ownership ("asset stripping" rules); limiting KKR's use of investment and realization strategies such as dividend recapitalizations and reorganizations; rules on AIF's exposure to securitizations, disclosure and reporting requirements to both investors and home state regulators; and independent valuation of an AIF's assets, which could lead to delays in the fundraising process and thus decrease the speed with which KKR Funds or Other Clients can deploy capital. As a result, the AIFMD could have an adverse effect on KKR Funds and/or Other Clients by, among other things, increasing the regulatory burden and costs of doing business in the EU or EEA member states, imposing extensive disclosure obligations on the KKR Fund's or Other Client's portfolio entities located in the EU or EEA member states, potentially requiring KKR to change its compensation structures for key personnel, thereby affecting KKR's ability to recruit and retain these personnel, and disadvantaging KKR Funds or Other Clients with respect to investments in portfolio companies located in the EU or EEA member states when compared to non-AIF/alternative investment fund manager competitors which are not subject to the requirements of the AIFMD. The AIFMD could also limit a KKR GP's operating flexibility and a KKR Fund's or Other Client's investment opportunities, as well as expose a KKR Fund, Other Client, KKR GP and/or KKR to conflicting regulatory requirements in the United States and the EU or EEA. Although KKR is affiliated with an Irish AIFM authorized under the AIFMD, KKR might not be able to benefit from the EU passport for all KKR Funds and Other Clients under the AIFMD.

The interpretation and application of the AIFMD is subject to change as a result of, for example, the issuance of further national guidance by a member state, the issuance of binding guidelines by the European Securities and Market Authority ("ESMA"), further EU legislation amending the AIFMD or a change to

the national private placement regime of any member state. Some aspects of the requirements of the AIFMD remain uncertain due to lack of judicature, official regulatory guidance and established market practice. For example, a subsidiary of a KKR Fund or Other Client could itself be characterized as an AIF, thus requiring an alternative investment fund manager to be appointed in respect of that subsidiary, limiting the operational flexibility of that subsidiary and increasing the costs and regulatory burden of running that subsidiary. In addition, guidance contained in the AIFMD Q&A issued by the ESMA could result in EU member state regulators requiring that the AIFM assume greater responsibility for, and mandate direct contractual relationships with administrators, distributors and other service providers, performing functions in respect of the administration, marketing and other activities relating to AIFs. If the home member state regulator of the AIFM and/or a KKR Fund or Other Client took such steps this could result in additional regulatory burdens and costs for the KKR Fund or Other Client.

The European Commission published on November 25, 2021, a proposal for a directive amending the AIFMD with respect to delegation, arrangements, liquidity risk management, supervisory reporting, provision of depositary and custody services and loan origination by AIFs (“AIFMD 2”). AIFMD 2 is expected to be agreed to in early 2024 and would come into effect in 2026. These changes could further increase compliance burdens on KKR and certain KKR Funds and Other Clients and require them to make changes to their operations, including, among other things, in respect of their use of leverage, which could impact the returns of KKR Funds and Other Clients.

Distribution of New Investment Products through Private Wealth Channels Certain new investment vehicles, other than our traditional fund vehicles, offered to both institutional and individual investors could subject KKR and certain KKR Funds and Other Clients to new and greater levels of public and regulatory scrutiny, regulation, risk of litigation, and reputational risks. For example, the offering of opportunities to invest in funds registered under the Investment Company Act (or other non-U.S. investment vehicles) and in operating companies not registered under the Investment Company Act, or other new investment vehicles, such as the K-Series Vehicles, will expand KKR’s client base and could enhance the level of risks applicable to KKR and introduce new types of risks. The distribution of products suitable for individual investors, including through new channels whether directly or through market intermediaries, could expose KKR to allegations of improper conduct and/or actions by state and federal regulators in the U.S. and regulators in jurisdictions outside of the U.S. with respect to, among other things, product suitability, investor classification, compliance with securities laws, anti-money laundering requirements, conflicts of interest regarding investment allocations, the adequacy of disclosure to customers to whom our products are distributed through those channels, including with respect to frequency and complexity of the valuation process for private assets and liquidity and execution of timely processes, such as ongoing general management and satisfying investor redemption requests in accordance with organizational documents. KKR has and expects to continue to distribute products through new channels, including through unaffiliated firms, and might not be able to effectively monitor or control the manner of their distribution. Although KKR seeks to ensure through due diligence and onboarding procedures that the third-party channels through which individual investors access its investment products conduct themselves responsibly, KKR is exposed to the risks of reputational damage and legal liability to the extent such third parties improperly sell its products to investors. For example, in certain cases, KKR could be viewed as responsible for the content of materials prepared by third-party distributors. Similarly, there is a risk that KKR employees involved in the direct distribution of our products, or employees who oversee independent advisors, brokerage firms and other third parties around the world involved in distributing our products, do not follow our compliance and supervisory procedures. Many of these vehicles could also face significant additional litigation risks, including the increased potential for class actions and other investor lawsuits, which could distract our employees, including our investment executives, and ultimately have a negative impact on KKR, and such KKR Funds and Other Clients.

Laws of Other Jurisdictions Where KKR Funds are Marketed

Interests in KKR Funds are marketed in various jurisdictions. In order to market interests in a KKR Fund in certain jurisdictions (or to investors who are citizens or residents in such jurisdictions), a KKR Fund, the relevant KKR GP, KKR and its affiliates will be required to comply with applicable laws and regulations relating to such activities. Compliance involves, among other things, making notifications to or filings with local regulatory authorities, registering a KKR Fund, a KKR GP, KKR and its affiliates or the interests with local regulatory authorities or complying with operating or investment restrictions and requirements, including with respect to prudential regulation. Compliance with such laws and regulations could limit the ability of KKR Funds to participate in investment opportunities and impose onerous or conflicting requirements on a KKR Fund, a KKR GP, KKR and its affiliates. The costs, fees and expenses incurred in order to comply with such laws and regulations, including, without limitation, related legal fees and filing or registration fees and expenses, will be borne by the KKR Fund and could be substantial. In addition, if a KKR Fund, a KKR GP, KKR and its affiliates were to fail to comply with such laws and regulations, any or all of them could be subject to fines or other penalties, the cost of which typically would be borne by the relevant KKR Fund.

Pay-to-Play

A number of U.S. states and municipal pension plans have adopted so-called “pay-to-play” laws, regulations or policies that prohibit, restrict or require disclosure of payments to (and/or certain contacts with) state officials by individuals and entities seeking to do business with state entities, including those seeking investments by public retirement funds, and that require investment advisers to adopt recordkeeping and reporting programs that monitor the adviser’s and its employees’ activities. In addition, the SEC has adopted rules that, among other things, prohibit an investment adviser from providing advisory services for compensation to a government client for two years after the adviser or certain of its executives or employees makes a contribution to certain elected officials or candidates. Several states have followed suit by issuing similar restrictions at the state level. In addition, the SEC has investigated whether certain financial firms made improper payments to secure investments from sovereign wealth funds. If KKR, a KKR GP, any of their employees or affiliates or any service provider acting on their behalf fails to comply with such laws, regulations or policies, such non-compliance could have a material adverse effect on such persons, KKR and/or a KKR Fund or Other Client.

Tax Risks

An investment in KKR Funds or Other Clients will generally involve complex U.S. federal income tax, U.S. state, local and non-U.S. tax considerations that will differ for each investor depending on the investor’s particular circumstances. There can be no assurance that the structure of a KKR Fund or Other Client or of any investment will be tax-efficient for any particular investor. In selecting, structuring, acquiring and disposing of investments, KKR GPs generally will consider the investment objectives (including tax structuring considerations) of a KKR Fund or Other Client, as a whole, not the investment, tax or other objectives of any investor individually. There could be changes in tax laws or interpretations of such laws adverse to KKR Funds, Other Clients or their investors. Prospective investors are urged to consult their own tax advisors with reference to their specific tax situations.

U.S. Tax Reform

There could be significant changes in U.S. tax law and regulations. While the likelihood and nature of any such legislation or regulations is uncertain, any such changes could materially increase the amount of taxes KKR Funds, Other Clients or their portfolio companies are required to pay. The U.S. Federal government signed into law the Inflation Reduction Act of 2022, which, among other things, imposes a corporate minimum “book” tax on certain large corporations, creates a non-deductible 1% excise tax on net stock repurchases made by certain publicly traded corporations after December 31, 2022, and modifies certain clean energy investment tax credits. While the likelihood and nature of further legislation or regulations is uncertain, the administration could pursue tax policies seeking to increase corporate and capital gains tax rates, limit the deductibility of interest and overhaul international tax rules, among other things. Such changes could materially increase the amount of taxes KKR Funds, Other Clients and their portfolio companies are required to pay.

It is unclear whether any legislation will be enacted into law or, if enacted, what form it would take, and it is also unclear whether there could be regulatory or administrative action that could affect U.S. tax rules. The impact of U.S. tax reform on KKR Funds and Other Clients and their investments and investors is uncertain but could be significant. Investors should consult their own tax advisors regarding these developments and potential future changes in tax laws.

Taxation in Other Jurisdictions In addition to U.S. federal income tax consequences, investors should consider potential U.S. state, local and non-U.S. tax consequences of an investment in KKR Funds or Other Clients in the jurisdiction in which they are a resident for tax purposes. An investor could also be subject to tax return filing obligations and income, franchise or other taxes, including withholding taxes, in jurisdictions in which KKR Funds or Other Clients operate. If a KKR Fund or Other Client makes investments in jurisdictions outside the U.S., a KKR Fund or Other Client or the investors could be subject to income or other tax in such jurisdictions. Additionally, withholding tax or branch tax could be imposed on earnings of a KKR Fund or Other Client from investments in such jurisdictions. Local tax incurred in non-U.S. jurisdictions by KKR Funds, Other Clients or vehicles through which they invest also might not be creditable to or deductible by an investor under the tax laws of the jurisdiction where such investor resides. Investors that wish to claim the benefit of an applicable tax treaty could be required to submit information to tax authorities in such jurisdictions. Further, changes to (or changes in the interpretation of) such tax treaties or tax treaties between the countries in which a KKR Fund or Other Client is organized, operates, or makes investments could result in additional taxation to a KKR Fund or Other Client or investors. Certain countries have sought to tax (or have taxed) the investment gains derived by non-resident investors, including private funds, from the disposition of the equity in companies operating in those countries. In some cases, this is the result of new legislation or changes in the interpretation of existing legislation, and in other cases tax authorities have challenged investment structures that benefit from tax treaties between countries.

BEPS Considerations The Organisation for Economic Co-operation and Development (the “OECD”), which represents a coalition of member countries, is in the process of implementing changes to numerous long-standing tax principles through its Base Erosion and Profit Shifting (“BEPS”) project, and individual jurisdictions are introducing domestic legislation implementing certain of the BEPS actions. The BEPS project is focused on a number of issues, including profit shifting among affiliated entities in different jurisdictions, interest deductibility and eligibility for the benefits of double tax treaties. Various countries have implemented or intend to implement the OECD’s recommended model rules. The OECD also recently finalized guidelines recommending that certain multinational enterprises be subject to a minimum 15% tax rate effecting from 2024. Several of the areas of tax law (including double taxation treaties) on which the BEPS project is focusing are relevant to the ability of KKR Funds and Other Clients to efficiently realize income or capital gains and to efficiently repatriate income and capital gains from the jurisdictions in which they arise to investors. KKR Funds, Other Clients and their portfolio companies could be significantly impacted by the model rules, or any future variation that, have been or will be implemented in any of the countries in which KKR Funds or Other Clients or their portfolio companies’ businesses or investment structures are located. Effective tax rates could increase within KKR Funds or Other Clients or their portfolio companies’ businesses or investment structures, including by way of higher levels of tax being imposed than is currently the case, possible denial of deductions or increased withholding taxes and/or profits being allocated differently. The proposals could also lead to an increase in the complexity, burdens and cost of tax compliance. Given ongoing design, implementation and administration, the timing, scope and impact of any relevant domestic legislation or multilateral conventions remain subject to significant uncertainty.

Senior Managers and Certification Regime and its International Equivalents In December 2019, the UK’s Senior Managers and Certification Regime (“SMCR”) was extended to all firms authorized and regulated by the FCA under the Financial Services and Markets Act 2000 (“FSMA”). Several other

jurisdictions in which KKR operates, including Hong Kong, Australia and Singapore, have since adopted corporate governance legislation equivalent to the SMCR. The SMCR and its international equivalents seek to increase firm and individual accountability within the financial services sector, and create new obligations and responsibilities on KKR's affiliates and personnel who perform certain types of functions within KKR's businesses located in such jurisdictions, including with respect to certain KKR Funds and Other Clients. These regulatory regimes have required KKR, in part, to adapt its governance and operating frameworks so as to ensure compliance with the new regimes, which have caused, and will cause on an ongoing basis, increased compliance costs that could impact the financial performance of its businesses, including certain KKR Funds and Other Clients. Moreover, given the increased focus on individual accountability and personal conduct, there is an increased risk of enforcement action against KKR's personnel in the UK and such other jurisdictions, including, but not limited to, fines and restrictions on their ability to operate within the financial services industry, which could make it harder to recruit qualified personnel.

Sixth Money Laundering Directive After the implementation of the Fifth Money Laundering Directive ("MLD5") in January 2020, the Sixth Money Laundering Directive ("MLD6") was introduced and came into effect on December 2, 2020, with the aim of strengthening its measures on combatting financial crime and terrorist financing. The changes brought about by MLD6 will be applicable to the European operations of KKR Funds, Other Clients and KKR and its affiliates, and have required that KKR and its affiliates make adaptations to its existing anti-money laundering and know your customer framework. The implementation of these new requirements will increase the complexity of compliance obligations to which such European operations are subject, which could lead to increased costs on an ongoing basis.

FATCA Under the Foreign Account Tax Compliance Act ("FATCA") provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010, payments of most types of income from sources within the United States (as determined under applicable U.S. federal income tax principles), such as interest and dividends from sources within the United States (collectively, "Withholdable Payments"), in each case, to a foreign financial institution or other foreign entity generally are subject to a 30% U.S. federal withholding tax, unless certain reporting and other applicable requirements are satisfied. Additionally, the 30% withholding tax applies to certain "foreign passthru payments" made beginning on the date that is two years after the date that relevant regulations are published in the Federal Register.

Non-U.S. KKR funds and certain non-U.S. entities in which KKR Funds and Other Clients invest (each, including the relevant KKR Funds and Other Clients, an "Offshore Entity") are generally each treated as a "foreign financial institution" for this purpose. As a foreign financial institution, in order to be permitted to receive Withholdable Payments without deduction of this 30% withholding tax, each Offshore Entity generally needs to be a party to an agreement (a "Withholding Agreement") with the U.S. Internal Revenue Service (the "IRS") requiring such Offshore Entity to provide certain information on its account holders to the IRS and to meet other requirements. Alternatively, each Offshore Entity is permitted to receive Withholdable Payments without a 30% withholding tax deduction if it complies with the terms of an intergovernmental agreement, if any, between the United States government and the government of the country in which the Offshore Entity is a resident.

To avoid being subject to this U.S. federal withholding tax, non-U.S. KKR Funds and relevant Other Clients require their investors to provide information regarding themselves and controlling persons (as applicable). If such KKR Funds or Other Clients were unable to satisfy their reporting obligations (including, if they cannot collect the requisite information from some or all of their investors), payments received by such KKR Funds or Other Clients could be subject to this withholding tax.

Each Offshore Entity is required to disclose to foreign fiscal authorities certain information in relation to its investors and certain information relating to the investor's investment. Such foreign fiscal authorities are

required to automatically exchange information as outlined above with the IRS and other foreign fiscal authorities.

Some countries have implemented regimes similar to that of FATCA and other countries are participating in a multi-jurisdictional tax information regime known as CRS, or the Common Reporting Standard. Compliance with such regimes could result in increased administrative and compliance costs for KKR Funds and Other Clients and, in some cases, could subject KKR Funds and Other Clients to increased withholding taxes.

Alternative Structures If a KKR GP determines that for legal, tax, regulatory or other similar reasons an investment should be made or otherwise held through an alternative vehicle, the KKR GP will, subject to the governing documents of the applicable KKR Fund or Other Client, be permitted to structure the making or holding of all or any portion of such investment outside of the KKR Fund or Other Client by requiring any investor or investors to make or hold such investment through one or more alternative vehicles that directly or indirectly will invest in or otherwise directly or indirectly hold such investment on a parallel basis with or in lieu of the KKR Fund or Other Client, or alternatively, by forming one or more parallel funds to invest side-by-side with a KKR Fund or Other Client.

In addition, subject to receipt of relevant consents and satisfaction of other relevant requirements under the governing documents of a KKR Fund or Other Client, a KKR GP is permitted to cause a KKR Fund or Other Client to be reorganized or reconstituted as a different type of entity. The economic terms, conditions and management of any such entity must be substantially identical to those of the KKR Fund or Other Client, to the extent practicable. However, it could be that it is not practicable to retain such terms in the context of a different entity, and in any event the use of a different entity could have an adverse impact on any given investor even if there is no substantive difference in terms, conditions and management.

Finally, a KKR GP, KKR and their affiliates could restructure the manner in which the KKR Fund or Other Client operates or makes or holds investments or take other actions that are not outlined above in order to address legal, tax and regulatory changes and developments, in each case subject to the governing documents of the KKR Fund or Other Client and applicable law. For example, a KKR AIFM could change the delegation of portfolio management or other duties to a different KKR affiliate located outside of the U.S. in order to address the actual or potential impact of proposed legislation applicable to U.S.-based asset managers.

These or similar structures or changes could create operational inefficiencies or result in the application of additional or different legal, tax or regulatory regimes that could adversely affect the services provided by the delegate to the AIFM and the KKR Fund or Other Client, result in additional costs and expenses borne by the AIFM, the KKR Fund and/or Other Client, and otherwise result in disruption to the ordinary and expected operation of the investment activities of the KKR Fund or Other Client.

Real Assets Investments Real asset investments made by KKR Funds or Other Clients generally involve the types of material risks discussed above in respect of private equity investments and general risks. In addition, certain other material risks are particularly relevant to these investments as summarized below:

Environmental Liabilities KKR Funds or Other Clients making real asset investments are exposed to substantial risk of loss arising from undisclosed or unknown environmental, health or occupational safety matters, or inadequate reserves, insurance or insurance proceeds for such matters that have been previously identified. Under various U.S. federal, state and local and non-U.S. laws, ordinances and regulations, an owner of real assets could be liable for the costs of removal or remediation of certain hazardous or toxic substances on or in such property. Such laws could impose joint and several liabilities, which can result in a party being obligated to pay for greater than its share, or even all, of the liability involved. Such liability could also be imposed without regard to whether the owner knew of, or was responsible for, the presence

of such hazardous or toxic substances. The cost of any required remediation and the owner's liability therefore as to any assets are generally not limited under such laws and could exceed the value of the assets and/or the aggregate assets of the owner. The presence of such substances, or the failure to properly remediate contamination from such substances, could adversely affect the owner's ability to sell the real assets or to borrow funds using such assets as collateral, which could have an adverse effect on a KKR Fund's or Other Client's return from such investment. Environmental claims with respect to a specific investment could exceed the value of such investment, and under certain circumstances, subject the other assets of a KKR Fund or Other Client to such liabilities. In addition, some environmental laws create a lien on contaminated property in favor of governments or regulatory agencies for costs they incur in connection with the contamination.

The ongoing presence of environmental contamination, pollutants or other hazardous materials in respect of real assets (whether known at the time of acquisition or not) could also result in personal injury (and associated liability) to persons in contact with such assets and persons removing such materials, future or continuing asset damage (which could adversely affect property values) or claims by third parties, including as a result of exposure to such materials through the spread of contaminants.

In addition, a KKR Fund's or Other Client's operating costs and performance could be adversely affected by compliance obligations under environmental protection statutes, rules and regulations relating to investments of a KKR Fund or Other Client, including additional compliance obligations arising from any change to such statutes, rules and regulations. Statutes, rules and regulations could also restrict development of, and use of, real assets. Certain clean-up actions brought by federal, state, county and local agencies and private parties could also impose obligations in relation to investments and result in additional costs to a KKR Fund or Other Client.

Further, even in cases where a KKR Fund or Other Client is indemnified by the seller with respect to an investment 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 the ability of a KKR Fund or Other Client to achieve enforcement of such indemnities.

Construction and Other Capital Expenditures KKR Funds or Other Clients make real asset investments in both existing assets and businesses and "Greenfield" assets and other assets and businesses that require significant capital expenditure to bring them to fully commissioned and/or cash-flowing status or to otherwise optimize their operational capabilities. These real asset investments face construction risks typical for businesses in infrastructure, energy or real estate, including, without limitation: (i) labor disputes, shortages of material and skilled labor or work stoppages; (ii) the availability and timely receipt of regulatory, environmental or other approvals and permits; (iii) the availability of construction financing on favorable terms or at all; (iv) slower than projected construction progress and the unavailability or late delivery of necessary equipment; (v) less than optimal coordination with public utilities in the relocation of their facilities; (vi) natural disasters, adverse weather conditions and unexpected construction conditions; (vii) accidents or the breakdown or failure of construction equipment or processes; (viii) risks associated with holding direct or indirect interests in undeveloped land or underdeveloped real property; and (ix) catastrophic events such as explosions, fires, terrorist activities or cyber attacks and other similar events. These risks could create substantial unanticipated delays or expenses and, under certain circumstances, could result in prolonged construction periods or prevent completion of construction activities once undertaken, which could cause investments to not be cash generative for a prolonged period or indefinitely.

Certain real asset investments remain in construction phases for a prolonged period and, accordingly, will not be cash generative for a prolonged period. While the intention of a KKR Fund or Other Client in respect of any investment could be for construction works to be contracted to a construction contractor on a fixed price basis with liquidated damages payable to a KKR Fund or Other Client where delay is caused that is

attributable to the contractor, the related contractual arrangements made by a KKR Fund or Other Client might not be as effective as intended and/or contractual liabilities on the part of a KKR Fund or Other Client could result in unexpected costs or a reduction in expected revenues for a KKR Fund or Other Client. In addition, recourse against the contractor could be subject to liability caps or default or insolvency on the part of the contractor.

Asset-Level Management The management of the business or operations of a real asset might be contracted to a third-party management company or operator unaffiliated with KKR, a KKR Fund or Other Client. The selection of a management company or operator is inherently based on subjective criteria, making the true performance and abilities of a particular management company or operator difficult to assess. Although it would be possible to replace any such operator, the failure of such an operator to perform its duties adequately or to act in ways that are in the portfolio company's best interest, or the breach by an operator of applicable agreements or laws, rules, and regulations, could have an adverse effect on the portfolio company's financial condition or results of operations. A third-party management company could suffer a business failure, become bankrupt, or engage in activities that compete with a portfolio company. These and other risks, including the deterioration of the business relationship between KKR, a KKR Fund or Other Client and the third-party management company, could have an adverse effect on a portfolio company. Should a third-party management company fail to perform its functions satisfactorily, it might be necessary to find a replacement operator, which could require the approval of a government or agency that has granted a concession with respect to the relevant portfolio company. It might not be possible to replace an operator in such circumstances, or do so on a timely basis or on terms that are favorable to a KKR Fund or Other Client.

Subcontractors Real asset investments often involve the subcontracting of design and construction activities in respect of projects. The subcontractors responsible for the construction of a project asset will normally retain liability in respect of design and construction defects following the construction of the asset, subject to liability caps and statutory limitations. The contractual arrangements made by a KKR Fund or Other Client or a third-party management company might not be as effective in passing on risks to its subcontractors as intended and this could result in unexpected costs or a reduction in expected revenues for a KKR Fund or Other Client. Certain provisions in sub-contracts intended to pass risk could be ineffective. In addition to this financial liability, the construction subcontractors could also have an obligation to return to site in order to carry out any remedial works required for a pre-agreed period. A KKR Fund or Other Client will generally not have recourse to any third party for any defects which arise after the expiry of limitation periods. If a subcontractor to a third-party management company fails to perform the services which it has agreed to provide, a KKR Fund or Other Client could potentially fail to meet the service standards it has agreed with certain counterparties and there could be a reduction in the actual income received that was anticipated by a KKR Fund or Other Client and/or claims by the counterparties against a KKR Fund or Other Client for damages. These reductions and/or claims are typically passed on to the relevant subcontractor, subject to any contractual liability caps. If there is a subcontractor service failure and the relevant subcontractor or its guarantors or insurers fail to meet their obligations in respect of the liabilities that have been passed on to them, then, to the extent that the liability cannot be set off, a KKR Fund or Other Client will not be compensated for any reductions in payments and/or claims made by counterparties which they suffer as a result of the subcontractor's service failure. Ultimately such service failure could lead to termination of a project agreement.

In some instances, a single subcontractor will be responsible for providing services to various real asset investments. In such instances, the default or insolvency of such single subcontractor could adversely affect a number of the real asset investments. If there is a subcontractor service failure which is sufficiently serious to cause a KKR Fund or Other Client or third-party management company to terminate a subcontract, or an insolvency in respect of a subcontractor, or a counterparty requires a KKR Fund or Other Client to terminate a sub-contract in such event, there could be a loss of revenue during the time taken to find a replacement

subcontractor and the replacement subcontractor could levy a surcharge to assume the subcontract or charge more to provide the services. There will also be costs associated with the re-tender process. These costs might not be recoverable from the defaulting subcontractor.

Infrastructure Investments

Infrastructure investments made by KKR Funds or Other Clients generally involve many of the material risks discussed above in respect of private equity and real asset investments. In addition, the material risks discussed below that are particularly relevant to these investments should be noted.

Risks Relating to Climate Investments

As part of KKR's infrastructure platform, KKR manages KKR Funds that are focused on climate-related investments. The industries and sectors in which such KKR Funds invest, are subject to continued development and potentially rapid change. Climate investments are subject to substantial growth or decline as a result, thereby increasing the risks associated with investing in such KKR Funds. While KKR sees economic opportunities in climate change and greenhouse gas reduction, global climate change is widely considered to be a significant threat to the global economy. KKR Funds focused on climate-related investments face risks from the physical effects of climate change, such as risks posed by increasing frequency or severity of extreme weather events and rising sea levels and temperatures (see “— *Climate Change*” above). Additionally, the UN Framework Convention on Climate Change (the “Paris Agreement”) and other initiatives by international, federal, state, and regional policymakers and regulatory authorities as well as private actors seeking to reduce greenhouse gas emissions expose such assets to so-called “transition risks” in addition to physical risks, such as: (i) regulatory and litigation risk (e.g., changing legal requirements that could result in increased permitting and compliance costs, changes in business operations, or the discontinuance of certain operations, and litigation seeking monetary or injunctive relief related to climate effects), (ii) technology and market risk (e.g., declining market for products and services seen as greenhouse gas intensive or less effective than alternatives in reducing greenhouse gas emissions); and (iii) reputational risk (e.g., risks tied to changing customer or community perceptions of an asset's relative contribution to greenhouse gas emissions). KKR cannot rule out the possibility that these climate risks could result in unanticipated delays or expenses and, under certain circumstances, could prevent completion of investment activities once undertaken, any of which could have a material adverse effect on such KKR Funds and their portfolio investments.

Government and Agency Risk

In many instances, the operation or acquisition of infrastructure investments involves an ongoing commitment to or from a municipal, state or federal government, quasi-government, industry, self-regulatory or other relevant regulatory authority, body or agency (“Regulatory Agencies”). The nature of these obligations exposes the owners of infrastructure investments to a higher level of regulatory control than is typically imposed on other businesses, which could prevent operation of a facility owned by an infrastructure asset, the completion of a previously announced acquisition or sale to third parties, or otherwise result in additional costs. Regulatory Agencies might impose conditions on the construction, operations, and activities of an infrastructure asset as a condition to granting their approval or to satisfy regulatory requirements. This could include requirements that such assets remain managed by a KKR GP, a KKR Fund, Other Client, or their affiliates, which could limit the ability of a KKR Fund or Other Client to dispose of portfolio investments at opportune times. Regulatory Agencies often have considerable discretion to change or increase regulation of the operations of an infrastructure asset or to otherwise implement laws, regulations or policies affecting its operations (including, in each case, with retroactive effect), separate from any contractual rights that the Regulatory Agency counterparties have. Accordingly, additional or unanticipated regulatory approvals, including, without limitation, renewals, extensions, transfers, assignments, reissuances or similar actions, could be required to acquire infrastructure assets due to, among other reasons, a change in applicable laws and regulations or a change in the relevant portfolio company's activities. Infrastructure investments generally require operators to manage such investments and to incur additional expenses in order to comply with applicable laws. Operators' failure to

comply with laws could subject them to fines or other penalties which could adversely affect the value of such investments.

In addition, since many portfolio companies in the infrastructure sector will provide basic, everyday services and face limited competition, Regulatory Agencies could be influenced by political considerations and make decisions that adversely affect a portfolio company's business. Certain types of infrastructure assets are very much in the "public eye" and politically sensitive and as a result any related investments by a KKR Fund or Other Client could attract an undesirable level of publicity. Additionally, pressure groups and lobbyists could induce Regulatory Agency action to the detriment of the relevant KKR Funds or Other Clients as the owners of the relevant asset or business. There can be no assurance that the relevant government will not legislate, impose regulations or change applicable laws or act contrary to the law in a way that would materially and adversely affect the business of a portfolio company. The profitability of certain types of investments are materially dependent on the maintenance of government subsidies (for example, government programs encouraging the development of certain technologies, such as solar and wind power generation). Reductions or eliminations of such subsidies would likely have a material adverse impact on a KKR Fund or Other Client participating in such investments.

Concessions, Leases and Public Ways An infrastructure asset's operations often rely on government licenses, concessions, leases, or contracts that are generally very complex and could result in a dispute over interpretation or enforceability. Even though most permits and licenses applicable to a KKR Fund's or Other Client's investments are generally obtained prior to the commencement of full project operations, many of these licenses and permits have to be maintained over the project's life and a failure to do so often involves monetary penalties or the loss of rights to operate the affected asset, or both. Where concessions or leases are held from a Regulatory Agency, such arrangements are subject to special risks as a result of the nature of the counterparty. The concession or lease could restrict the operation of the relevant asset or business in a way that maximizes cash flows and profitability. The lease or concession could also contain clauses more favorable to the government counterparty than a typical commercial contract. In addition, there is the risk that the relevant Regulatory Agency will exercise sovereign rights and take actions contrary to the interests of KKR, the relevant KKR Funds or Other Clients, or KKR Fund or Other Client portfolio companies. Poor performance and other events during construction or operating phases could lead to termination of the relevant concession or lease agreement, which would likely reduce compensation to the relevant portfolio company. If it does, then the amount of any related senior debt might not be paid out in full and compensation for lost equity returns might not be provided, as the portfolio company would generally be deemed to have been "at fault" under such circumstances. Certain infrastructure assets require the use of public ways or operate under easements. Regulatory Agencies often retain the right to restrict the use of such public ways or easements or require a portfolio company to remove, modify, replace, or relocate facilities relating to infrastructure assets at its own expense. If a Regulatory Agency exercises these rights, a portfolio company could incur significant costs and its ability to provide service to its customers could be disrupted, which could adversely impact the performance of such investment.

Public Demand and Usage; Rate Risk KKR Funds or Other Clients invest in portfolio companies that derive substantially all of their revenues from tolls, tariffs, or other usage or throughput-related fees. Services provided by such portfolio companies comprising infrastructure investments could be subject to rate regulation by a Regulatory Agency that determines or limits the prices that are permitted to be charged, particularly if the relevant portfolio company is the sole or predominant service provider in its service area or provides services that are essential to the community. A portfolio company could be subject to unfavorable regulatory determinations, including those that could be final with no right of appeal, or that, despite a right of appeal, could result in its profits being negatively affected and investments not meeting initial return expectations, as discussed in "Government and Agency Risk" above. Users of the applicable service provided by a portfolio company could react negatively to any adjustments to the applicable rates, or public pressure could cause a Regulatory Agency to challenge such rates. In addition, adverse public

opinion, or lobbying efforts by specific interest groups, could result in Regulatory Agency pressure on a portfolio company to reduce its rates or to forego planned rate increases or that could otherwise result in the reduction of usage volume by users of the applicable service. It cannot be guaranteed that Regulatory Agencies with which a portfolio company has concession agreements will not try to exempt certain users from tolls, tariffs, or other fees or negotiate lower rates.

Government or Counterparty Default Infrastructure investments often involve contractual agreements between a KKR Fund or Other Client and certain counterparties, under which a KKR Fund or Other Client will seek to receive revenue. There are possibilities of default in such agreements by such counterparties in relation to their creditworthiness and power to enter into such agreements. It is not certain that a counterparty will itself not default on its obligations or that a central government will in all cases assume liability for the obligations of its local and state governments in the event of their default.

Risks Associated with Aircraft Leases Certain KKR Funds and Other Clients, including, without limitation, Global Atlantic Accounts, participate in Platform Arrangements or other contractual arrangements relating to aircraft leasing and/or invest in companies or other issuers that acquire financial or hard assets relating to the aircraft industry. The airline industry is cyclical and highly competitive. Airlines and related companies (including airports) could be affected by political or economic instability, terrorist activities, changes in national policy, competitive pressures on certain air carriers, fuel prices and shortages, labor stoppages, insurance costs, recessions, epidemics and other further world health issues and other political or economic events adversely affecting world or regional trading. The airline industry is highly sensitive to general economic trends, and has been materially impacted by the COVID-19 pandemic. Any further downturn in the global economy or in the relevant local economy could further adversely affect results of operations and financial conditions. Any such negative impact on the airline industry could increase the risk of any airline defaulting on the terms of any aircraft lease investment made by a KKR Fund or Other Client and the ability of a KKR Fund or Other Client to source alternative airline operators to assume the obligations under such leases, which could adversely impact the performance of such investments.

Investments in the Shipping Industry Certain KKR Funds and Other Clients invest in companies or other issuers that acquire financial or hard assets relating to the shipping industry or that provide administrative, leasing, operating or other services related to such investments, which are subject to, the following risks among others, and might not be insurable: (i) extensive and changing safety, environmental protection and other international, national, state and local governmental laws, regulations, treaties and conventions in force in international waters, the jurisdictional waters of the countries in which a shipping company's vessels operate, as well as the countries of such vessels' registration, compliance with which could require ship modifications and changes in operating procedure; (ii) risks associated with investments and force majeure risks (for example, international sanctions, embargoes, restrictions, nationalizations, and wars or acts of piracy or terrorist attacks, severe weather, natural disasters and epidemics and other health issues); (iii) labor-related risks; (iv) adverse changes in maintenance and other fixed costs and/or capital expenditure requirements; and (v) counterparty risks, including risks of adverse changes affecting chartering agreements from which a shipping company derives income.

Documentation Risk Due to the complex series of legal documents and contracts that are typically involved in infrastructure investments, such investments have a potentially greater risk of dispute over interpretation or enforceability of particular terms compared to other equity investments.

Investments in Energy Energy investments made by KKR Funds or Other Clients involve many of the material risks discussed above in respect of private equity and real asset investments. In addition, the material risks discussed below that are particularly relevant to these investments should be noted. References below to “Operators” are to operating companies engaged by KKR in the course of implementing its energy investment strategy to augment KKR’s investment expertise with the technical capabilities and operational abilities needed to diligence, manage, improve and exploit acquired natural resources.

Energy Industry Regulation The energy industry is subject to comprehensive federal, state and local laws and regulations. In addition to restrictions imposed by environmental regulators, statutory and regulatory requirements include those imposed by energy, zoning, land use, safety, labor and other regulatory agencies. Certain environmental laws and regulations require that an owner or operator of an energy asset address prior environmental contamination, which could involve substantial cost. In certain jurisdictions, such laws and regulations impose liability without regard to whether the owner or operator knows of, or was responsible for, the release or presence of environmental contamination. As a result, investments by KKR Funds and Other Clients in the energy sector could be exposed to substantial risk of loss from environmental claims. Furthermore, changes in environmental laws or regulations or the environmental condition of an energy investment could create liabilities that did not exist at the time of the investment by KKR Funds and Other Clients and that could not have been foreseen. Present and new and more stringent environmental or health and safety laws, regulations and permit requirements, or stricter interpretations of current laws, regulations or requirements, could impose substantial additional costs on a portfolio company or could otherwise place such portfolio companies at a competitive disadvantage compared to other companies, and failure to comply with any such requirements could have an adverse effect on such companies. Some of the most onerous environmental requirements regulate air emissions of pollutants and greenhouse gases; these requirements particularly affect companies in the power and energy industry.

Energy Industry Market Dislocation Events in the energy markets over the last few years have caused significant dislocations and illiquidity in the equity and debt markets for energy companies and related commodities. The continuation or recurrence of such events have an adverse impact on certain investments of KKR Funds or Other Clients and could lead to an overall weakening of the U.S. and global economies. Any resulting economic downturn could adversely affect the financial resources of, and returns generated by, a portfolio company in this sector and such adverse effect could continue for some time. Such marketplace events also could restrict or limit the ability of a KKR Fund or Other Client to sell or liquidate portfolio investments at favorable times or for favorable prices. A stabilization or improvement of the conditions in the global financial markets generally and the energy markets specifically likely would aid KKR Funds’ and Other Clients’ portfolio investments in this sector. Absent such a recovery or in the event of a further market deterioration, the value of KKR Funds’ or Other Clients’ portfolio investments in this sector will be unlikely to appreciate as projected (if applicable) or will suffer a loss. There can be no assurance as to the duration of current or future market dislocation.

Oil and Gas Prices Prices for oil, natural gas and other hydrocarbons are subject to large fluctuations in response to relatively minor changes in the supply of and demand for hydrocarbons, including oil, natural gas, natural gas liquids and coal, market uncertainty and a variety of additional factors. These factors include, but are not limited to, weather conditions; the level of consumer demand and the overall condition of the various domestic and international economies, including interest rates, levels of economic activity, the price of securities and the participation by other investors in the financial markets; political and economic conditions and events in foreign oil, natural gas and natural gas liquid (“NGL”) producing countries, including embargoes, continued hostilities in the Middle East and other sustained military campaigns, such as the armed conflict in Ukraine and associated economic sanctions on Russia, conditions in South America, Central America and China, and acts of terrorism or sabotage; information technology

failures or cyberattacks; the foreign and domestic production and exportation of hydrocarbons in relevant markets and the price, adverse variations from estimates of reserves, production, prices and expenditure requirements, and associated inability to replace reserves through exploration and development activities; availability and acceptance of alternate fuel sources; the utilization and capacity of oil refineries or other hydrocarbon processing facilities; the availability of pipeline capacity; transportation interruptions; domestic and foreign governmental regulations, price controls and taxes; domestic and foreign environmental laws and regulations; and the ability of members of the Organization of Petroleum Exporting Countries (“OPEC”) to agree to maintain oil prices and production controls.

Any substantial and extended decline in hydrocarbon prices would have an adverse effect on the value of investments by KKR Funds or Other Clients in this sector. Estimates of hydrocarbon reserves by qualified engineers are often a key factor in valuing certain energy companies or oil and natural gas assets. These estimates are subject to wide variances based on the underlying technical assumptions and price forecasting models that such engineers use to estimate economically recoverable oil and natural gas reserves. Accordingly, volatile commodity prices will cause such estimates to be significantly revised from time to time, which will create significant changes in the value of such oil and natural gas assets. Such changes in value often disrupt the market for developed properties because it is difficult for buyers and sellers to agree on transaction value. Volatile commodity prices also make it difficult to budget for and project the return on acquisitions and development projects.

Property-Level Operating Risks There are numerous risks inherent in operating oil and natural gas properties. Such risks include pressure or irregularities in formations, blowouts, cratering, explosions, pipe failure, uncontrollable flows of oil, natural gas, well fluids or other hazardous substances, fires, pollution, earthquakes and environmental, health and safety risks. These risks could result in substantial losses due to injury and loss of life, exposure to hazardous materials, severe damage to and destruction of property and equipment, pollution and other environmental and natural resource damage, suspension of operations, uninsured business interruption losses and loss of hydrocarbon reserves. The operations in respect of a KKR Fund’s or Other Client’s properties could result in liability for personal injuries, property damage, oil spills, discharge of hazardous materials, remediation and clean-up costs and other environmental and natural resource damages, for which KKR and KKR Funds and Other Clients might not be fully insured or indemnified. Offshore operations, if any, will be subject to a variety of additional operating risks peculiar to the marine environment, including hurricanes and other adverse weather conditions as well as extensive government regulation and oversight. Such government regulation and oversight could impose strict liability for pollution damage in certain circumstances or lead to interruption or termination of operations based on environmental or other considerations. As a result, substantial liabilities to third parties or governmental entities could be incurred in respect of these investments.

Demand for Oil and Gas The success of KKR Fund or Other Client investments in this sector is materially dependent upon the demand for oil and natural gas. The availability of a ready market for the oil and gas production generated from KKR Fund or Other Client investments in this sector will depend on a number of factors beyond a KKR Fund’s or Other Client’s control including the demand for and supply of oil and gas, the availability of alternative energy sources, and the proximity of reserves to and the capacity of oil and gas gathering systems, pipelines or trucking and terminal facilities. These investments could also lead to shutting down some of their wells temporarily due to a lack of market or adverse weather conditions including hurricanes. In addition, federal and state regulation of oil and gas production and transportation, general economic conditions or events and changes in supply and demand could adversely affect an investment’s ability to produce and market the oil and gas production generated from KKR Fund or Other Client investments which could also have a material adverse effect on a KKR Fund’s or Other Client’s financial condition and results of operations.

Drilling Engineering, Construction and Development Risks Development activities are subject to many risks, including the risk that new wells will not result in the discovery of commercially productive reservoirs or the risk that all or any portion of a KKR Fund's or Other Client's investment in such wells will not be returned. Drilling for oil and natural gas sometimes involve unprofitable efforts, not only from dry wells but also from wells that are productive but do not produce sufficient net reserves to return a profit after deducting drilling, operating and other costs. The cost of drilling, completing and operating a well is often uncertain, and cost factors can adversely affect the economies of a project. Further, drilling operations could be curtailed, delayed or canceled as a result of numerous factors, including unexpected drilling conditions, including unforeseen engineering, environmental and geological factors, pressure or irregularities in formations, equipment failures or accidents, adverse weather conditions, work stoppages and labor disputes, compliance with environmental and governmental requirements; and the cost of, or shortages or delays in the permitting, development or expansion of projects, or in the availability of, equipment, pipelines and services.

Acquisition Strategy A KKR Fund's or Other Client's strategy in this sector depends on the ability to acquire oil and natural gas properties at appropriate prices. There can be no assurance that KKR will be able to identify suitable acquisition opportunities or finance and complete any particular acquisition successfully. Furthermore, acquisitions involve a number of risks and challenges, including difficulty in estimating recoverable reserves, future production rates, operating costs, infrastructure requirements, environmental and other liabilities and factors beyond a KKR Fund's or Other Client's control. As a result, the KKR Fund or Other Client might not recover its investment in a property from the sale of production from the property, or might not recognize an acceptable return from investments it makes. Any of these factors could adversely affect a KKR Fund's or Other Client's ability to achieve anticipated levels of cash flows or realize other anticipated benefits of investments.

Royalty Interest Risks KKR Funds or Other Clients will generally receive revenues from investments in oil and natural gas, royalty revenues only upon sales of oil, natural gas and other hydrocarbon production by the underlying property or upon sale of the royalty interests themselves. There can be no assurance that reserves sufficient to provide the expected royalty income will be discovered, developed or produced when anticipated, if at all.

Other Regulations Applicable to the Oil and Gas Industry Oil and gas drilling, handling and transportation are extensively regulated. Statutory and regulatory requirements include those imposed by energy, zoning, environmental, health, safety, labor and other regulatory or political authorities. Failure to obtain, or a delay in the receipt of relevant governmental permits or approvals, including regulatory approvals, could hinder the operations of investments and result in fines or additional costs. Obtaining permits and approvals or complying with ongoing regulatory requirements is in certain cases costly and/or time-consuming. Moreover, the adoption of new laws or regulations, changes in the interpretation or enforcement of existing laws or regulations or changes in the persons charged with political oversight of such laws or regulations could have a material adverse effect on investments by a KKR Fund or Other Client and could necessitate the restructuring of investments and/or altering or discontinuing of operations in order to meet regulatory requirements, which could be costly and/or time-consuming.

Proposed Environmental Legislation and Regulation Numerous legislative and regulatory proposals affecting the oil and natural gas industry have been introduced, or are otherwise under consideration, by individual states, U.S. Congress, various U.S. federal agencies as well as non-U.S. governmental authorities. The long-term trend toward stricter standards, increased oversight and regulation and more extensive permit requirements, along with any future laws and regulations or changes in laws, regulations and obligations relating to climate change could result in substantial capital expenditure, taxes and reduced profitability. In the future, these could potentially impact a KKR Fund's or Other Client's assets, revenue generation and strategic growth opportunities.

The adoption of climate change legislation and regulations could result in increased operating costs and reduced demand for the oil and natural gas that energy assets produce. In response to findings that emissions of carbon dioxide, methane and other greenhouse gases (“GHGs”) present an endangerment to public health and the environment, the Environmental Protection Agency (the “EPA”) has adopted regulations under existing provisions of the federal Clean Air Act that, among other things, require preconstruction and operating permits for certain large stationary sources. Facilities required to obtain preconstruction permits for their GHG emissions also will be required to meet “best available control technology” standards that will be established on a case-by-case basis and could require the installation of additional pollution control equipment. These EPA rulemakings could adversely affect operation on KKR Funds’ and Other Clients’ properties and restrict or delay the ability of operators to obtain air permits for new or modified sources. In addition, the EPA has adopted rules requiring the monitoring and reporting of GHG emissions from specified onshore oil and natural gas production sources in the United States on an annual basis, which include operations on certain KKR Fund properties. These requirements could impose material costs, reducing the profits available to a KKR Fund or Other Client and potentially impairing a KKR Fund’s or Other Client’s ability to economically develop properties.

Efforts have been made and continue to be made in the international community towards the adoption of international treaties or protocols that would address global climate change issues. For example, in April 2016, the United States was one of 175 countries to sign the Paris Agreement, which requires member countries to review and “represent a progression” in their intended nationally determined contributions, which set GHG emission reduction goals, every five years beginning in 2020. The Paris Agreement entered into force in November 2016. Although this agreement does not create any binding obligations for nations to limit their GHG emissions, it does include pledges from the participating nations to voluntarily limit or reduce future emissions. Shortly after being inaugurated, President Biden reentered the United States in the Paris Agreement, overturning the Trump administration’s withdrawal from the agreement in June 2017. President Biden’s executive actions have also revoked executive orders of the Trump administration that weakened requirements to reduce GHGs from federal operations, sped up environmental reviews, fast-tracked oil and gas pipelines and promoted offshore drilling. President Biden also put a moratorium on fossil fuel leasing on federal land and water, and directed agencies to curtail fossil fuel subsidies. These executive actions and other new initiatives and likely regulatory changes related to the control of GHG emissions could result in increased costs of development and production, reducing profits available to KKR Funds or Other Clients and potentially impairing certain KKR Funds’ or Other Clients’ ability to economically develop properties.

Technology Innovation The oil and natural gas industry routinely develops new technologies to enhance the recovery of reserves, thereby increasing recoverable amounts and/or improving the cost of recovery. While oil and natural gas assets could benefit from such technologies, there can be no assurance that technology innovation will be appropriately applied or will favor properties of a type not held by a KKR Fund or Other Client, which would place the KKR Fund or Other Client in a competitive disadvantage and drive down the value of its assets.

Unavailability of Equipment or Personnel The energy industry is cyclical and, from the time to time, there is a shortage of equipment, supplies, drilling rigs or qualified personnel. During these periods, the costs and delivery times for equipment, supplies, rigs, and well completion services are substantially greater. In addition, demand for and wage rates of qualified drilling rig and well completion crews rise alongside increases in the number of active rigs in service. If oil prices stabilize or increase, it is likely that service costs will materially increase in the future. If the unavailability or high cost of drilling rigs, equipment, supplies or qualified personnel were particularly severe, it could materially and adversely affect a KKR Fund’s or Other Client’s investments.

Projections and Third-Party Reports in the Energy Sector There are numerous uncertainties inherent in estimating quantities of proved oil and natural gas reserves and their values. Estimates of oil and natural gas reserves, by necessity, are projections based on engineering data, and there are uncertainties inherent in the interpretation of such data as well as the projection of future rates of production and the timing of development expenditures. Reserve engineering is a subjective process of estimating underground accumulations of oil and natural gas that are difficult to measure. The accuracy of any reserve estimate is a function of the quality of available data, engineering and geological interpretation and judgment. Estimates of economically recoverable oil and natural gas reserves and of future net cash flows necessarily depend on a number of variable factors and assumptions, such as historical production from the area compared with production from other producing areas, the assumed effects of regulations by governmental agencies and assumptions concerning future oil and natural gas prices, future operating costs, severance and excise taxes, development costs and workover and remedial costs, all of which could in fact vary considerably from actual results. Inaccurate estimates could cause a KKR Fund or Other Client to underbid and fail to win an acquisition target, or overpay in its acquisitions and adversely affect its ability to generate attractive results. For these reasons, estimates of the economically recoverable quantities of oil and natural gas attributable to any particular group of properties, classifications of such reserves based on risk of recovery and estimates of expected future net cash flows from such reserves could vary substantially. Any significant variance in the assumptions could materially affect the estimated quantity and value of the reserves.

Hedging Transactions in the Energy Sector KKR, on behalf of a KKR Fund or Other Client, could enter in a typical oil and natural gas hedge transaction, where an operating partnership in which a KKR Fund or Other Client has made an investment has the right to receive from the hedge counterparty the excess of the fixed price specified in the hedge agreement over a floating price based on a market index, multiplied by the portion of production hedged. However, if the floating price exceeds the fixed price, the operating partnership must pay the counterparty this difference multiplied by the portion of production hedged even if the operating partnership and its assets had insufficient production to cover the quantities specified in the hedge agreement. Accordingly, if the operating partnership has less production than it has hedged when the floating price exceeds the fixed price, the operating partnership must make payments against which there are no offsetting sales of production. These payments made by virtue of the oil and natural gas hedge transaction could have an adverse effect on a KKR Fund or Other Client and, as a result, on a KKR Fund's or Other Client's investment returns. In addition, KKR might not utilize such a hedging transaction, which could result in a poorer overall performance and investment returns for a KKR Fund or Other Client compared to what such KKR Fund's or Other Client's performance would have been if KKR had utilized such a hedging transaction.

Consultants A KKR Fund or Other Client investing in the energy sector will generally expect to engage, directly or indirectly through entities in which it invests, one or more Consultants to provide operating services relating to investments by such KKR Fund or Other Client, including: hydrocarbon production; hydrocarbon sales; royalty payment; asset management; property management; risk management; land, marketing and engineering services; business development; asset acquisition and aggregation services; plugging and abandonment services; environmental compliance and remediation; and general and/or administrative services. For rendering its services, an operating partner will be entitled to receive reimbursement of its internal and external expenses (including any overhead expenses, employee compensation and start-up costs incurred in connection with backing the operating partner) plus remuneration, which remuneration include, among other things, a management fee, the granting of a profit participation in certain investments, a capital interest in such investments or the underlying assets, options, warrants, and/or restricted stock. Such expenses and remuneration are generally borne directly by a KKR Fund or Other Client as a fund expense (or broken deal expenses, if applicable) or indirectly out of cash flows of such KKR Fund's or Other Client's investments. Such expenses and remuneration are not specially borne by KKR or the relevant KKR GP through a reduction of carried interest, or management or other fees, payable to KKR or its affiliates. While this remuneration is intended to compensate and incentivize

operating partners and align their interests with those of a KKR Fund or Other Client, there can be no assurance that it will do so. Moreover, there can be no assurance that KKR will continue to retain the operating services of any particular operating partner throughout the life of a KKR Fund or Other Client.

Investments in Real Estate Real estate investments made by KKR Funds or Other Clients generally involve many of the material risks discussed above in respect of private equity and real asset investments. In addition, the material risks discussed below that are particularly relevant to these investments should be noted.

Real Estate Investments Generally A KKR Fund's or Other Client's real estate investments will be subject to the risks inherent in the ownership and operation of real estate and real estate-related businesses and assets. These risks include, but are not limited to, the burdens of ownership of real property, general and local economic conditions or events; the supply and demand for properties; competition from other properties; energy and supply shortages; instability of banking institutions that hold deposits (to the extent that deposits exceed FDIC insurance limits); fluctuations in average occupancy and room rates; the financial resources of tenants; increased mortgage defaults; changes in interest rates and in the availability of debt financing or mortgage funding which could render the sale or refinancing of properties difficult or impracticable; changes in building, environmental and other laws and/or regulations; zoning laws; changes in real property tax rates; negative developments in the economy; contingent liabilities on disposition of assets; and uninsured or uninsurable casualties.

In addition, a KKR Fund's or Other Client's investments will be subject to various risks which cause fluctuations in occupancy, rental rates, operating income and expenses, or render the sale or financing of its properties difficult or unattractive. For example, following the termination or expiration of a tenant's lease there could be a period of time before a KKR Fund or Other Client will begin receiving rental payments under a replacement lease. During that period, the KKR Fund or Other Client will continue to bear fixed expenses such as interest, real estate taxes, maintenance and other operating expenses. In addition, declining economic conditions could impair a KKR Fund's or Other Client's ability to attract replacement tenants and achieve rental rates equal to or greater than the rents paid under previous leases. Increased competition for tenants could require a KKR Fund or Other Client to make otherwise unplanned capital improvements to properties which would not have otherwise been planned. Any unbudgeted capital improvements that a KKR Fund or Other Client undertakes could divert cash that would otherwise be available for distribution to investors or require additional capital commitments. Ultimately, to the extent that a KKR Fund or Other Client is unable to renew leases or re-let space as leases expire, decreased cash flow from tenants will result, which could adversely impact a KKR Fund's or Other Client's operating results.

A KKR Fund or Other Client will often be required to expend funds to correct defects or to make improvements before a property can be sold. No assurance can be given that a KKR Fund or Other Client will have funds available to correct those defects or to make those improvements. In acquiring a property, KKR on behalf of a KKR Fund or Other Client from time to time agrees to lock-out provisions that materially restrict it from selling that property for a period of time or impose other restrictions, such as a limitation on the amount of debt that can be placed on that property. These factors and others that could impede a KKR Fund's or Other Client's ability to respond to adverse changes in the performance of its properties could significantly affect a KKR Fund's or Other Client's financial condition and operating results.

In some instances, the principal asset of the lessee of a KKR Fund or Other Client property are the tenant's improvements thereon, or the liability of the lessee is limited to its interest in such improvements. In those cases, a KKR Fund or Other Client will be required to rely on the lessee's equity interest in the improvements for its security. In the event of a default by a lessee or other premature termination of a lease,

a KKR Fund or Other Client could experience delays in enforcing its rights as lessor, incur substantial costs in protecting its investment and experience an impairment of value.

Further, because a KKR Fund or Other Client is permitted to invest in REITs, the relevant KKR Fund or Other Client could also be subject to certain risks associated with direct investments in REITs. REITs are also affected by changes in the value of their underlying properties and by borrower or tenant defaults. Furthermore, REITs are dependent upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in financing a limited number of projects. REITs depend generally on their ability to generate cash flow to make distributions to shareholders, and certain REITs have self-liquidation provisions by which mortgages held could be paid in full and distributions of capital returns could be made at any time. In addition, the performance of a REIT could be affected by changes in the tax laws or by its failure to qualify for tax-free pass-through of income.

Real estate investments are relatively illiquid and, therefore, a KKR GP's ability to vary a KKR Fund's or Other Client's portfolio promptly in response to changes in economic or other conditions could be limited. While investments can generally be sold at any time, it is not generally expected that a sale will occur for a number of years after the investment is made. Moreover, an investment that initially consists of an interest in property could be exchanged, contributed or otherwise converted into private or publicly-traded stock of a corporation, interests in a limited liability company or other interests or property (and vice versa), and any such exchange, contribution or conversion will likely not constitute a disposition under a KKR Fund's or Other Client's governing documents of the type that results in investors receiving distributions, whether in-kind or otherwise.

Certain of a KKR Fund's or Other Client's real estate debt investments will likely be unsecured and structurally or contractually subordinated to substantial amounts of indebtedness, all or a significant portion of which could be secured. Moreover, such debt investments are sometimes not protected by financial covenants or limitations upon additional indebtedness or the provision of collateral to other indebtedness, and there could be no minimum credit rating for such debt investments. Other factors materially and adversely affect the market price and yield of such debt investments, including, without limitation, investor demand, changes in the financial condition of companies in which a KKR Fund or Other Client invests, interest rates, government fiscal policy and domestic or worldwide economic conditions or events.

Risks of Acquiring Real Estate Loans and Participations Real estate loans or participation interests therein acquired by a KKR Fund or Other Client sometimes are non-performing at the time of their acquisition or become non-performing after their acquisition for a wide variety of reasons. Such non-performing real estate loans could require a substantial amount of workout negotiations and/or restructuring, entailing, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loan. However, even if a restructuring were successfully accomplished, a risk exists that, upon maturity of such real estate loan, replacement "takeout" financing will not be available. Purchases of participations in real estate loans raise many of the same risks as investments in real estate loans and also carry risks of illiquidity and lack of control. It is possible that a KKR Fund or Other Client finds it necessary or desirable to foreclose on collateral securing one or more real estate loans purchased by such KKR Fund or Other Client, resulting in the conversion of the KKR Fund's or Other Client's investment from an investment in a loan to an equity investment. The foreclosure process varies jurisdiction by jurisdiction and can be lengthy and expensive. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a real estate loan including, without limitation, lender liability claims and defenses, even when such assertions have no basis in fact, in an effort to prolong the foreclosure action. In some states or other jurisdictions, foreclosure actions can take up to several years or more to conclude. During the foreclosure proceedings, a borrower generally has the ability to file for bankruptcy, potentially staying the foreclosure action and further delaying the foreclosure

process. Foreclosure litigation tends to create a negative public image of the collateral property and disrupts ongoing leasing and management of the property.

Investments in Land/New Development

A KKR Fund, Other Client or portfolio entity sometimes acquires direct or indirect interests in undeveloped land or underdeveloped real property, which are or become non-income producing. To the extent that a KKR Fund, Other Client or portfolio entity invests in such assets, it will be subject to the risks normally associated with such assets and development activities. Such risks include, without limitation, risks relating to the availability and timely receipt of zoning and other regulatory or environmental approvals (which could be more restrictive or unclear in certain developing or emerging markets), the cost and timely completion of construction, 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 a KKR Fund or Other Client. Properties under development or properties acquired for development often receives little or no cash flow from the date of acquisition through the date of completion of development and often experiences operating deficits after the date of completion. In addition, market conditions could change during the course of development that makes such development less attractive than at the time it commenced. Certain KKR Funds or Other Clients are permitted to undertake development opportunities in various stages of completion. In such cases, the KKR Fund or Other Client will be subject to the risk of unanticipated delays in the completion of such development projects due to factors beyond the control of KKR. These factors could include, among others, strikes, adverse weather, changes in building plans and specifications, material shortages and increases in the costs of labor and materials, all of which could cause additional expenses to be incurred and which will likely be borne by such KKR Fund or Other Client.

Risks in Effecting Operating Improvements

In some cases, the success of a KKR Fund's or Other Client's investment strategy will depend, in part, on the ability of KKR or its affiliates (including KKR Capstone) to restructure and effectuate improvements in the operations of a portfolio entity or its properties. The activity of identifying and implementing restructuring programs and operating improvements at portfolio entities entails a high degree of uncertainty. There can be no assurance that a KKR Fund or Other Client will be able to successfully identify and implement such restructuring programs and/or improvements.

Real Estate Market Conditions

KKR's strategy for a KKR Fund or Other Client investment could rely, in part, upon the continuation of existing market conditions (including, for example, supply and demand characteristics) or, in some circumstances, recovery or improvement in market conditions. No assurance can be given that real estate businesses and assets can be acquired or disposed of at favorable prices or that the market for such assets will either remain stable or, as applicable, recover or improve, since this will depend upon events and factors outside the control of KKR.

In addition to general economic conditions or events, the commercial real estate markets in which a KKR Fund or Other Client operates are also affected by a number of other factors which significantly impact the value of commercial real estate investments, including interest rates and credit spreads, levels of prevailing inflation, the availability of financing, the returns from alternative investments as compared to real estate and changes in planning, environmental, commercial lease, and tax laws and practices. In particular, commercial property values are dependent on current rental values and occupancy rates, prospective rental growth, lease lengths, tenant creditworthiness and solvency, and investment yields (which are, in turn, a function of interest rates, the market appetite for property investments in general and with reference to the specific property in question) together with the nature, location and physical condition of the property concerned. Rental revenues and commercial real estate values are also affected by factors specific to each local market in which the property is located, including the supply of available space, demand for commercial real estate and competition from other available space. A decrease in tenant demand could

increase vacant space and exert pressure on a KKR Fund or Other Client to provide rental incentives to tenants resulting in a decrease in the rental income, rental growth and property values of a KKR Fund's or Other Client's portfolio, which could have a material adverse effect on its business, financial condition, results of operations and future prospects. Office real estate valuations in the U.S. and globally, in particular, proved to be highly volatile during 2023 based on a variety of more challenging macroeconomic fundamentals described above, including as a result of reduced tenant demand and employees of potential tenants continuing to work from home at a higher frequency than many expected. In addition, slowing growth in certain real estate sectors with excess near-term supply, such as life sciences offices and U.S. multifamily, has been negatively impacted and could continue to negatively impact the valuations of assets in such sectors in the near-term.

As a result of the above or other factors, a KKR Fund's or Other Client's ability to maintain or increase the occupancy levels of its properties through the execution of leases with new tenants and the renewal of leases with existing tenants, as well as its ability to increase rents over the longer term, could be adversely affected. In particular, tenants going into administration, non-renewal of existing leases or early termination by significant existing tenants in a KKR Fund's or Other Client's office portfolio would result in a significant decrease in such KKR Fund's or Other Client's net rental income. If a KKR Fund's or Other Client's net rental income declines, it would have less cash available to service and repay its indebtedness and the value of its properties would decline further as well. In addition, significant expenditures associated with each property, such as real estate taxes, new regulations, compliance, work service charges and renovation and maintenance costs, generally are not reduced in proportion to any decline in rental revenue from that property. If rental revenue from a property declines while the related costs do not decline, a KKR Fund's or Other Client's income and cash receipts could be adversely affected. Any significant deterioration in economic conditions or conditions in the commercial real estate market which contributes to a decline in rental revenues or further decline in market values of a KKR Fund's or Other Client's assets could materially and adversely affect the business, results of operations and financial condition of a KKR Fund or Other Client.

Financial Condition of Tenants Adverse changes in the operation of any property, or the financial condition of any tenant, could have an adverse effect on a KKR Fund's or Other Client's ability to collect rent payments and, accordingly, on its ability to make distributions to investors. From time to time, tenants experience a downturn in their businesses which weaken their financial condition and result in their failure to make rental payments when due. Tenants terminate leases, including before the term ends, for a variety of reasons and sometimes, when termination is not permitted under the terms of the lease itself, tenants stop paying rent. In addition, at any time, a tenant could seek the protection of applicable bankruptcy or insolvency laws, which could result in the rejection and termination of such tenant's lease or other adverse consequences and thereby cause a reduction in the distributable cash flow. No assurance can be given that tenants will not file for bankruptcy protection in the future or, if they do, that their leases will continue in effect.

Tenants in certain jurisdictions benefit from certain legal protections and customary contractual provisions that generally do not apply in other jurisdictions. In particular, during the term of a lease in some jurisdictions, a tenant is, in many cases, entitled to seek a rent reduction when market rents decrease, which could thereby expose certain KKR Funds or Other Clients to additional risk of decreasing revenue. Leases of certain types of premises (e.g., retail and residential) could also be regulated under the local legislation in certain jurisdictions, which could be largely pro-tenant and could afford tenants of certain types of premises various rights and remedies not typically available to tenants of other types of properties.

Commercial and Residential Mortgage Loans KKR Funds or Other Clients invest in commercial mortgage loans, which are secured by multifamily or commercial property and are subject to risks of delinquency and foreclosure. In addition, certain of the mortgage loans in which a KKR Fund or Other

Client invests are structured so that all or a substantial portion of the principal will not be paid until maturity, which increases the risk of default at that time, due to the potential inability for a borrower to secure take-out financing. The ability of a borrower to repay a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. If the net operating income of the property is reduced, the borrower's ability to repay the loan could become impaired. Net operating income of an income-producing property can be affected by, among other things: tenant mix, success of tenant businesses, property management decisions, property location and condition, competition from comparable types of properties, access to transportation, changes in laws that increase operating expense or limit rents that could be charged, any need to address environmental contamination at the property, the occurrence of any uninsured casualty at the property, changes in national, regional or local economic conditions and/or specific industry segments, declines in regional or local real estate values, declines in regional or local rental or occupancy rates, increases in interest rates, real estate tax rates and other operating expenses, changes in governmental rules, regulations and fiscal policies, including environmental legislation, acts of God, terrorism, social unrest and civil disturbances. Changes in work patterns, such as telecommuting and shared space among workers, which trends have increased in recent years, could depress demand for office space and adversely affect the value of office assets.

KKR Funds and Other Clients also invest in residential mortgage loans, which are secured by single-family residential property and are subject to risks of delinquency and foreclosure, and risks of loss. The ability of a borrower to repay a loan secured by a residential property is dependent upon the income or assets of the borrower. A number of factors could impair borrowers' abilities to repay their loans, including a general economic downturn, acts of God, terrorism, social unrest, and civil disturbances. Asset-backed securities are bonds or notes backed by loans and/or other financial assets. Subordinated tranches of asset-backed securities are entitled to receive repayment of principal only after all principal payments have been made on more senior tranches and have subordinated rights as to receipt of interest distributions and are therefore subject to a greater risk of nonpayment than senior tranches. In addition, the secondary market for subordinated securities is not as active and well-developed as the market for other mortgage or asset-based securities. Accordingly, such subordinated tranches would have limited marketability, and there can be no assurance that a more efficient secondary market will develop. Although senior tranches are not as risky subordinated tranches of the same issue, they are still subject to the risk of loss. The ability of a borrower to repay these loans or other financial assets is dependent upon the income or assets of these borrowers, and the ability of an issuer of asset-backed securities to enforce its interest in the underlying assets is often limited.

In the event of any default under a mortgage loan held directly by a KKR Fund or Other Client, it 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 mortgage loan, which could have a material adverse effect on the profitability of such KKR Fund or Other Client. In the event of the bankruptcy of a mortgage loan borrower, the mortgage loan to such borrower will be deemed to be secured only to the extent of the value of the underlying collateral at the time of bankruptcy (as determined by the bankruptcy court), and the lien securing the mortgage loan will be subject to the avoidance powers of the bankruptcy trustee or debtor-in-possession to the extent that the lien is unenforceable under state law.

Foreclosure of a mortgage loan can be an expensive and lengthy process which could have a substantial negative effect on the anticipated return on the foreclosed mortgage loan. Residential mortgage-backed securities evidence interests in or are secured by pools of residential mortgage loans and commercial mortgage-backed securities evidence interests in or are secured by a single commercial mortgage loan or a pool of commercial mortgage loans. Accordingly, the mortgage-backed securities in which a KKR Fund or Other Client invests are subject to all of the risks of the underlying mortgage loans.

Investments in Troubled Assets / Bankruptcy Considerations KKR Funds and Other Clients invest in real estate-related assets and businesses which are distressed or experiencing or are expected to experience severe financial difficulties that might never be overcome. There could be little or no near-term cash flow available to the relevant KKR Fund's or Other Client's investors. Since many KKR Funds or Other Clients only make a limited number of investments and since many of the investments involve a high degree of risk, poor performance by few of the investments could severely affect the total returns to the investors.

KKR Funds and Other Clients make investments in non-performing, sub-performing, distressed, undercapitalized or other troubled real estate and real estate-related assets, which involve a high degree of financial risk. As a result of the speculative nature of a KKR Fund's or Other Client's investments, the possibility of partial or total loss of capital exists.

Investments made in assets operating in workout modes or under bankruptcy, insolvency or other debtor-protection codes could, if a KKR Fund or Other Client inappropriately exercises control over the management and policies of the debtors, be subordinated or disallowed, and a KKR Fund or Other Client could be liable to third parties in such circumstances. Furthermore, distributions made to a KKR Fund or Other Client in respect of such investments could be recovered if such distributions are found to be a fraudulent conveyance or preferential payment or the equivalent under the laws of certain jurisdictions. Bankruptcy laws could delay the ability of a KKR Fund or Other Client to realize on collateral for loan positions held by it or adversely affect the priority of such loans through doctrines such as equitable subordination or result in a restructure of the debt through principles such as the "cramdown" provisions of the bankruptcy laws. Non-U.S. jurisdictions present analogous or different credit issues.

"Bad Boy" Guarantees Commercial real estate financings are generally structured as non-recourse to the borrower, which limits a lender's recourse to the property pledged as collateral for the loan, and not the other assets of the borrower or to any parent of borrower, in the event of a loan default. However, lenders customarily will require that a creditworthy parent entity enter into so-called "recourse carveout" guarantees to protect the lender against certain bad-faith or other intentional acts of the borrower in violation of the loan documents. A "bad boy" guarantee typically provides that the lender can recover losses from the 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 lender. In addition, "bad boy" guarantees typically provide that the loan will be a full personal recourse obligation of the guarantor, for certain actions, such as prohibited transfers of the collateral or changes of control and voluntary bankruptcy of the borrower. In connection with obtaining commercial loans backed by real estate, the lender will typically require a "bad boy" guarantee from KKR Funds or Other Clients, and in the event that such a guarantee is called, a KKR Fund's or Other Client's assets could be adversely affected. KKR and its affiliates have entered into "bad boy" guarantees with respect to certain investments, and such guarantees have been assumed by the relevant KKR Fund or Other Client in connection with the transfer of the relevant investments to such KKR Fund or Other Client.

Litigation at the Property Level The acquisition, ownership and disposition of real properties carries certain litigation risks pertaining to liabilities arising before, during and after the period of ownership. Litigation could be commenced with respect to a property acquired by a KKR Fund or Other Client or its subsidiaries in relation to activities that took place prior to a KKR Fund's or Other Client's acquisition of such property. In addition, at the time of disposition of an individual property, a potential buyer could claim that it should have been afforded the opportunity to purchase the asset or alternatively that such potential buyer should be awarded due diligence expenses incurred or statutory damages for misrepresentation relating to disclosure made, if such buyer is passed over in favor of another as part of a KKR Fund's or Other Client's efforts to maximize sale proceeds. Similarly, successful buyers could later sue a KKR Fund or Other Client under various damage theories, including those sounding in tort, for losses associated with latent defects or other problems not uncovered in due diligence.

Limitations of Remedies Although a KKR Fund or Other Client will have certain contractual remedies upon the default by a borrower under certain of its debt investments, such as foreclosing on the borrower's interests in the underlying real estate or collecting rents generated therefrom, certain legal requirements could limit the ability of a KKR Fund or Other Client to exercise such remedies effectively. The right of a mortgage lender to convert its loan position into an equity interest could be limited by certain legal or statutory prohibitions, which, for example, operate to prevent a lender from exercising conversion rights from debt to equity interests.

With respect to debt investments made by a KKR Fund or Other Client in jurisdictions outside of the U.S., laws related to the rights of creditors and other investors in such non-U.S. jurisdictions might not be as comprehensive or as well developed as in the U.S., or the procedures for the judicial or other enforcement of such rights might not be as effective as in the U.S. In particular, in certain countries, a KKR Fund or Other Client could experience significant legal difficulties and impediments in taking possession of, or otherwise in enforcing its rights with respect to, certain kinds of collateral. These factors could adversely affect the value and collectability of a KKR Fund's or Other Client's debt investments in such countries.

Inability to Refinance Investment If a KKR Fund or Other Client makes an investment in a transaction with the intent of refinancing a portion of the equity investment, there is a risk that a KKR Fund or Other Client will be unable to complete successfully the refinancing. There is also a risk that certain investments with financing in place could be difficult or impossible to refinance when the loan matures. The inability to complete a refinancing or to complete one as quickly as originally planned would lead to increased risk as a result of the relevant KKR Fund or Other Client having a larger long-term investment than expected and reduced diversification. In addition, if a loan matured before refinancing could be procured, the lender could foreclose on the collateral and a KKR Fund or Other Client might suffer losses as a result of that foreclosure.

Investments in Technology Investments made by KKR Funds and Other Clients in technology companies, including growth equity investments, involve a number of material risks including (but not limited to) the risks discussed below.

Investments in Technology Companies KKR Funds and Other Clients make investments in companies involved in the technology industry or heavily dependent on new technologies. Technology companies confront various specific challenges, including rapidly changing market conditions and/or participants, new competing products, changing consumer preferences, short product life cycles, services and/or improvements in existing products or services. Portfolio companies of KKR Funds or Other Clients in the technology sector will compete in this volatile environment. Moreover, increasingly, companies that are not primarily involved in the technology industry are subject to disruption through accelerating changes in technology used in more traditional industries. There is no assurance that products or services sold by such portfolio companies will not be rendered obsolete or adversely affected by competing products and services, or by companies providing or adopting disruptive technologies, or that the portfolio companies will not be adversely affected by other challenges. Barriers to entry in the software and technology industries are low and new products and services can be distributed and adopted broadly and quickly at relatively low cost. Many of the areas in which KKR Funds and Other Clients and their portfolio companies are expected to participate evolve rapidly with changing and disruptive technologies, shifting user needs, and frequent introductions of new products and services. For example, the use of generative artificial intelligence tools could disrupt the business models of portfolio companies in which KKR Funds and Other Clients invest. Moreover, competition in the technology sector or the adoption of highly efficient new technologies can result in significant downward pressure on pricing. Valuations of technology companies are volatile, and in the event that the technology sector valuations decline, returns to investors from any portfolio companies involved in the technology industry will likely decrease. Moreover, the valuation of early-stage technology

companies, including those pursuing regulatory approvals for commercialization, are often less predictable than later stage companies or companies in other sectors with more observable valuation inputs or readily available market pricing.

Third-party Infringement Claims KKR Funds or Other Clients or a portfolio company could, from time to time, receive notices from others claiming a KKR Fund or Other Client or such portfolio company has infringed their intellectual property rights. The number of these claims could grow because of the rapid rate of change in the technology industry, increased user-generated content, the extensive patent coverage of existing technologies, and the rapid rate of issuance of new patents. Additionally, portfolio companies could use “open source” software in their products. Such open source software is generally licensed by its authors or other third parties under open source licenses. Licensing authors or third parties could allege that a portfolio company has not complied with the conditions of one or more of these licenses. To resolve these and other intellectual property infringement claims, a KKR Fund or Other Client and/or portfolio companies could enter into royalty and licensing agreements on terms that are less favorable than currently available, stop selling or redesign affected products, or pay damages to satisfy indemnification commitments with customers. These outcomes could cause operating margins to decline. In addition to money damages, in some jurisdictions plaintiffs can seek injunctive relief that could limit or prevent importing, marketing and selling products that have infringing technologies. In some countries, such as Germany, an injunction can be issued before the parties have fully litigated the validity of the underlying patents.

Dependence on Patents, Trademarks and Other Intellectual Property Many technology companies depend heavily on intellectual property rights, including patents, trademarks, trade secret protection, non-disclosure agreements and servicemarks. The ability to effectively enforce patent, trademark and other intellectual property laws will affect the value of many of these companies. Patent disputes are frequent and can preclude commercialization of products, and patent litigation is costly and could subject a portfolio company to significant liabilities to third parties. The presence of patents or other proprietary rights belonging to other parties could lead to the termination of the research and development of a portfolio company’s particular product or one of its significant customers or counterparties. In addition, the patent position of health care products in many countries is highly uncertain and involves complex legal, scientific and factual questions. Furthermore, if a portfolio company or one of its significant customers or counterparties infringes on third-party patents or other proprietary rights, it could be prevented from using certain third-party technologies or forced to acquire licenses in order to obtain access to such technologies. In such a case, the portfolio company might not be able to obtain all licenses required for the success of its business, which could have a material adverse effect on its value. Moreover, if the patents and other proprietary rights of a portfolio company are infringed by third parties, then it might not be able to take full advantage of existing demand for its products. There can be no assurance that KKR Funds or Other Clients or a portfolio company will be able to protect these rights or will have the financial resources to do so, or that competitors will not develop technologies substantially equivalent or superior to a portfolio company’s technologies. While piracy adversely affects portfolio company revenue, the impact on revenue from outside the EU and the U.S. could be significant, particularly in countries where laws are less protective of intellectual property rights. The absence of harmonized patent laws makes it more difficult to ensure consistent respect for patent rights. Reductions in the legal protection for intellectual property rights could adversely affect portfolio companies.

Software Code Protection Source code is often critical to portfolio companies in the technology sector. If an unauthorized disclosure of a significant portion of source code occurs, a portfolio company could potentially lose future trade secret protection for that source code. This could make it easier for third parties to compete with such portfolio company products by copying functionality, which could adversely affect revenue and operating margins. Unauthorized disclosure of source code could also increase security risks (i.e., viruses, worms, and other malicious software programs that attack portfolio company products and services). Costs for remediating the unauthorized disclosure of source code and other cybersecurity

incidents include, among other things, increased protection costs, reputational damage and loss of market share, liability for stolen assets or information and repairing system damage that have been caused. Remediation costs could also include incentives offered to portfolio company customers or other business partners in an effort to maintain the business relationships after a cybersecurity incident.

Health Care Industry Investments Investments made by KKR Funds and Other Clients in health care companies, including growth equity investments, involve a number of material risks including (but not limited to) the risks discussed below.

Investments in the Health Care Sector Investing in early-stage health care companies involves substantial risks, including, but not limited to, the following: limited operating histories and limited experience instituting compliance policies; rapidly changing technologies and the obsolescence of products; change in government policies and governmental investigations; potential litigation alleging negligence, products liability, breaches of warranty, intellectual property infringement and other legal theories; extensive and evolving government regulation; disappointing results from preclinical testing; indications of safety concerns; insufficient clinical trial data to support the safety or efficacy of the product candidate; difficulty in obtaining all necessary regulatory approvals in each proposed jurisdiction; inability to manufacture sufficient quantities of the product candidate for development or commercialization in a timely or cost-effective manner; and the fact that, even after regulatory approval has been obtained, the product and its manufacturer are subject to continual regulatory review, and any discovery of previously unknown problems with the product or the manufacturer could result in restrictions or recalls. Many of these companies will operate at a loss, or with substantial variations in operating results from period to period. In addition, many of these companies will need substantial additional capital to support additional research and development activities. Such companies face intense competition in the health care industry from companies with greater financial resources, more extensive research and development capabilities and a larger number of qualified managerial and technical personnel. In addition, certain companies in which KKR Funds or Other Clients invest or the significant customers or counterparties of such companies only have one product under development. If a company is dependent on one product, the consequences of failure of clinical trials or to obtain regulatory approvals could be very material and adverse to the prospects of such company, which in turn could negatively affect the performance of KKR Funds or Other Clients. The products of pharmaceutical companies are often protected for a certain period by various patents or regulatory forms of exclusivity, and the loss of market exclusivity following the expiration of such a period can open the products to competition from generic substitutes that are typically priced significantly lower than the original products, which can have an adverse effect on the value of the product and the company. In particular, generic substitutes have high market shares in the U.S., and accordingly the adverse effects of the launch of generic products are particularly significant in the U.S. Each of these risks could have a material adverse effect on the investments of a KKR Fund or Other Client.

Regulatory Risk and Political Uncertainty Health care policy and changes in health care policy and related laws and regulations could have a material and adverse impact on the health care companies in which a KKR Fund or Other Client intends to invest, and the U.S. or non-U.S. government's role in the health care industry could adversely impact a KKR Fund's or Other Client's performance.

The success of certain KKR Funds' and Other Clients' investments is expected to be dependent upon obtaining certain governmental approvals. Obtaining governmental approval for new products from governmental agencies can be lengthy, expensive and uncertain. The research, development, preclinical and clinical trials, manufacturing, labeling, and marketing related to a biotechnology or medical technology company's products are subject to an extensive regulatory approval process by the U.S. Food and Drug Administration and other regulatory agencies in the U.S. and abroad. There can be no assurance regarding the ability to meet anticipated clinical trial commencement and completion dates, regulatory submission and approval dates, or as to whether or when regulatory approval will be received, which will depend on

the assessment by regulatory authorities of the benefit risk profile suggested by the totality of the efficacy and safety information submitted. Decisions by regulatory authorities regarding labeling, ingredients and other matters could adversely affect the availability or commercial potential of products. If an investment is unable to obtain approvals or other milestones in a timely fashion, the investment could experience significant adverse effects, which in turn, could adversely affect the performance of KKR Funds or Other Clients.

In some cases, products of health care companies are approved by regulatory authorities on a conditional basis with full approval conditioned upon fulfilling the requirements of regulators. Regulatory authorities are placing greater focus on monitoring products originally approved on a conditional basis and on whether the sponsors of such products have met the conditions of the conditional approval. If a portfolio company is unable to fulfill the conditions of its products' conditional approval, it likely would not receive full approval for these products and could be required to change the products' labeled indications or withdraw the products from the market, which could have an adverse effect on the value of the company. Moreover, even after approval, products could still be the subject of regulatory action if new facts concerning their safety and efficacy come to light. Health care regulation is subject to change and can have a considerable impact on the marketing of products and services by companies in which a KKR Fund or Other Client intends to invest. Such regulatory changes could affect a portfolio company's ability to obtain or maintain approval of its products, even forcing such companies to withdraw their products from the market. In some cases, new regulations can substantially change the marketing conditions for certain health care products, such as pharmaceuticals. Accordingly, investments made in reliance on an existing market structure could prove to be not cost effective or worthless, and existing market positions could be endangered.

In addition, in both U.S. and non-U.S. markets, sales of health care products and their success will depend in part on the availability of reimbursement from third-party payers such as government health administration authorities, private health insurers and other organizations. The continuing efforts of governmental and third-party payers to contain or reduce the costs of health care affects the revenues and profitability of health care companies. Significant uncertainty exists as to the reimbursement status of newly approved health care products. There can be no assurance that a portfolio company's proposed products will be considered cost-effective or that adequate third-party reimbursement will be available to enable a company to maintain price levels sufficient to realize an appropriate return on its investment in product development. Moreover, if reimbursement rates are reduced, or if health care providers anticipate reimbursement being reduced, providers could narrow the circumstances in which they prescribe or administer a portfolio company's products, which could reduce the use or sales of such products and thereby have a material adverse effect on the value of the company.

Many health care companies are subject to rigorous regulation in their operations. Compliance with these regulations can be costly. Even when health care companies develop and institute comprehensive compliance programs, they are not able to guarantee that they, their employees, their consultants and their contractors will be in compliance with all potentially applicable regulations. If a health care company fails to comply with applicable regulations, the company could be subject to monetary and administrative penalties, increased compliance costs or a curtailment of its authority to conduct business, any of which could have a material adverse effect on the value of the company.

Health care management and reimbursement policies can be significantly influenced by political events and these events can have an impact on health care. In addition, there can be no guarantee that the government's role in the health care sector will continue to have the same impact it has had in the past. In this regard there has periodically been political sentiment in favor of government intervention on the pricing of pharmaceuticals, and any change in the pricing policy of pharmaceuticals through government intervention could have a material change in the performance of a KKR Fund's or Other Client's investments.

Competition in the Health Care Sector Competitors of a KKR Fund or Other Client and its portfolio companies range in size from diversified global companies with significant research and development resources to small, specialized firms whose narrower product lines could increase their ability to deploy technical, marketing and/or financial resources. Many of the areas in which a KKR Fund or Other Client and its portfolio companies are expected to participate evolve rapidly with changing and disruptive technologies and products and frequent introductions of new products and services.

Valuation of Health Care Investments Pending Regulatory Approval KKR Funds or Other Clients will rely on KKR and its affiliates for valuation of its portfolio companies. In addition, KKR's valuations of investment opportunities will play a key role in a KKR Fund's or Other Client's investment decisions. The valuation of certain early-stage health care companies, including those pursuing regulatory approvals required for commercialization, are often less predictable than later-stage companies or companies in other sectors. Valuations of early-stage companies invested in by a KKR Fund or Other Client might not be as reliable as valuations of later-stage companies with more observable valuation inputs or readily available market pricing. Moreover, certain financial and scientific challenges specific to early-stage health care companies, such as the inherent uncertainty in the evaluation of the cost, risk and time of research and development, the outcomes of clinical testing, receipt of regulatory approvals and achievement of key milestones, could further adversely affect the reliability of KKR's or a KKR GP's valuations of a KKR Fund's or Other Client's investments.

There is no guarantee that KKR or its affiliates will be able to value accurately potential portfolio companies or current portfolio companies. This could result, in the case of acquired portfolio companies, in a loss or substantial loss to a KKR Fund or Other Client and its investors or, in the case of potential portfolio companies, a KKR Fund's or Other Client's failing to pursue what would have been an ultimately successful investment.

Social and Environmental Impact Investments Many KKR Funds and Other Clients (including but not limited to dedicated "impact" and "climate" investing funds) are focusing on sustainability matters, such as climate change and environmental stewardship, diversity, equity and inclusion, human rights, support for local communities, corporate governance and transparency, or other environmental- or social-related areas. KKR Funds and Other Clients focused on social and environmental impact investments are subjected to a variety of risks, not all of which can be foreseen or quantified, including (but not limited to) those described below.

When KKR Funds and Other Clients focused on social and environmental impact investments are evaluating potential investment opportunities, in addition to financial return, such KKR Funds and Other Clients will evaluate an investment's potential to achieve a positive social or environmental impact. As a result, the opportunity set for potential investments will necessarily be smaller than it would otherwise be if these KKR Funds or Other Clients were seeking to make investments solely on the basis of financial returns. It is possible that a company's dual focus on financial success and positive social and environmental impact will from time to time require it to make decisions that favor one goal at the expense of the other. In addition, it is possible that the companies in which such KKR Funds and Other Clients invest are unable to obtain or realize the positive social or environmental impact that they seek to deliver.

Certain investors have demonstrated increased activism with respect to investment sustainability, including by urging alternative asset managers to take (or refrain from taking) certain actions that could adversely impact the value of an investment and at times have conditioned future capital commitments on such actions. Increased focus and activism related to sustainability matters could constrain capital deployment opportunities for certain KKR Funds and Other Clients. The determination about what constitutes a positive social impact is inherently subjective, and what KKR considers to be socially beneficial will not necessarily reflect the views of all prospective investors. Any determination about whether or not a potential investment

is expected to produce a positive social or environmental impact will be made in the relevant KKR GP's sole discretion.

Although KKR views its sustainable investing approach as a tool for value creation and value protection, different stakeholder groups have divergent views on the merits of integrating sustainability considerations into the investment process. This divergence exists across the jurisdictions and localities where KKR operates, in which case it could result in conflicting sustainability-related regulations and legal frameworks that increase compliance costs and risk of non-compliance. The increased regulatory and legal complexity and heightened risk of public scrutiny could impact KKR's reputation and lead to increased inquiries, investigations, and reactive stakeholder engagements, which could have a material and adverse impact on the investment activities of KKR Funds and Other Clients.

Additionally, KKR Funds and Other Clients could be adversely affected if KKR or portfolio companies of KKR Funds or Other Clients fail to comply with applicable environmental, social and governance ("ESG") regulations. If regulators enact new rules, disagree with KKR's responsible investing procedures or standards, or require methodology that is different from KKR's current practice, it could materially and adversely affect KKR and KKR Funds or Other Clients in various ways, including the incurrence of significant compliance costs and an increase in the risk of litigation and regulatory action. Several jurisdictions impose or have proposed restrictions around the offering of sustainability investment vehicles through labelling, disclosure or marketing requirements at both the investment vehicle and asset management level. There has been increased regulatory focus on the sustainability-related practices of investment managers, including in relation to improving transparency regarding the definition, measurement and disclosure of ESG factors. There are many recently proposed and final ESG rules, regulations, priorities and enforcement actions that could materially and adversely affect KKR and KKR Funds and Other Clients, including the following.

- In the United States, various proposals by the SEC regarding, among others, enhanced disclosure requirements around ESG practices for investment managers, registered investment companies and advisers and rules aimed at enhancing and standardizing climate-related disclosures for registrants, have been adopted, and will require climate-related disclosures for registrants beyond current requirements or practice. In addition, unless challenges to the rules are successful, California's recently enacted climate legislation will require certain companies that do business in California to provide certain climate-related disclosures.
- In the EU, several ESG-related rules have been finalized or proposed, including proposals that affect the manner in which asset managers and portfolio companies operate within the EU and also, in certain circumstances, outside the EU. Such finalized or proposed rules include mandatory disclosure and reporting requirements, which supplement the disclosure framework set out in the Sustainable Finance Disclosure Regulation ("SFDR") (which many KKR Funds, as well as the KKR Irish AIFM are currently subject to) and the Corporate Sustainability Reporting Directive ("CRSD"), which introduce significantly more detailed sustainability reporting requirements and significantly expand the number of EU and non-EU companies subject to this reporting framework. The SFDR framework is currently under review and it can be expected that further changes will be introduced.
- In Asia, various regulators have introduced requirements for asset managers to integrate climate risk considerations in investment and risk management processes and disclosures, together with enhanced disclosure and reporting, and have also issued enhanced rules for certain investment vehicles on general ESG risk management and disclosure.

Globally, a lack of harmonization in relation to ESG legal and regulatory reform across the jurisdictions in which KKR Funds and Other Clients invest could affect the future implementation of, and compliance with, rapidly developing ESG standards and requirements. Additionally, collecting, measuring, and reporting sustainability 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. Compliance efforts by asset managers raise a number of challenges, including with respect to the allocation of significant resources to both comply with regulatory requirements and implement monitoring and related controls at the firm level and investment product level, as well as challenges related to investment product classification. If regulators disagree with the procedures or standards used by KKR Funds or Other Clients for ESG investing, or new regulation or legislation requires a methodology of measuring or disclosing sustainability impact that is different from KKR's current practices, KKR Funds or Other Clients could be adversely affected. Generally, KKR expects investor demands and the prevailing legal environment to require KKR to devote additional resources to sustainability matters in KKR's review of prospective investments and management of existing investments, which increase expenses of KKR Funds and Other Clients.

The universe of sustainability events or conditions is very broad, and their relevance, materiality and impact on investments will depend on a number of factors such as asset location and/or sector. Depending on the circumstances, examples of sustainability risks can include, but are not limited to, physical environmental risks, climate change transition risks, supply chain disruptions, improper labor practices, lack of board diversity and corruption. The likely impact on the returns of KKR Funds or Other Clients from an actual or potential material decline in the value of an investment due to a sustainability risk will vary and depend on several factors; including, but not limited to, the type, extent, complexity and duration of the event or condition, prevailing market conditions and the existence of any mitigating factors.

The ESG information used to determine whether companies are managed and behave responsibly could be provided by third-party sources and is based on backward-looking analysis. The subjective nature of non-financial ESG criteria means a wide variety of outcomes are possible. The data will not always adequately address material sustainability factors. The analysis is also dependent on companies disclosing relevant data and the availability of this data can be limited.

More broadly, there can be no assurance that KKR's responsible investment policies and procedures will remain unchanged because KKR continuously reviews its approach to these issues. Thus, such policies and procedures could change, even materially, or might not be applied to a particular investment. KKR could determine at any time that it is not feasible or practical to implement or complete certain of its sustainability-related initiatives, policies, and procedures based on considerations relating to particular business, regulatory, policy, geopolitics, cost, timing, or other considerations. Growing interest on the part of investors and regulators in ESG factors and increased demand for, and scrutiny of, asset managers' sustainability-related disclosure, have also increased the risk that asset managers could be perceived as, or accused of, making inaccurate or misleading statements regarding these matters. The occurrence of any of the foregoing could have a material and adverse impact on KKR and the investment activities of KKR Funds and Other Clients.

Uncertainty of Renewable Energy Market KKR Funds and Other Clients make investments in renewable energy assets and businesses. The market for renewable energy assets and businesses continues to evolve rapidly. Diverse factors, including the cost-effectiveness, performance and reliability of renewable energy technology, changes in weather and climate and availability of government subsidies and incentives, as well as the potential for unforeseeable disruptive technology and innovations, present potential challenges to investments in renewable assets. Renewable resources (e.g., wind, solar, hydro and geothermal) are inherently variable. Variability arises from site specific factors, daily and seasonal trends, long-term impact of climatic factors, or other changes to the surrounding environment. Variations in

renewable resource levels impact the amount of electricity generated, and therefore cash flow generated, by renewable energy investments. Renewable power generation sources currently benefit from various incentives in the form of feed-in-tariffs, rebates, tax credits, regulations that require an increased production of energy from renewable energy sources (“Renewable Portfolio Standard”) and other incentives. The reduction, elimination or expiration of government subsidies and economic incentives could adversely affect the cashflows and value of a particular portfolio investment, the flow of potential future investment opportunities and the value of any platform in the sector. In addition, the development and operation of renewable assets is at times subject to public opposition. For example, with respect to the development and operation of wind projects, public concerns and objections often center around the noise generated by wind turbines and the impact such turbines have on wildlife. While public opposition is usually of greatest concern during the development stage of renewable assets, continued opposition could have an impact on ongoing operations.

Core Investments Investors participating in the core investments strategies should draw no conclusions from the prior experience of the relevant investment teams, whether or not they have been with KKR or the performance of any other investments of KKR or its affiliates or of KKR Funds or Other Clients sponsored or managed by any of them, and should not expect to achieve similar returns. The past performance of other KKR Funds and Other Clients is not predictive of the performance of the core investment vehicles, in particular, because the investment objectives of such other KKR Funds and Other Clients differ from the investment objectives of the core investment vehicles. Moreover, the core investment vehicles are subject to all of the business risks and uncertainties associated with any KKR Fund or Other Client, including, in particular risks described above related to illiquid and long-term investments, non-controlling, minority interests in portfolio companies and market, economic and political risks. There can be no assurances that the core investment vehicles will achieve their investment objectives and the value of an interest in the core investment vehicles could decline substantially.

Third Party Fund Investments Investment in third party private equity and related funds and co-investments made by KKR Funds or Other Clients generally involve the types of material risks discussed above in respect of direct investments in private equity and other assets. In addition, certain other material risks are particularly relevant to these investments as summarized below.

Secondary Investments in Third Party Fund KKR Funds or Other Clients acquire interests in third party funds through secondary market transactions. The due diligence costs involved in such investments are sometimes higher than those involved in direct subscriptions to such funds. Secondary market transactions sometimes also require the relevant KKR Fund or Other Client to assume related contingent liabilities associated with events occurring prior to the investment and, in particular, sometimes require a KKR Fund or Other Client to make “return” payments of distributions made by a third party fund to the seller of the third party fund interest. The overall performance of a third party fund interest acquired through a secondary transaction will depend in large part on the purchase price paid by the relevant KKR Fund or Other Client. A KKR Fund or Other Client will negotiate such price on the basis of information regarding the relevant third party fund provided by the seller and such third party fund, which could be inaccurate or incomplete.

Business and Financial Risks of Third Party Fund Managers; Risk of Fraud A KKR Fund or Other Client will conduct due diligence reviews of third party fund managers and investments managed by them that it believes is sufficient to invest in funds sponsored by such managers. However, due diligence is not a perfect process and often does not uncover problems associated with a particular third party manager or any fund sponsored by it. Third party managers could be operating at a loss or have significant variations in operating results, be engaged in a rapidly changing business, require additional capital to support their operations or maintain their competitive position or otherwise have a weak financial condition that ultimately adversely impacts any KKR Fund or Other Client investing with them. The potential that a third

party manager engages in improper conduct or fraud cannot be eliminated. A KKR Fund or Other Client generally relies on representations with respect to a third party manager made by such manager, its accountants, attorneys and other associated investment executives or service providers. If any such representations are misleading, incomplete or false, this would likely result in the selection of third party managers by a KKR Fund or Other Client that might otherwise have been eliminated from consideration.

Item 9 Disciplinary Information

Except as described below, neither KKR nor any of its executive officers, members of its investment committees or portfolio management committees or other “management persons” as defined in Form ADV has been subject to legal or disciplinary events related to this Item.

KKR is currently subject to investigations by the Antitrust Division of the DOJ related to antitrust matters, including civil investigative demands and a grand jury subpoena seeking information with respect to the accuracy and completeness of certain filings made by KKR pursuant to the premerger notification requirements under the Hart-Scott-Rodino Act of 1976 for certain transactions in 2021 and 2022. In addition, KKR is currently subject to an investigation by the Antitrust Division of the DOJ related to the restrictions on interlocking directorates under Section 8 of the Clayton Act. KKR is also currently subject to investigations by the SEC related to business-related electronic communications, including with respect to the preservation of text messages and similar communications on electronic messaging applications under the Advisers Act. KKR is currently cooperating with each of these named investigations.

On June 29, 2015, without admitting or denying the SEC’s findings, KKR consented to the entry of an order to cease and desist from committing or causing any violations and future violations of sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. According to the SEC order, during the period from 2006 to 2011 KKR did not expressly disclose in its flagship private equity fund limited partnership agreements that it did not allocate broken deal expenses to KKR co-investment vehicles (including co-investment vehicles established for third party co-investors and co-investment vehicles established for executives, certain consultants and others) and this lack of disclosure resulted in a misallocation of expenses to KKR’s flagship private equity funds for that period. The order also finds that KKR did not adopt and implement a written compliance policy or procedure governing its fund expense allocation practices until 2011. KKR agreed in the settlement to pay disgorgement of \$14,165,968, prejudgment interest of \$4,511,441 and a civil monetary penalty of \$10,000,000.

In the ordinary course of business, KKR and its affiliates are parties to litigation, investigations, inquiries, employment-related matters, disputes and other potential claims. Further information can be found in KKR & Co.’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the SEC on February 29, 2024 and its other periodic filings with the SEC, which are available at www.sec.gov.

Item 10 Other Financial Industry Activities and Affiliations

Affiliated Broker-Dealers

KKR is an affiliate of KKR Capital Markets LLC and KKR Capital Markets II LLC (formerly MCS Capital Markets, LLC), each of which is registered as a broker-dealer in the U.S. with the SEC and FINRA. KKR is also affiliated with: KKR Capital Markets Partners LLP located in London, which is authorized and regulated by the FCA to conduct broker-dealer activities in the UK; KKR Capital Markets (Ireland) Limited located in Dublin, which is authorized and regulated by the CBI to conduct broker-dealer activities in Ireland; KKR Capital Markets Japan Limited, which is a certified Type I and Type II Financial Instruments Business Operator (broker-dealer) licensed by the Japanese Financial Services Agency; and KKR Capital Markets Asia Limited, which is licensed by the Hong Kong Securities and Futures Commission to conduct

certain broker-dealer and asset management activities. KKR is also affiliated with KKR Australia Pty Limited and KKR Australia Investment Management Pty Limited, KKR MENA Limited, KKR Saudi Limited, KKR Singapore Pte. Ltd. and KKR Credit Advisors (Singapore) Pte. Ltd., and KKR Holdings Mauritius, Ltd., which hold financial services licenses from the Australian Securities and Investment Commission, the Dubai Financial Services Authority, the Capital Market Authority in Saudi Arabia, the Monetary Authority of Singapore, and the Financial Services Commission, Mauritius, respectively, permitting them among other things to conduct capital raising and other broker-dealer activities (collectively, the “Affiliated Brokers”).

Affiliated Brokers (including their respective related lending vehicles) manage or otherwise participate in underwriting syndicates and/or selling groups with respect to existing or potential securities, debt instruments or other financial products of portfolio companies and other non-controlled entities in or through which KKR Funds or Other Clients invest, including for or in connection with the acquisition of such portfolio companies, in respect of securities or other instruments of such portfolio companies in which KKR Funds or Other Clients have not invested and with respect to securities and other instruments held directly or indirectly by certain co-investment vehicles. Affiliated Brokers are otherwise involved in the public or private placement of such securities and other instruments, and/or the provision of capital markets advisory services to portfolio companies and other non-controlled entities in or through which KKR Funds or Other Clients invest, including in connection with mergers and acquisitions, recapitalizations, refinancings and restructurings; and will alone, or with other counterparties, which might include other KKR investment vehicles, third party banks or other unaffiliated finance providers, provide acquisition financing, lines of credit, bridge financing, hedging and other corporate lending or financing products and services to such entities in addition to financing provided through a KKR Fund or Other Client’s investment. Affiliated Brokers also provide loans and lines of credit or bridge financing to KKR Funds and Other Clients, in addition to portfolio companies of KKR Funds and Other Clients, through the Affiliated Brokers’ respective related lending vehicles. Such financings arranged by Affiliated Brokers can include the establishment of a credit facility for KKR Funds. Affiliated Brokers also provide syndication services to such entities including in respect of co-investments in transactions participated in by KKR Funds or Other Clients. Affiliated Brokers will generally receive fees, including underwriting, arranger, placement, syndication fees, transaction fees, commissions, underwriting discounts, interest payments and other compensation, which could be payable in cash or securities, in respect of the activities described above. KKR Funds and Other Clients will directly bear, or indirectly bear through portfolio companies, holding vehicles and other entities in or through which they invest (including where such costs are shared between such entities and KKR Funds or Other Clients), the foregoing fees paid to Affiliated Brokers (as well as the expenses, charges and costs of any benchmarking, verification or other analysis related thereto). Affiliated Brokers from time to time waive such fees.

Affiliated Brokers and other KKR entities will, as a consequence of such activities, from time to time hold positions in instruments or securities issued by portfolio companies, including, for example, where a KKR proprietary entity commits to fund the shortfall amount, if any, resulting from the incomplete syndication by an Affiliated Broker of a portfolio co-investment opportunity. Under such circumstances, a KKR proprietary entity will commit to provide capital support for the syndication on a short-term basis (i.e., to provide certainty to KKR Funds and Other Clients that there will be sufficient capital to complete the proposed transaction) or fund a different instrument or security in the portfolio company than that held by KKR Funds and Other Clients to facilitate the syndication, which KKR proprietary entities in either scenario sell down prior to KKR Funds or Other Clients disposing of their respective investments in the portfolio company.

An Affiliated Broker also from time to time serves as placement agent or underwriter of securities of a third party that a KKR Fund or Other Client purchases (for example, a co-investment vehicle). An Affiliated Broker could serve as the placement agent for a KKR Fund or Other Client in certain jurisdictions where it

does not generally receive compensation for such service; however if compensation is received, such compensation would be made on a fully disclosed basis. As described in Item 10, Global Atlantic Distributors LLC serves as wholesaler in furtherance of the distribution of several RICs managed by affiliates of KKR, and is compensated by an Affiliated Broker for such services. The Affiliated Brokers do not otherwise execute transactions on behalf of KKR Funds or Other Clients. While fees, commissions, including upfront placement fees, and financing fees, commissions, interest payments and other compensation paid to Affiliated Brokers, are generally believed by KKR to be reasonable and charged at market rates for the relevant activities, such compensation is generally determined through negotiations with related parties. KKR Funds or Other Clients generally do not have the right to share in the compensation received by an Affiliated Broker for its role in any transaction. Affiliated Brokers do not share in any transaction fees, which are generally allocated among KKR Funds, Other Clients and KKR Associates Vehicles as discussed in Item 5.

The relationship KKR has with its Affiliated Brokers gives rise to a potential conflict of interest between KKR and KKR Funds or Other Clients that have an interest in any portfolio companies or investment vehicles with respect to which the Affiliated Brokers provide services (please see the discussion below for further information as to how such conflicts are addressed). In particular, KKR could be seen as incentivized to seek to influence the decision by a portfolio company's management to retain an Affiliated Broker, or to borrow from or otherwise transact with an Affiliated Broker, instead of other unaffiliated broker-dealers or other service providers or counterparties that are more appropriate or offer better terms. Where an Affiliated Broker (or another KKR entity) acts as a lender to a portfolio company in which a KKR Fund or Other Client holds investments in the same or different levels of the capital structure, the arrangement will in certain cases lead to a conflict of interest between the Affiliated Broker and the KKR Fund or Other Client in the event of a default by, or the liquidation of, the portfolio company or a restructuring or renegotiation of the terms of the loan (similar conflicts also arise where KKR is a lender to a portfolio company out of its proprietary assets). In circumstances, including without limitation, where a portfolio company becomes distressed and the participants in the relevant offering undertaken by such portfolio company have a valid claim against the underwriter, the participating KKR Fund or Other Client will have a conflict in determining whether to seek recourse or sue an Affiliated Broker. KKR could also be seen as incentivized to structure portfolio company transactions, including related co-investment opportunities, so that they require the use of a broker-dealer (and consequently provide an opportunity for an Affiliated Broker to be retained by a portfolio company or acquisition company established for the relevant transaction and generate fees, including underwriting, placement, syndication fees, transaction fees, commissions, underwriting discounts, interest payments or other compensation for such an Affiliated Broker).

Affiliated Brokers also provide financing and capital markets services to third parties that are not portfolio companies including third parties that are competitors of portfolio companies of particular KKR Funds or Other Clients, or that are service providers, suppliers, customers, or other counterparties with respect to such companies ("competitor companies") and serve as placement agent in respect of investment funds that are sponsored and managed by other third party investment managers, including funds that compete with KKR Funds or Other Clients. Affiliated Brokers also act as placement agent in respect of investment funds that are sponsored and managed by third parties (for example, certain investee companies of KKR as described in Item 4) and receive consideration for such services. In providing such services to, or with respect to, such funds or companies, Affiliated Brokers will not take into consideration the interests of the relevant portfolio companies or KKR Funds or Other Clients. In addition, Affiliated Brokers are also from time to time engaged to provide financing or other capital markets services to third parties in connection with transactions that would also potentially be appropriate for a KKR Fund or for Other Clients. In some cases, these services offered to third parties in connection with a transaction are provided concurrently with services being provided in a similar manner to a KKR Fund or Other Client even if the KKR Fund or Other Client has a competing interest with the third party. Affiliated Brokers providing services to third parties, including to competitor companies, will from time to time come into possession of information that they

are prohibited from acting on (including on behalf of a KKR Fund or Other Client) or disclosing to KKR as a result of applicable confidentiality requirements or applicable law, even though such action or disclosure would be in the best interests of a KKR Fund or of Other Client.

An Affiliated Broker's ability to receive commissions or other transactional compensation in certain capital markets transactions on the basis of a KKR Fund's or Other Client's participation is limited in certain circumstances. As a result, in the event that such services are provided to an issuer that is or becomes a potential investment opportunity for a KKR Fund or Other Client, KKR, through the Affiliated Brokers, will, in certain cases, have a conflict of interest between a KKR Fund or Other Client investment opportunity or a related capital markets transaction. Where an Affiliated Broker serves as underwriter with respect to a security in which a KKR Fund or Other Client invests, such KKR Fund or Other Client will sometimes be subject to a "lock-up" period following the offering under applicable regulations during which time its ability to sell the security that it continues to hold is restricted. Under certain circumstances, this will adversely affect a KKR Fund's or Other Clients' ability to dispose of such security at an opportune time. Affiliated Brokers will from time to time have access to confidential and/or material non-public information regarding KKR Funds, Other Clients or their portfolio companies and, subject to applicable law and confidentiality agreements, are permitted to use such information in connection with financing and other services provided by the Affiliated Brokers.

Transactions involving a KKR Fund or Other Client and an Affiliated Broker are reported periodically to KKR's Global Conflicts Committee. In addition, KKR reviews such transactions to ensure that the requirements of Section 206(3) of the Advisers Act in respect of principal transactions between any KKR Fund or Other Client and KKR or its affiliates (including any Affiliated Broker) are complied with in the context of such transactions.

Other Investment Advisers

Relying Advisers

KKR, either directly or indirectly, owns and controls the following subsidiaries, which are located in the United Kingdom, Hong Kong, China, Japan, France, Australia, India, Singapore, Dubai, Saudi Arabia, South Korea, Mauritius, Spain, Mexico, Canada, Luxembourg, Germany and the U.S.:

- Kohlberg Kravis Roberts & Co. Partners LLP
- KKR Asia Limited
- KKR Investment Consultancy (Beijing) Company Limited
- KKR Investment Advisory (Shanghai) LLC
- KKR Japan Limited
- Kohlberg Kravis Roberts & Co. SAS
- KKR Australia Pty Limited
- KKR Australia Investment Management Pty Limited
- KKR India Advisors Private Limited

- KKR Singapore Pte. Ltd.
- KKR MENA Limited
- KKR Saudi Limited
- KKR Korea Limited Liability Corporation
- KKR Holdings Mauritius, Ltd.
- KKR Account Adviser (Mauritius), Ltd.
- KKR Investment Management LLC
- Kohlberg Kravis Roberts (España) Asesores SL
- KKR Canada ULC
- KKR Investment Advisory (Zhuhai Hengqin) Company Limited
- KKR Real Estate Finance Manager LLC
- KKR Financial Management LLC
- KKR Luxembourg S.à.r.l.
- Kohlberg Kravis Roberts GmbH
- KKR de México, S.C.
- KKR Real Estate Credit Manager LLC
- KKR Energy Assets Manager LLC
- KKR DAV Manager LLC

Each of the above subsidiaries (“Relying Advisers”) rely on KKR, as their filing adviser, to file (and amend) a single umbrella SEC registration on their behalf. Relying Advisers are involved in identifying, monitoring, and/or implementing investments recommended by KKR on behalf of KKR Funds or Other Clients in the relevant jurisdictions or regions. The Relying Advisers are subject to KKR’s regulatory oversight and its Code of Ethics (please see Item 11 below) together with its other compliance policies and procedures, as adopted pursuant to the requirements of the Advisers Act (in addition to local regulatory requirements, as applicable, and any additional compliance policies and procedures adopted by the Relying Advisers pursuant to such local regulatory requirements). More particularly, KKR treats all Employees of the Relying Advisers as its “associated persons” and access persons for the purposes of the Advisers Act.

KKR Credit

KKR is affiliated with KKR Credit Advisors (US) LLC (“KKR Credit Advisors (US)”), an investment adviser that is separately registered with the SEC, together with its relying advisers, other affiliated entities

and participating affiliates, collectively (“KKR Credit”). KKR Credit’s investment management and advisory activities focus on U.S. and European leveraged credit strategies, such as leveraged loan, high yield bonds, opportunistic credit and revolving credit strategies, structured credit and U.S., European and Asian alternative credit strategies, including special situations, strategic investments and private credit strategies, such as direct lending, junior debt and asset based financing investment strategies. KKR Credit advises pooled investment vehicles, separately managed accounts, collateralized loan obligation vehicles (“CLOs”), closed-end investment companies (“RICs”) registered under the Investment Company Act, discretionary accounts established for third-party institutional investors, including pension plans, a closed-end management investment company that operates as an interval fund, and side-by-side vehicles established primarily for employees and certain other persons associated with KKR and KKR Credit (“KKR Credit Funds”).

KKR is also affiliated with KKR Credit Advisors (Ireland) Unlimited Company (“KKR Credit Advisors (Ireland)”), trading as KKR Avoca, which is regulated by the CBI, KKR Credit Advisors (EMEA) LLP (“KKR Credit Advisors (EMEA)”), which is regulated by the FCA, and KKR Credit Advisors (Singapore) Pte. Ltd. (“KKR Credit Advisors (Singapore)”), which is regulated by the Monetary Authority of Singapore (the “MAS”) and is a SEC-registered investment adviser. Use of the term “KKR Credit” throughout this brochure collectively includes KKR Credit Advisors (US), KKR Credit Advisors (Ireland), KKR Credit Advisors (EMEA), KKR Credit Advisors (Singapore) and their respective wholly-owned and controlled management entities through which investment management, advisory, administrative, operational and other services are provided to their clients.

KKR Credit Advisors (Ireland) and its affiliates provide discretionary investment management services to a number of pooled investment vehicles, separately managed accounts and CLOs pursuing primarily European credit strategies, including investments in European leveraged loans and high yield bonds, alternative credit opportunities, such as investments in mezzanine and mezzanine-like instruments, originated senior loans and specific types of syndicated credit investments (e.g., investments in revolver credit facilities) and other structured and illiquid credit investments.

KKR Credit Advisors (Singapore), a Singapore private limited company was founded in May 2020 and licensed by the MAS to provide advisory services to pooled investment vehicles, separately managed account vehicles, and discretionary accounts established for third-party institutional investors. KKR Credit Advisors (Singapore)’s investment management and advisory activities focus primarily on Asia based private credit opportunities, including, but not limited to, senior and unitranche corporate lending, subordinated corporate lending (mezzanine and other subordinated debt investments), and asset-based finance investments, including equity and mortgage REIT investments, and common or preferred equity investments in connection with the foregoing.

KKR from time to time serves as sub-adviser in respect of capital allocated within KKR Credit Funds. KKR also delegates sub-advisory authority to KKR Credit in respect of capital allocated within certain KKR Funds to strategies implemented by KKR Credit (in each case, at no incremental cost to the relevant KKR Fund or KKR Credit Fund). Certain executives of KKR participate in investment decisions or serve on investment committees established by KKR Credit for particular KKR Credit Funds, and certain executives of KKR Credit participate in investment decisions or serve on investment committees established by KKR for particular KKR Funds. Please see Item 11 for a description of the relationship of KKR, KKR Funds, KKR Credit Funds and Other Clients.

KKR Registered Advisor LLC

KKR is affiliated with KKR Registered Advisor LLC (“KRA”), an investment adviser that is separately registered with the SEC. KRA advises KKR Real Estate Select Trust Inc., a closed-end management

investment company registered under the Investment Company Act, which will invest primarily in stabilized, income-oriented commercial real estate, prime single tenant equity investments and real estate debt investments.

FS/KKR Credit BDC Advisor

KKR Credit Advisors (US) owns a 50% interest, alongside an affiliate of Franklin Square Holdings, L.P. (“FS Investments”) who owns the other 50% interest, in FS/KKR Advisor, LLC (“FS/KKR Advisor”), an investment adviser registered with the SEC. FS/KKR Advisor provides investment advisory services to FS KKR Capital Corp., a business development company (“BDC”) registered under the Investment Company Act that is listed on the NYSE, and KKR FS Income Trust, a privately-offered BDC.

KKR Energy Assets Manager LLC

KKR is affiliated with KKR Energy Assets Manager LLC, which provides investment management services to Crescent Energy Company (“Crescent”), a publicly listed energy company (NYSE: CRGY). Crescent is KKR’s primary platform for pursuing upstream oil and natural gas opportunities.

KKR Capstone

KKR acquired KKR Capstone effective January 1, 2020. KKR Capstone is a KKR affiliate owned and controlled by KKR. KKR Capstone operating executives are generally employees of subsidiaries of KKR subsequent to KKR’s acquisition. Prior to the acquisition, KKR Capstone was owned and controlled by its senior management and was not a subsidiary or affiliate of KKR. KKR Capstone Japan Limited is licensed by the Tokyo Labor Bureau to provide paid employment placement services. For further information, please see Item 5 “**KKR Capstone and Other Consultants**”.

KKR Alternative Investment Management

KKR is affiliated with KKR Alternative Investment Management Unlimited Company (“KKR AIM”), which is regulated by the CBI, is an authorized EU alternative investment manager, and separately files reports as an exempt reporting adviser with the SEC. KKR AIM has entered into delegation and/or sub-advisory agreements with KKR, under which KKR will provide certain portfolio management services to KKR AIM related to the investment funds for which KKR AIM will serve as alternative investment manager, for the purposes of the AIFMD.

Global Atlantic Financial Group Limited

A subsidiary of KKR & Co. is the sole voting shareholder and 100% equity owner of Global Atlantic Financial Group Limited (“Global Atlantic”). Global Atlantic is a leading U.S. retirement and life insurance company that provides a broad suite of protection, legacy and savings products and reinsurance solutions across individual and institutional markets. As of December 31, 2023, Global Atlantic served over three million policyholders. Global Atlantic conducts its business in substantial part through its U.S. insurance subsidiaries, which are subject to regulation and supervision under U.S. federal and state laws. Global Atlantic’s U.S. insurance subsidiaries are licensed to transact insurance business in, and are subject to regulation and supervision by, all 50 states of the United States and the District of Columbia and the U.S. Virgin Islands. Global Atlantic’s insurance subsidiaries in Bermuda are subject to regulation and supervision by the Bermuda Monetary Authority and compliance with all applicable Bermuda laws and Bermuda insurance statutes and regulations, including but not limited to the Bermuda Insurance Act. Global Atlantic has a wholly-owned SEC registered investment adviser, Global Atlantic Investment Advisers, LLC, and a wholly-owned registered broker-dealer, Global Atlantic Distributors, LLC (“GAD”), which is registered as a broker-dealer with the SEC and is a member of FINRA. GAD serves as wholesaler in

furtherance of the distribution of several RICs managed by affiliates of KKR and one or more K-Series Vehicles. GAD is compensated by an Affiliated Broker for such services.

KJR Management

KJRM is registered as an Investment Management Business Operator and Investment Advisory Business Operator under the Financial Instruments and Exchange Act of Japan, as a Type II Financial Instruments Business Operator (broker-dealer), and a real estate broker and entrustment-based agency servicer for transactions under the Real Estate Brokerage Act of Japan. KJRM manages diversified real estate assets including retail, office, and mixed used properties through two Tokyo Stock Exchange-listed real estate investment trusts: Japan Metropolitan Fund Investment Corporation and Industrial & Infrastructure Fund Investment Corporation.

Commodity Pool Operators and Commodity Trading Advisors

As a result of providing investment advisory services to KKR Funds that invest in commodity futures and other commodity interests, KKR, certain KKR GPs and other related entities could from time to time constitute or become commodity trading advisors and/or commodity pool operators for the purpose of the rules and regulations issued by the U.S. Commodity Futures Trading Commission (“CFTC”) under the U.S. Commodity Exchange Act and as such, will rely on certain exemptions from registration with the CFTC under that Act or, in the event that such exemptions cease to apply, register under the applicable regulatory regime. KKR does not view such status as giving rise to a material conflict of interest because it will be aligned with KKR’s investment management activities with respect to KKR Funds.

Pooled Investment Vehicles and Regulated Subsidiaries and Sponsors of Limited Partnerships

KKR, KKR Credit, and certain of their respective affiliates serve as sponsors or syndicators of a number of limited partnerships, including KKR Funds and KKR Credit Funds. KKR also primarily serves as investment adviser to KKR Funds that are pooled investment vehicles. In addition, its affiliate, KKR Credit, also serves as investment adviser of investment vehicles and accounts (i.e., KKR Credit Funds) that are, for the most part, pooled investment vehicles. While primarily unregulated, certain of such pooled vehicles are registered with regulatory authorities in their home jurisdiction such as the Cayman Islands or Ireland or in jurisdictions in which interests in such pooled investment vehicles are marketed, such as Korea or Japan. As discussed more fully above and in response to Item 11, KKR Funds and KKR Credit Funds engage in transactions with or alongside each other that could give rise to conflicts of interest. KKR and KKR Credit have adopted investment allocation policies and procedures and conflicts of interest policies and procedures designed to facilitate the proper management of conflicts of interest arising between KKR Funds and KKR Credit Funds. KKR and certain KKR Funds have established regulated subsidiaries as required under applicable law in order to permit such subsidiaries or KKR Funds to make portfolio investments in certain jurisdictions.

Dual Officers and Employees

Certain employees of KKR, including investment and marketing professionals, are also associated persons of one or more Affiliated Brokers (“Dual Personnel”). In this capacity, Dual Personnel are shared with and provide services to KKR and also provide services to one or more affiliated entities. Dual Personnel provide investment advisory services to KKR Funds and Other Clients, participate in the marketing of KKR Funds and KKR Credit Funds, and, in certain cases, participate in the capital markets activities of Affiliated Brokers. The potential conflicts of interest discussed above in relation to Affiliated Brokers are more acute when investment executives of KKR participate in the capital markets activities of Affiliated Brokers with respect to assets held by KKR Funds and Other Clients; in particular, when Dual Employees provide

investment advisory services with respect to investments that are suitable for KKR Funds and Other Clients, but that also are syndicated to third-party investors by an Affiliated Broker. The compensation of Dual Personnel that provide services to multiple entities is based on a number of factors, which include, without limitation, the profitability of the affiliated entities, the performance of client accounts at the affiliated entities, and the amount of assets under management at the affiliated entities. Such Dual Personnel could be incentivized to allocate more of their time and attention to more profitable affiliated entities, which creates a conflict of interest. In addition, such Dual Personnel work with third-party clients who are interested in acquiring assets that KKR Funds or Other Clients are interested in acquiring. To mitigate these conflicts, KKR and the Affiliated Brokers maintain compliance policies and procedures designed to ensure that such investment opportunities are made available to advisory clients before they are syndicated to third parties, and that the compensation of Dual Personnel is not structured in a manner that favors services provided to third parties over those provided to KKR Funds or KKR Credit Funds and Other Clients. Conflicts are further mitigated by each such Dual Personnel's responsibility to (i) be subject to the supervisory oversight of each affiliated entity when acting on its behalf, and (ii) render services in the client's best interest pursuant to KKR's Code (as defined in Item 11).

Other Businesses

KKR Funds have acquired a controlling interest in Avendus Capital Private Limited (together with its wholly-owned subsidiaries, "Avendus"), which KKR and/or its affiliates could be deemed to control due to their control of such KKR Funds. Avendus engages in investment banking, private wealth management and alternative asset management primarily in India and Southeast Asia.

In India, KKR also holds an equity interest in KKR India Asset Finance Limited, which is registered by the Reserve Bank of India as a non-deposit taking non-banking financial company and is authorized to undertake lending and financing activities in India. In addition, certain investment funds managed by affiliates of KKR are registered with SEBI as a foreign portfolio investor or a foreign venture capital investor to make investments in Indian securities. Affiliates of KKR also own companies in India that are authorized to act as the investment manager of an infrastructure investment trust registered with SEBI and to act as an investment manager and sponsor of alternative investment funds.

In China, KKR Investment Management (Hainan) Co., Ltd. is a private fund manager registered with the Asset Management Association of China ("AMAC") and granted with the qualification and quota of Qualified Domestic Limited Partnership ("QDLP") in Hainan, to carry on fundraising by means of private placement for the purpose of raising QDLP funds and to launch, manage and operate QDLP funds. Additionally, KKR Investment Management (Shanghai) Co., Ltd. is a private fund manager also registered with AMAC and granted with the qualification and quota of Qualified Foreign Limited Partnership ("QFLP") in Shanghai to carry on fundraising by means of private placement for the purpose of raising QFLP and RMB funds and to launch, manage and operate QFLP and RMB funds.

Please refer to Item 11 for a discussion of the potential conflicts raised by KKR's relationship with these and other affiliates and the policies and procedures KKR has adopted to address these conflicts.

Please also refer to Item 11 for a discussion of Stakes and Seed Managers and Stakes and Seed Funds.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

KKR has adopted a Code of Ethics (the "Code") in accordance with Rule 204A-1 under the Advisers Act. The policies and procedures set forth in the Code recognize that as an investment adviser, KKR is in a

position of trust and confidence with respect to the KKR Funds and Other Clients and has a duty to place the interests of the KKR Funds and Other Clients before the interests of KKR and its Employees (which for these purposes includes other persons as set out in the Code, including certain consultants, advisors, temporary employees and other persons). This duty includes an obligation to address or mitigate both conflicts of interest and the appearance of any conflicts of interest. The Code also recognizes that as an investment adviser registered under the Advisers Act, KKR has a further obligation to comply with the provisions of the Advisers Act as well as the other U.S. federal securities laws.

The Code includes a code of conduct adopted by KKR which requires Employees to: (i) act with integrity, honesty, competence, and in an ethical manner when dealing with the public, regulators, clients, investors, prospective investors and their fellow Employees; (ii) adhere to the highest standards with respect to any potential material conflicts of interest with KKR Funds and Other Clients; and (iii) preserve the confidentiality of information that they obtain in the course of KKR's business and use such information properly, consistent with applicable legal standards and not in any way adverse to the interests of any KKR Funds or Other Clients.

Under the Code and Firm policy, Employees are prohibited from trading in securities of any company while in possession of material, non-public information regarding the company. This prohibition applies to KKR-related securities and the securities of KKR affiliates, as well as other issuers. The Code also includes a personal securities investment and reporting policy. This policy, among other things, significantly restricts an Employee's ability to engage in personal securities transactions with respect to publicly-traded equity or debt of corporate issuers to avoid the potential misuse of material non-public information with respect to such issuers. The policy also requires preclearance of investments in private companies and non-KKR Funds, and requires Employees to disclose all brokerage or securities accounts held in the Employee's name or over which the Employee has any direct or indirect beneficial ownership, including accounts over which investment discretion is exercised either directly or indirectly.

Certain investment personnel of KKR also maintain personal private investment holdings, which from time to time include investments in private companies and assets that are owned or become targeted for acquisition by KKR or KKR Funds or Other Clients (or investments in private companies or assets that compete with assets or businesses owned or targeted by KKR Funds or Other Clients) and/or private funds that invest in or own private companies or other issuers or assets that compete with assets or businesses owned or targeted by KKR Funds or Other Clients (i.e., through the acquisition of or investment in an asset of an affiliated or unaffiliated private fund sponsor). Certain of these personal investments are maintained with third-party investment managers, including third-party investment managers or sponsors that KKR or its affiliates, KKR Funds or Other Clients have an economic interest in, who sponsor investment vehicles that compete with KKR or KKR Credit, or that KKR, KKR Credit or their respective affiliates will from time to time recommend to their respective clients (for example, through KKR's customized portfolio solutions business). Furthermore, certain of these personal investments will have terms that are more favorable than those routinely offered by the unaffiliated investment manager (for example, reduced fees). These personal investments could give rise to potential or actual conflicts of interest between KKR Funds and Other Clients on the one hand, and KKR, KKR Credit and their respective affiliates, on the other hand. In addition, KKR personnel will at times hold investments in entities that are or become service providers to KKR or portfolio companies of KKR Funds or Other Clients. Although the relevant KKR personnel might not have control or other influence over the decisions of the relevant service provider (including whether to enter into a business arrangement with KKR or portfolio companies of KKR Funds or Other Clients), a conflict of interest or the perception thereof could nevertheless arise in engaging the relevant entity as a service provider in light of the personal benefits that accrue through the investment they hold in the service provider. KKR's personal securities investment and reporting policies, which require the pre-approval from KKR's Compliance Group on any personal private fund or private investments, seek to address any potential or actual conflicts of interest relating to personal private investments.

The Code restricts Employees' ability to conduct activities outside the Firm that conflict with the interests of the KKR Funds or Other Clients, requires pre-approval for Employees to engage in certain outside business activities or receive and/or provide gifts and entertainment in excess of certain values, and restricts Employees' ability to make political donations. However, Employees, Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and other Consultants from time to time also serve as directors or interim executives, or otherwise could be associated with companies that are competitors of portfolio companies of certain KKR Funds or Other Clients (as discussed below).

KKR's Compliance Group receives and reviews trading and other reports and Employee certifications, questionnaires and pre-approval requests submitted pursuant to the Code to determine that personal trading (as well as other activities subject to compliance oversight) conducted by Employees and other covered persons is consistent with the requirements and restrictions set forth in the Code. Employees also engage in outside business activities, including serving on boards of directors of third-party entities, which give rise to certain conflicts of interests. KKR's Compliance Group reviews Employee certifications, questionnaires and pre-approval requests to identify such conflicts of interest.

Additionally, KKR has adopted inside information barriers and other policies and procedures to provide for the proper handling of confidential information (i.e., non-public information received or created by KKR in connection with its activities) and to prevent violations of laws and regulations prohibiting the misuse of such information and to avoid situations that might create an appearance of such misuse. KKR's Compliance Group is responsible for establishing and administering the information barriers established by KKR. There could be circumstances in which one or more individuals associated with KKR, including investment executives and committee members otherwise involved in investment activities, will be precluded from providing services to KKR or from being involved in specific investment related activities or decisions because of certain confidential information available to those individuals or to other parts of KKR, or because of other applicable legal or regulatory restrictions resulting from their involvement. In such circumstances, applicable legal or regulatory restrictions (or applicable information barrier policies and procedures or other related compliance policies) could require such investment executives to recuse themselves from the relevant investment committees or otherwise from participating in investment activities or decisions relating to a KKR Fund's or Other Client's investments or alternatively, KKR could determine that such investment executives should so recuse themselves to ensure that they can participate in the investment activities and decisions of certain KKR Funds or Other Clients. KKR Funds and Other Clients could be adversely impacted in such circumstances.

The Code is available upon written request of KKR Funds or Other Clients and their current or prospective investors.

Participation or Interest in Client Transactions

Principal Transactions

In accordance with the anti-fraud provisions of the Advisers Act and with KKR's internal compliance policies and procedures, KKR and its affiliates will not, as principal, sell a security to, or buy a security from, any KKR Fund or Other Client, without providing appropriate disclosure and obtaining the informed consent of such KKR Fund or Other Client prior to the settlement of such transaction.

Principal transactions occur, for example, where KKR warehouses an investment, in whole or in part, in one of its proprietary entities for the benefit of one or more KKR Funds or Other Clients, seeds the initial portfolio of a KKR Fund by making the initial commitment and capital contributions to the KKR Fund pending the admission of third party investors to such KKR Fund and the acquisition by the KKR Fund or

an Other Client of the investment from the proprietary entity or the participation by such third party investors in such seeded initial portfolio of investments, as applicable. In these cases, a KKR Fund or Other Client will, for example, require that (i) the transaction price be determined to be fair by an independent valuation expert (the cost of which would be borne by the KKR Fund or Other Client) or be calculated in accordance with a formula provided for in the governing documents of the KKR Fund; and/or (ii) the consent of the respective KKR Fund's limited partner advisory committee, independent client representative or investors, or the consent of the Other Client or the independent directors of such Other Client, which if applicable could be obtained prior to completion of the relevant transaction or in connection with the investors' subscriptions to the KKR Fund or the establishment of the Other Client relationship. For warehoused assets, the consent to transfer such assets to KKR Funds or Other Clients is generally obtained through the signed approval of the subscription agreement or limited partnership agreement of the KKR Fund or Other Client or the consent of the independent directors of the Other Client. As indicated in Item 10, Affiliated Brokers from time to time act as principal in underwriting or placing the securities of KKR Funds or Other Clients.

Prior to the receipt by a KKR Fund of capital contributions from its investors for which a capital call notice has been given, a KKR GP will under certain circumstances fund such amounts on a temporary basis in order to permit the KKR Fund to ensure that an investment is made within the applicable time constraints. In addition, a KKR GP will, from time to time, fund certain general and administrative expenses of a portfolio company on a temporary basis in order to avoid a de minimis capital call to investors or to ensure timely payment of a KKR Fund obligation, or provide an interest free loan to a platform portfolio company to cover its start-up and operating costs prior to the receipt by a KKR Fund or Other Client of a capital call in respect of such expenses. Such amounts will be reimbursed to the KKR GP at cost as and when such capital contributions are made by the investors in the KKR Fund or through a reduction of subsequent distributions by the KKR Fund. KKR does not consider such temporary arrangements to be principal transactions.

Stakes and Seed Managers and Stakes and Seed Funds

Affiliates of KKR acquire or hold from time to time a non-controlling interest in a third-party hedge fund manager or other type of manager ("Stakes and Seed Managers" and funds or other vehicles sponsored or advised by such managers are referred to herein collectively as "Stakes and Seed Funds"). For example, affiliates of KKR have acquired a 39.6% interest in Marshall Wace LLP, a global alternative investment manager specializing in long/short equity products, and a 39.9% interest in PAAMCO Prisma Holdings LLC ("PAAMCO Prisma"), an investment manager focused on liquid alternative investment solutions, including hedge fund-of-fund portfolios. No Stakes and Seed Fund is an advisory client of KKR. From time to time, a Stakes and Seed Manager is retained as a non-discretionary sub-adviser by KKR or KKR Credit in respect of certain KKR Funds, KKR Credit Funds or Other Clients. KKR and KKR Credit also, from time to time, act as a non-discretionary sub-adviser of a Stakes and Seed Manager and/or a Stakes and Seeds Fund, including in particular with respect to co-investments made alongside KKR Funds, KKR Credit Funds or Other Clients. For example, advisory affiliates of KKR and KKR Credit act as a sub-adviser with respect to capital allocated by investment vehicles and other accounts managed and advised by PAAMCO Prisma, and PAAMCO Prisma acts as investment adviser or sub-adviser to investment vehicles and other accounts established by KKR, KKR Credit and/or their advisory affiliates. Such transactions (which do not involve securities or KKR advisory clients on both sides of the transaction) are neither principal transactions nor agency cross transactions. However, because of a KKR affiliate's financial interest in Stakes and Seed Managers, an affiliate of KKR will receive additional compensation related to such transactions. Such additional compensation will not be shared with KKR Funds, Other Clients or KKR Associates Vehicles. Certain Employees are also charged no (or reduced) management or incentive fees by the Stakes and Seed Managers for their personal investments in Stakes and Seed Funds. For further information, please see also

“Investments of Stakes and Seed Funds and Other Pooled Funds” and **“Other Conflicts of Interest – Minority Investments in Other Businesses”** below.

Cross Transactions and Agency Cross Transactions

Agency cross transactions are transactions in which KKR arranges for a KKR Fund or Other Client to buy a security from, or sell a security to, another KKR Fund or Other Client. It is expected that KKR will, from time to time, cause different KKR Funds (or Other Clients) to invest at different times in a single portfolio company, for example, where a KKR Fund that made an initial investment in a portfolio company does not have sufficient capital to make a follow-on investment in the company when such an opportunity arises. It is also expected that from time to time KKR will determine that a cross transaction or follow-on investment between KKR Funds or Other Clients is in the best interest of the relevant KKR Funds or Other Clients. For example, a KKR Fund or Other Client might seek to sell a portfolio company that evolves to have a lower risk and return profile and longer than expected holding period (or other relevant characteristics) to the core investment vehicles (including those treated as KKR proprietary entities), continuation funds or other investment vehicles designed to acquire portfolio company interests in secondary market transactions, and/or other KKR Funds or Other Clients. Agency cross transactions will create conflicts of interest in certain cases because KKR would have an incentive to improve the performance of one KKR Fund or Other Client by selling underperforming assets to another KKR Fund or Other Client, for example, to earn increased fees.

Accordingly, KKR has adopted a cross trades policy and procedures designed to properly manage related conflicts. In addition, the governing documents of KKR Funds or Other Clients generally impose certain restrictions on the ability of KKR or its affiliates to effect these transactions, unless client consent is obtained for such transactions in the manner set forth under such governing documents. Additional requirements under such governing documents also often include having the transaction price for such transactions determined using independent valuation sources, approved by an independent valuation expert, or otherwise determined to be fair to KKR Funds and Other Clients by an independent third party or calculated in accordance with the methodology set forth under such governing documents. In addition, KKR might elect to take other steps that seek to mitigate potential or actual conflict of interest involved in effecting principal transactions or cross transactions, such as identifying a third party investor in the portfolio company to participate in or lead the sell-side negotiations alongside KKR Funds or Other Clients, providing investors in KKR Funds or Other Clients the opportunity to participate on the buy side of the transaction alongside KKR Funds or Other Clients or running a sale auction to help validate the price of the transaction.

In addition, two or more portfolio companies in which a KKR Fund and/or Other Client, KKR proprietary vehicles and/or other persons (collectively, “Other Participants”) hold an interest from time to time will merge or otherwise enter into a business or asset combination transaction (such merged or combined companies, businesses or assets, the “Successor Company”). In such transactions, the KKR Fund and such Other Participants could have varied or no interests in certain of such portfolio companies participating in the merger or combination. Following such merger or combination, the KKR Fund and Other Participants will exchange securities issued by their existing portfolio companies, as applicable, for or otherwise hold or receive, securities in the Successor Company. If any of the portfolio companies involved in any such merger or business or asset combination (or their relevant businesses or assets) are under or over valued in connection with the merger or combination, a KKR Fund and or any of the Other Participants will receive too great or too small an interest in the Successor Company, which would adversely impact the KKR Fund and/or Other Participants receiving too small an interest and could otherwise be viewed as causing an indirect transfer of value between the KKR Fund and Other Participants. Notwithstanding such transfer of value, such merger or combination transactions generally will not constitute or otherwise be treated by the KKR Fund or Other Participants as principal or cross transactions that are subject to the restrictions

applicable to principal or cross transactions under the governing documents of KKR Funds and Other Clients.

The cross transaction provisions of the governing documents of KKR Funds and Other Clients apply to securities and other assets held by KKR Funds and Other Clients for which such KKR Funds or Other Clients have contributed capital or otherwise funded investment amounts. Such provisions do not apply to contractual rights of participation secured by a KKR Fund or Other Client or any subsidiary holding vehicle thereof in actual or potential investment opportunities, or an equity commitment letter entered into by a KKR Fund or Other Clients or subsidiary holding vehicle thereof in respect of prospective investment opportunities. As a result, if a KKR Fund or Other Client declines to exercise any contractual right of participation in any actual or potential investment opportunity, or if a KKR Fund or Other Client elects to assign all or a portion of an equity commitment letter in respect of a prospective investment opportunity to Other Participants, the investment therein by Other Participants, as applicable, will not constitute or otherwise be treated by such KKR Fund or Other Client, or such Other Participants as principal or cross transactions that are subject to the restrictions applicable to principal or cross transactions under the governing documents of KKR Funds and Other Clients. For further information, please see “**Allocations of Investment Opportunities – Co-Investment Structuring**” and “**Other Conflicts of Interest – Secondary Transfers of Interests**” below.

Core Investments

In addition to its traditional private equity and other private markets fund strategies, KKR and certain KKR Funds or Other Clients pursue a “core” private equity investment strategy that seeks to invest in businesses that have the potential to generate attractive risk-adjusted returns and net asset value appreciation over a longer time horizon than that of traditional private equity fund investments. While core investments also typically have a lower risk and return profile than traditional private equity investments, no single attribute is determinative and attributes of a particular core private equity investment could change over time. In addition, there could be overlap between core private equity investments and investments that fall within other strategies, such as infrastructure, real estate, climate and energy. KKR has established core investment vehicles with capital commitments from fund investors and KKR’s Balance Sheet to make core investments in private equity and real asset opportunities globally. KKR has also more recently established or is in the process of establishing KKR Funds that pursue core investments in other private markets investment strategies both globally and in specific geographic regions, including real estate and infrastructure. KKR’s Balance Sheet is expected to continue to invest capital into KKR Funds that pursue core investments. KKR Credit Funds and Global Atlantic Accounts also expect from time to time directly invest in core investment vehicles, or to serve as lenders under credit facilities or otherwise provide warehousing or other financing to, such core investment vehicles, subject to any required insurance regulatory approvals and the governing documents of relevant KKR Funds. Please see “**KKR Purchases/Sales of Securities Recommended to KKR Funds and Other Clients – Proprietary Investments**” below for further information regarding such investments.

Real Estate Transactions

KKR (for its own account or the account of an affiliate, including through the core investment vehicles) could cause a KKR Fund or Other Client to, enter into real estate related transactions with KKR Fund or Other Client portfolio companies. Such transactions include, for example, buying or selling real estate assets, acquiring or entering into leasing arrangements or amending such arrangements, or transferring options or rights of first refusal to acquire real estate assets. None of the foregoing transactions, which generally do not involve securities, are governed by the principal transaction and cross transaction restrictions and policies described above but are subject to guidelines established by KKR to properly manage related conflicts.

Participation of Affiliated Broker-Dealers in KKR Fund or Other Client Transactions

As described in response to Item 10, KKR is affiliated with several broker-dealers. As noted in Item 10, these Affiliated Brokers (including their respective related lending vehicles) manage or otherwise participate in underwriting syndicates and/or selling groups with respect to securities, debt instruments or other financial products issued or potentially issued by portfolio companies, holding companies and other controlled or non-controlled entities in or through which KKR Funds or Other Clients invest. Further, Affiliated Brokers are otherwise involved with the public or private placement of securities or debt instruments issued by a KKR Fund's or Other Client's portfolio companies and other controlled or non-controlling entities in or through which a KKR Fund or Other Client invests. Affiliated Brokers also provide capital markets advisory services to portfolio companies of KKR Funds or Other Clients and other controlled or non-controlling entities in or through which KKR Funds or Other Clients invest, including in connection with mergers and acquisitions, recapitalizations, refinancings and restructurings; and will alone, or with other counterparties, which might include other KKR investment vehicles, third party banks or other unaffiliated finance providers, provide acquisition financing, lines of credit, bridge financing, hedging and other corporate lending or financing products and services to such entities in addition to financing provided through a KKR Fund or Other Client's investment. In addition, Affiliated Brokers arrange lines of credit for (i) portfolio companies and other controlled or non-controlled entities in or through which KKR Funds or Other Clients invest; (ii) KKR Funds; (iii) Other Clients; and (iv) other third parties. Affiliated Brokers (through their respective lending related vehicles) also provide loans and lines of credit or bridge financing to such entities, or participate actively in the financing of a KKR Fund or Other Client or their respective portfolio investments, for example, by arranging financing, including financings involving KKR affiliates such as Global Atlantic Accounts as lenders. Affiliated Brokers and/or other KKR affiliates, as a consequence of such activities, hold positions in instruments and securities issued by a KKR Fund's or Other Client's portfolio companies (or controlled or non-controlled entities through which they invest), enter into obligations to acquire such instruments or securities, and from time to time engage in transactions that are also appropriate investments for a KKR Fund or Other Client. Subject to applicable law, Affiliated Brokers receive fees, including underwriting, arranger, placement, syndication and transaction fees, commissions, underwriting discounts, interest payments and other compensation, including compensation that is payable in cash or securities and not required to be shared with KKR Funds or Other Clients. KKR Funds and Other Clients will directly bear, or indirectly bear through portfolio companies, holding vehicles and other entities in or through which they invest (including where such costs are shared between such entities and KKR Funds or Other Clients), the foregoing fees paid to Affiliated Brokers (as well as the expenses, charges and costs of any benchmarking, verification or other analysis related thereto). Affiliated Brokers from time to time waive such fees.

In certain circumstances, where an Affiliated Broker is participating in underwriting and financing transactions, it does so as lead or sole arranger in which case it will be responsible for establishing the relevant fees and other payments charged to a KKR Fund's or Other Client's portfolio companies in which it invests. In addition, a KKR Fund or Other Client might not be able to participate in an offering or other transaction involving an existing portfolio company due to the Affiliated Broker's involvement in such offering or other transaction. Where an Affiliated Broker serves as underwriter with respect to a portfolio company's securities, the relevant KKR Fund, Other Client or portfolio company is sometimes subject to a "lock-up" period following the offering under applicable regulations or agreements during which time its ability to sell any securities that it continues to hold is restricted. This could adversely affect such KKR Fund's or Other Client's ability to dispose of such securities at an opportune time.

In addition, an entity in which a KKR Fund or Other Client has invested could become distressed and the participants in the relevant offering could have a valid claim against the underwriters of the relevant offering. Such underwriters could include an Affiliated Broker, in which case, the KKR Fund or Other

Client would have a conflict of interest in determining whether to sue such underwriters. Where such underwriters include non-affiliated broker-dealers, the relevant KKR Fund or Other Client will also have a conflict of interest in determining whether to bring a claim because of concerns regarding the relationships of KKR and its affiliates with such non-affiliated broker-dealers, which could relate to and otherwise benefit other KKR Funds, Other Clients or KKR and its proprietary entities.

KKR has a conflicts of interest policy and procedures in place where transactions involving a KKR Fund or Other Client and an Affiliated Broker or its respective lending vehicles are appropriately reviewed and reported to KKR's Global Conflicts Committee. In addition, KKR reviews such transactions to ensure that the requirements of Section 206(3) of the Advisers Act and Rule 206(3)-2 under the Advisers Act, as applicable, in respect of principal transactions between any KKR Fund or Other Client and KKR or its affiliates (including any Affiliated Broker) are complied with in the context of such transactions. Affiliated Brokers will from time to time have access to confidential and/or material non-public information regarding KKR Funds, Other Clients or their portfolio companies, and, subject to applicable law and confidentiality agreements, use such information in connection with financing and other services provided by the Affiliated Brokers.

Affiliated Brokers also provide investment banking, advisory and other services to affiliated or unaffiliated corporations, financial sponsors, management or other persons. Such services could relate to transactions that could give rise to investment opportunities that are suitable for KKR Funds or Other Clients. In such case, the Affiliated Broker's particular client would typically require the Affiliated Broker to act exclusively on its behalf, thereby precluding KKR Funds or Other Clients from participating in such investment opportunities. No Affiliated Broker would be obligated to decline any such engagements in order to make an investment opportunity available to KKR Funds or Other Clients. In addition, Affiliated Brokers could come into the possession of information through these new businesses that limits a KKR Fund's or Other Client's ability to engage in potential transactions.

Affiliated Brokers or KKR investment vehicles (including KKR proprietary Balance Sheet entities) will from time to time provide interim financing to, or make investments that are intended to be of a temporary nature in securities of, a third party sponsor or its acquisition vehicle or to another company for the purposes of acquiring a portfolio company or an interest in a portfolio company from a KKR Fund. Although not limited to such arrangements, this type of financing will, for example, be provided through pre-arranged buyer financing packages arranged and offered by Affiliated Brokers or other KKR investment vehicles to potential bidders for the relevant portfolio company or interest. KKR will face conflicts of interest where any Affiliated Brokers or such other KKR investment vehicle provides such acquisition financing, in particular in respect of its incentives to select a bidder using such financing for the purposes of creating an investment opportunity for such Affiliated Brokers or other KKR investment vehicles and, potentially, related arranging fees for KKR affiliates. Any such financing arrangements will be subject to KKR's policies and procedures for addressing conflicts.

Financial Interest in KKR Fund, Portfolio Company or Other Client Transactions

As described in Item 5, KKR and its affiliates receive monitoring fees, financial advisory fees, loan administrative agent fees, transaction fees, and other compensation for services provided to portfolio companies, holding companies and other entities in or through which a KKR Fund or Other Client invests. Such parties also receive breakup fees and other compensation with respect to KKR Fund or Other Client portfolio company investments (including unconsummated or terminated transactions). As noted above, such compensation often is shared with the relevant KKR Funds or Other Clients in the manner described in their offering materials, disclosure documents and/or governing documents.

Certain portfolio companies of KKR proprietary investments, KKR Funds or Other Clients are counterparties to, or participants in, agreements, transactions or other arrangements with portfolio companies of another KKR Fund or Other Client (for example a portfolio company of a KKR proprietary investment or KKR Fund has retained a company in which another KKR Fund has invested to provide loan administration or asset leasing services or products). Agreements, transactions, and other arrangements entered into by portfolio companies of KKR proprietary investments, KKR Funds or Other Clients will in certain instances indirectly benefit KKR, the relevant KKR Fund or Other Client as an investor in such companies, or adversely impact the KKR Fund's or Other Client's portfolio companies with which they do business. The interest of KKR, any KKR Fund or Other Client in maximizing its return on such investments gives rise to a conflict of interest, in particular, but not limited to, where KKR, the KKR Fund or Other Client has the ability through its investments to influence the activities of such companies or encourages portfolio companies of a KKR proprietary investment, KKR Fund or Other Client to transact therewith. Such portfolio companies will also in certain cases compete with a KKR Fund's or Other Client's investments. For example, KKR (through its proprietary investment activities) or a KKR Fund from time to time invests in a company which competes with, is a customer of, or is a service provider or supplier to another KKR Fund portfolio company. These arrangements have the potential for a conflict of interest to arise because the KKR Fund portfolio company to which such services are provided is indirectly paying fees for services that indirectly benefit the other KKR Fund (or proprietary entity) that has an ownership interest in the portfolio company service provider. KKR could be perceived as incentivized under such circumstances to influence the negotiations between such portfolio entities to agree to terms or establish service levels (if applicable) that disproportionately favor one or more of the portfolio entities involved. Where such arrangements are between portfolio entities of a KKR Fund or Other Client and another KKR Fund or Other Client, the conflicts of interests involved, including the allocation of expenses among such entities, will depend on the level of independence between the management of such portfolio entities and KKR.

In providing advice and recommendations to a portfolio company, or with respect to a portfolio company's business dealings, KKR, any KKR Fund, or Other Client, is not, when acting in such capacity, obligated to and might not take into consideration the interests of the other relevant KKR Fund or Other Client or their portfolio companies and other investments. Accordingly, these circumstances give rise to certain potential conflicts of interest. A portfolio company of a KKR proprietary investment, KKR Fund or Other Client could also do something for commercial reasons that has adverse consequences for another KKR Fund or Other Client or its portfolio company, such as seeking to expand its market share at the expense of the other KKR Fund portfolio company, withdrawing business from the other KKR Fund portfolio company in favor of another company offering the same product or service at a lower price, increasing its own prices along with other enterprises in the industry, or commencing litigation against another KKR Fund's portfolio company. KKR Funds or Other Clients also from time to time obtain confidential information regarding portfolio companies that they cannot act on or disclose to another KKR Fund or Other Client or their portfolio companies due to confidentiality requirements or applicable law, though such action or disclosure might be in the latter's interests. Accordingly, such business dealings could result in adverse consequences to such other KKR Funds or Other Clients or their investments.

In addition, portfolio companies of KKR proprietary entities, KKR Funds or Other Clients that provide financial services could enter into agreements, transactions or other arrangements with KKR, certain KKR proprietary entities, and Affiliated Brokers. For example, investments originated by KKR, certain KKR proprietary entities, or Affiliated Brokers could be sold to, purchased from, or distributed by a portfolio company that provides financial services. Agreements, transactions, and other arrangements entered into by a portfolio company that provides such financial services will directly or indirectly benefit KKR, KKR proprietary entities and Affiliated Brokers, or could adversely impact the relevant KKR Fund or Other Client with which they do business. The interest of KKR, the KKR proprietary entities or Affiliated Brokers in maximizing return on such investments gives rise to a conflict of interest, including, but not limited to,

where KKR, the KKR proprietary entity or Affiliated Broker have the ability to influence or control the activities of the portfolio company that provides such financial services. KKR has established policies and procedures to address these conflicts, including policies and procedures designed to ensure that any fees paid to or received from such portfolio companies are negotiated at arms-length, and that any potential conflicts are disclosed.

Certain KKR proprietary entities and Affiliated Brokers, on behalf of their proprietary and client accounts, make investments in minority or majority interests in companies, businesses or other investments which are counterparties to or participants in agreements, transactions or other arrangements with portfolio companies of, a KKR Fund or Other Client. These include certain Platform Managers and Platform Arrangements, loan servicing and administrative services and proprietary RE Platforms described in detail in Item 5. In addition, portfolio companies of a KKR Fund are likely to retain companies in which KKR has a proprietary interest to provide services or products (please see *Service Providers* below) or acquire an asset from such company. KKR's indirect ownership of KKR Capital Markets LLC (please see Item 10) is another example. Agreements, transactions and other arrangements entered into by KKR Fund or Other Client portfolio companies and any such companies will indirectly benefit KKR as an owner of such companies or could adversely impact any KKR Fund or Other Client portfolio companies with which they do business. KKR's interest in maximizing its return on such investments will give rise to a conflict of interest, in particular, but not limited to, where KKR has the ability through its investments to influence the activities of such companies or encourages portfolio companies of KKR Funds or Other Clients to transact with such companies. Transactions between companies in which KKR (or any of its affiliates or personnel) acquires such proprietary interests, on the one hand, and KKR Funds or Other Clients or their respective portfolio companies, on the other, are generally not expected to constitute the types of transactions that will entitle such companies to fees or other compensation that will reduce management fees payable by the KKR Fund or Other Client. For example, insurance brokerage fees or IT licensing fees payable by a KKR Fund portfolio company to an affiliate of KKR for related services of an affiliate of KKR will not reduce management fees, but will benefit the KKR affiliate. Similarly, fees paid to Platform Managers, Asset Servicers or loan servicers in which KKR and its affiliates have an interest will not reduce management fees.

Certain KKR proprietary entities and Affiliated Brokers, on behalf of their proprietary and client accounts, are likely to make investments in companies, businesses or other investments that compete with a KKR Fund's or Other Client's investments. For example, KKR or its affiliates could invest in a company which competes with a KKR Fund's portfolio company. In providing advice and recommendations to, or with respect to such investments and in dealing in such investments on behalf of the relevant proprietary or client accounts, KKR and its affiliates will not take into consideration the interests of the relevant KKR Fund or Other Client or their portfolio companies and other investments. Accordingly, such advice, recommendations and dealings could result in adverse consequences to KKR Funds or Other Clients or their investments (see also Item 10 for a discussion of services provided by Affiliated Brokers to competitor companies).

In addition to the entitlement to carried interest distributions, a KKR GP and/or its affiliates will generally make a commitment to a KKR Fund and will hold a partnership interest in the KKR Fund. As noted below under "*Structured Finance Arrangements*," these commitments could be funded in whole or in part through various financing arrangements, which could alter the alignment of the interest of KKR or its affiliates with the interests of the limited partners of the KKR Funds.

As noted in response to Item 5, Employees, Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and other Consultants serve on the boards of KKR Fund or Other Client portfolio companies, and in such capacity currently receive and are expected in the future to receive director's fees that are retained in whole or in part by the relevant Employee, Senior Advisor, Executive Advisor, Industry Advisor, KKR

Advisors or other Consultant. Serving in such capacity gives rise to conflicts to the extent that an Employee's fiduciary duties to a portfolio company as a director conflicts with the interests of KKR Funds or Other Clients. As the KKR Funds or Other Clients will generally be significant investors in such companies, it is expected that such interests will generally be aligned. Employees, Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and other Consultants also serve as directors or interim executives, or are otherwise associated with, companies that are competitors of portfolio companies of KKR Funds or Other Clients. It would be expected that the interests of a competitor company would often not be aligned with those of a KKR Fund, Other Client or their portfolio company, and consistent with the fiduciary duty owed by Employees, Senior Advisors, Executive Advisors, Industry Advisors, KKR Advisors and other Consultants to such competitor companies when serving on their boards, they will act in the best interests of the competitor companies, and not in the best interests of KKR Funds or Other Clients. Having KKR Employees serve as directors or interim executives of a portfolio company of a KKR Fund or Other client or another company (including a portfolio company of another KKR Fund, Other Client or KKR proprietary entity) will, under certain circumstances, restrict the ability of a KKR Fund to invest directly in an investment opportunity that also constitutes an investment opportunity for such company.

KKR and its affiliates receive certain fees through third parties pursuant to participation or "back-to-back" arrangements (please see Item 5 – *Non-Shared Fees*). While KKR and its affiliates believe that such fees and other compensation are reasonable and generally at market rates for the relevant activities, such compensation is generally determined through negotiations with related parties and not on an arm's length basis. In connection with such arrangements, KKR will make determinations of market rates based on its consideration of a number of factors, which are generally expected to include KKR's experience with non-affiliated service providers as well as benchmarking data and other methodologies determined by KKR to be appropriate under the circumstances. While KKR and its affiliates will generally seek to obtain benchmarking data regarding the rates charged or quoted by third parties for similar services, it is possible that appropriate comparisons are not available for a number of reasons, including for example, a lack of a substantial market of providers or users of such services or the confidential and/or bespoke nature of such services. Accordingly, any such market comparison efforts by KKR could potentially result in inaccurate information regarding market terms for comparable services. Depending on the nature of the relevant services provided, expenses to obtain benchmarking data will be borne by the relevant portfolio company or directly by the KKR Fund, Other Client and/or such other investment vehicles and accounts that invest.

As discussed below under "**KKR Purchases/Sales of Securities Recommended to KKR Funds or Other Clients**," Employees and other persons associated with KKR and executives of KKR Fund portfolio companies are permitted to invest in KKR Associates Vehicles established as co-investment vehicles to facilitate participation by such persons in portfolio investments made by KKR Funds or Other Clients (which vehicles typically will not be charged management fees or carried interest allocations or certain expenses). Employees and other persons associated with KKR as well as KKR proprietary entities also are permitted to co-invest in "opportunistic" investments by the Balance Sheet (described below), which will also be made alongside KKR Funds or Other Clients. Please see "**KKR Purchases/Sales of Securities Recommended to KKR Funds and Other Clients – Proprietary Investments**" and "**Allocations of Investment Opportunities – Balance Sheet Investments**" for further information regarding such investments.

Certain KKR proprietary entities also make capital contributions to KKR Funds and co-investments in portfolio companies. The KKR Public Company indirectly holds limited partnership interests in KKR Funds and co-investments in portfolio companies, which it has transferred or sold (in whole or in part) or will transfer or sell (in whole or in part) to third parties (including other investors in KKR Funds) in negotiated transactions. Please see "**KKR Purchases/Sales of Securities Recommended to KKR Funds and Other Clients – Proprietary Investments**" for further information regarding such investments.

KKR Funds and Other Clients expect, from time to time, to sell a portfolio company interest to a limited partner of a KKR Fund or Other Client, including a limited partner or Other Client already directly or indirectly holding an interest in the same portfolio company or a limited partner in another KKR Fund or Other Client that is not invested in the portfolio company. Because such proposed sales are from KKR Funds or Other Clients (and not KKR) and to limited partners of KKR Funds or Other Clients and not “clients” as defined under the Advisers Act, KKR does not consider such sale transactions to be principal transactions. KKR has policies and procedures to manage conflicts of interest that arise in these circumstances.

Investments in which KKR, KKR Funds, Other Clients, KKR Credit, and/or KKR Credit Funds Invest in Different Securities of the Same Issuer or Invest in the Same Issuer on Same or Different Dates

Certain KKR Credit Funds have an investment focus that is, at least in part, similar to the focus of certain KKR Funds, Other Clients, KKR Associates Vehicles or certain KKR proprietary entities. In particular, certain KKR Credit Funds co-invest in private equity and other investments made by KKR Funds or Other Clients alongside such KKR Funds or Other Clients. In addition, certain KKR Funds or Other Clients co-invest in KKR Credit investment strategies alongside KKR Credit Funds and Other Clients. The overlap of investment focus will in certain cases give rise to conflicts of interest between clients of KKR Credit on the one hand and KKR Funds or Other Clients on the other hand, including potential conflicts in allocating and managing certain investments.

Certain KKR Funds, KKR Credit Funds, KKR Associates Vehicles and other KKR proprietary entities, Other Clients and KKR affiliates, including an Affiliated Broker and Global Atlantic Accounts, will also from time to time invest in different parts of the capital structure of the same portfolio company. For example, a KKR Credit Fund or a KKR affiliate, including an Affiliated Broker or Global Atlantic Account, could invest in debt securities issued by a portfolio company in which a KKR Fund has a controlling or other equity interest. Under such circumstances, the interests of the KKR Credit Fund and such KKR Fund or KKR affiliate, including any Affiliated Broker or Global Atlantic Account, will not always be aligned, which will give rise to conflicts of interest, or the appearance of such conflicts of interest. Actions taken for a KKR Fund or Other Client might therefore be adverse to those taken for a KKR Credit Fund or a KKR affiliate, or vice versa. KKR and KKR Credit have policies and procedures to mitigate potential conflicts of interest involved in investments by such entities in different parts of a portfolio company’s capital structure and in certain cases will take conflict mitigating actions that, in the absence of a potential conflict, they would not take, such as abstaining from exercising voting or other rights with respect to certain equity or debt investments in a portfolio company; remaining passive in a restructuring or similar situations (including electing not to vote or voting pro rata with other investors in the portfolio company); investing in the same or similar classes of the portfolio company’s capital structure to create alignment of interests; or otherwise taking an action designed to mitigate or eliminate the conflict.

Additionally, the investment programs employed by KKR or KKR Credit (as applicable) for KKR Funds, Other Clients, KKR Credit Funds or KKR proprietary entities, as applicable, will conflict from time to time with the transactions and strategies employed by KKR in managing KKR Funds and Other Clients (or, as applicable, other KKR Funds or Other Clients). For example, where a KKR Fund, Other Client, KKR Credit Fund, or KKR proprietary entities hold portfolio investments in the same issuer, their interests will in many cases be in conflict irrespective of whether their investments are at different levels of the capital structure. In addition, KKR and KKR Credit, as applicable, could give advice or take action (including entering into short sales, derivatives transactions or other “opposite way trading” activities) with respect to investments held by, and transactions of, certain KKR Funds, Other Clients, KKR Credit Funds, or KKR proprietary entities that are different from, or otherwise inconsistent with, the advice given or timing or nature of any

action taken with respect to the investments held by, and transactions of, KKR Funds or Other Clients (or, as applicable, other KKR Funds or Other Clients). Such advice and actions could adversely impact a KKR Fund or Other Client.

The timing of entry into or exit from a portfolio investment could vary as among KKR Funds, Other Clients, KKR Credit Funds, and KKR proprietary entities for reasons such as differences in strategy, existing portfolio or liquidity needs. Similarly, the form of consideration received in connection with an exit of an investment could also vary among these parties if, for example, KKR proprietary accounts receive and retain an in-kind distribution of securities, for example, through an in-kind distribution by a KKR Fund, Other Client or KKR Credit Fund to its general partner, where such securities are otherwise disposed of by such KKR Fund, Other Client or KKR Credit Fund for cash, in whole or in part. The above variations in timing or form of consideration could be detrimental to another KKR Fund or Other Client or any such other investing entities. There can be no assurance that the terms of, or the return on, such KKR Fund's or Other Client's investment will be equivalent to, or better than, the terms of, or the returns obtained by, a different KKR Fund or Other Client, or a KKR Credit Fund, or KKR proprietary entity, including in respect of any category of investments, nor can there be any assurance that a different KKR Fund or Other Client, or a KKR Credit Fund, or KKR proprietary entity with similar investment objectives, programs or strategies, including, without limitation, any Seed Investments, will hold the same positions, obtain the same financing or perform in a substantially similar manner as such KKR Fund or Other Client.

Different advice and/or inconsistent actions is motivated by a variety of reasons, including, without limitation, the differences between the investment objective, program, strategy or tax treatment of certain KKR Funds or Other Clients, KKR Credit Funds, or KKR proprietary entities on the one hand and different KKR Funds or Other Clients on the other, the regulatory status of certain KKR Funds or Other Clients, KKR Credit Funds, and any related restrictions or obligations imposed on KKR (or any affiliate) as a fiduciary thereof (including, for example, certain KKR Funds or Other Clients, or KKR Credit Funds invested in by pension plans and employee benefit plans and constituting "plan assets" subject to ERISA and/or Section 4975 of the Code, or certain KKR Funds or Other Clients, or KKR Credit Funds that are registered as investment companies under the Investment Company Act). For example, certain KKR Funds (either directly or indirectly through subsidiaries) are permitted to engage in *bona fide* hedging transactions in connection with their investments, and/or also enter into derivative transactions for investment purposes or speculative purposes where determined appropriate by the relevant KKR GP. KKR proprietary entities could also enter into such transactions for speculative purposes or, alternatively, to hedge a given risk related to a given investment more or less fully than such KKR Fund. KKR proprietary entities could enter into such hedging arrangements in connection with investments alongside a KKR Fund and, like other investors in such KKR Fund, could also enter into hedging arrangements in connection with their investments made through such KKR Fund (including with respect to the applicable KKR GP's entitlement to receive carried interest distributions), which arrangements are not employed by such KKR Fund itself. These differences in hedging strategy could result in such KKR proprietary entities achieving more or less favorable returns with respect to an investment relative to the returns achieved by the KKR Fund or Other Client or other investors in the KKR Fund or Other Client. In the future, certain KKR Funds or Other Clients, KKR Credit Funds or a KKR proprietary entity could concurrently, or in close proximity in time with such acquisition by a different KKR Fund or Other Client, establish a short position in a security acquired by such KKR Fund or Other Client (for example as collateral) or that otherwise relates to such an investment held by such KKR Fund or Other Client, and such short sale could result in a decrease in the price of the security acquired by or otherwise held by such KKR Fund or Other Client or otherwise benefit the execution of the transaction entered into by another KKR Fund or Other Client, or a KKR Credit Fund, and/or KKR proprietary entity.

With respect to private equity investments, KKR Funds, Other Clients or KKR proprietary entities will often seek to acquire controlling or other significant influence positions in some of its investments and will

also seek to make some investments in which they do not acquire control or significant influence. KKR Funds or Other Clients will frequently have the ability to elect some or all of the members of the board of directors of their portfolio companies and thereby influence and control their policies, including the appointment of management, future issuances of common stock, or other securities, the payments of dividends, if any, on their common stock, the incurrence of debt, amendments to their certificates of incorporation and bylaws, and entering into extraordinary transactions. Certain actions of a portfolio company that KKR is in a position to control or influence by reason of a KKR Fund's, Other Client's or KKR proprietary entity's interest in such company could be in the interests of the KKR Fund, Other Client or KKR proprietary entity but adverse to the interests of a KKR Credit Fund, or vice versa. For example, a KKR Fund or KKR proprietary entity could have an interest in pursuing an acquisition that would increase indebtedness, a divestiture of revenue-generating assets, or another transaction that, in KKR's judgment, could enhance the value of the KKR Fund's investment, but would subject debt investments made by a KKR Credit Fund, Affiliated Broker or Global Atlantic Account, to additional or increased risk.

In addition, to the extent that a KKR Fund, Other Client or KKR proprietary entity is the controlling shareholder of a portfolio company, KKR or a KKR affiliate is likely to have the ability to determine (or significantly influence) the outcome of all matters requiring stockholder approval and to cause or prevent a change of control of such company or a change in the composition of its board of directors and could preclude any unsolicited acquisition of that company. A KKR Fund's, Other Client's or KKR proprietary entity's interests with respect to the management, investment decisions, or operations of a portfolio company could at times be in direct conflict with those of a KKR Credit Fund that does not have the same level of control or influence over the company. As a result, KKR will from time to time face actual or perceived conflicts of interest, in particular, in exercising powers of control over KKR Fund portfolio companies.

KKR's ability to implement any KKR Fund's or Other Client's strategy effectively could also be limited to some extent by contractual obligations entered into in respect of investments made by a different KKR Fund or Other Client, or a KKR Credit Fund, or KKR proprietary entity. Limitations on strategy implementation could also result from regulatory obligations or restrictions imposed on KKR as a result of the regulatory status of KKR proprietary entities and/or different KKR Funds or Other Clients, or a KKR Credit Fund (for example, under ERISA or the Investment Company Act), including restrictions on the ability of any KKR Fund or Other Client (or KKR on their behalf) to invest in securities or interests that such KKR Fund or Other Client would otherwise be interested in pursuing or to otherwise take actions in respect of such KKR Fund's or Other Client's investments that would otherwise be beneficial to such KKR Fund or Other Client. For example, in certain instances in connection with the sale of investments by KKR proprietary entities or KKR Funds and Other Clients, KKR could enter into agreements prohibiting KKR Funds, Other Clients and KKR proprietary entities from engaging in activities that are deemed to compete with the disposed of investment for a certain period of time. Such agreements could, in turn, prevent KKR Funds or Other Clients from acquiring investments in certain sectors or regions, including investments that otherwise would have been appropriate for KKR Funds or Other Clients.

KKR Credit Funds and KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts) will from time to time invest in debt issued by the same companies that a KKR Fund or Other Client has invested in. The interests of the KKR Fund or Other Client will not be aligned in all circumstances with the interests of KKR (or any affiliate) or KKR Credit Funds and KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts) to the extent that they hold debt interests, which could create actual or potential conflicts of interest or the appearance of such conflicts. In that regard, actions could be taken by KKR (or any affiliate) or KKR Credit Funds and KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts) that are adverse to the KKR Fund or Other Client. The involvement of KKR, on the one hand, and KKR Credit, on the other hand, at both the equity and debt levels could inhibit strategic information exchanges among other creditors. In certain circumstances, KKR Funds, Other Clients, KKR

Credit Funds or KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts) will be prohibited from exercising voting or other rights, and could be subject to claims by other creditors with respect to the subordination of their interests. The interests of the KKR Fund, Other Client, KKR and/or KKR Credit Funds or KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts) investing in different parts of the capital structure of a portfolio company are particularly likely to conflict in the case of financial stress or distress of the company and such conflicts will be increased where KKR and/or other KKR Funds or Other Clients hold material equity interests in a portfolio company or otherwise have a material influence on its management. If additional financing is necessary as a result of financial or other difficulties of a portfolio company, or to finance growth or other opportunities, it might not be in the best interests of a KKR Credit Fund or KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts), as a holder of debt issued by such company, to provide such additional financing and the ability of KKR to recommend such additional financing as being in the best interests of KKR Funds or Other Clients might be impaired or limited. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring, raise conflicts of interest. In addition, it is possible that, in a bankruptcy proceeding, KKR Funds' or Other Clients' interests could be subordinated or otherwise adversely affected by virtue of KKR's and/or a KKR Credit Fund's or KKR affiliates' (including an Affiliated Broker and/or Global Atlantic Accounts) involvement and actions relating to their investments. There can be no assurance that the term of or the return on KKR Funds' or Other Clients' investments will be equivalent to or better than the term of or the returns obtained by a KKR Credit Fund or KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts) participating in the transaction. This could result in a loss or substantial dilution of a KKR Fund's or Other Client's investment, while KKR (or an affiliate) or a KKR Credit Fund or KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts) recovers all or part of amounts due to it. Similarly, KKR's ability to implement a KKR Fund's or Other Client's strategies effectively will be limited to the extent that contractual obligations entered into in respect of the activities of KKR affiliates (including an Affiliated Broker and/or Global Atlantic Accounts) or KKR Credit Fund impose restrictions on such KKR Fund or Other Client engaging in transactions that KKR would be interested in otherwise pursuing.

KKR Funds, Other Clients, their portfolio companies and other entities in or through which KKR Funds and Other Clients invest will enter into deal-contingent hedging arrangements with respect to prospective investments. Under these arrangements, in exchange for a fixed fee a bank or other counterparty unaffiliated with KKR will agree to assume the market risk associated with a hedging arrangement entered into by or on behalf of the KKR Fund, Other Client or such other entity in or through which a potential investment is proposed to be made (e.g., with respect to FX or interest rate risk) in the event that the relevant investment is ultimately not consummated. An affiliate of KKR will in turn enter into agreements with such counterparty pursuant to which such KKR affiliate will agree to assume some portion of the market risk under the deal-contingent hedging arrangement in consideration for a portion of the fee payable to such counterparty (see also Item 5 above). In these circumstances, the interests of the KKR affiliate receiving this Indirect Fee in a deal-contingent hedging arrangement will not always be aligned with the interests of the KKR Fund or Other Client. For example, if there is a market decline between the time the deal-contingent hedging arrangement is entered into and the closing of the investment, then the KKR affiliate participating in such hedging arrangement will be facing an unrealized loss (which could be substantial) that could be avoided by consummating the investment since the loss would only be realized if the investment does not close. Conversely, if there is a market increase between the time when the deal-contingent hedging arrangement is entered into and the closing of the investment, then the KKR affiliate participating in such hedging arrangement will be facing an unrealized gain (which could be substantial) that could be realized by not consummating the investment since the gain would only be crystallized if the investment does not close. As a result, KKR will face actual or perceived conflicts of interest in connection with the consummation (or abandonment) of an investment with respect to which a KKR affiliate has participated in a related deal-contingent hedging arrangement.

KKR has a global conflicts and compliance committee (the “Global Conflicts Committee”) comprised of senior employees from across KKR’s asset management, legal, compliance and operations groups. KKR’s Global Conflicts Committee reviews conflicts of interest that arise in KKR’s business, including conflicts relating to specific transactions and circumstances, as well as those implicit in the overall activities of KKR and its various businesses. In addition, KKR has established conflicts of interest policies and procedures intended to mitigate potential conflicts of interest inherent in investments by KKR Funds, Other Clients, and KKR Credit Funds in portfolio companies of other KKR Funds or Other Clients. These policies and procedures, which include limitations on both the maximum amounts and types of certain such investments and procedures relating to transacting in the securities of such companies when they become distressed, are intended to supplement such restrictions and other requirements relating to such investments as disclosed in the offering materials, disclosure documents and/or governing documents of any KKR Fund or Other Client. KKR Funds and Other Clients will seek to in an appropriate manner manage conflicts, which could involve, by way of example and without limitation, refraining from investing in, contributing additional capital to, or disposing of the investment giving rise to the conflicts of interest, referring the matter to independent third parties, obtaining a third-party fairness opinion, seeking consent from a KKR Fund’s or Other Client’s limited partner advisory committee or limited partners, or by a committee of independent directors, if applicable, or other means of resolving the conflict, to the extent permitted under the governing documents of such KKR Fund or Other Client. See also “*Proprietary Investments*” below, which describes the potential for Balance Sheet involvement as an investor in portfolio companies of KKR Funds, KKR Credit Funds or Other Clients, including the potential role of KKR proprietary entities as sponsor of or adviser to investment vehicles or continuation funds that invest in portfolio companies of other KKR Funds, KKR Credit Funds or Other Clients.

To the extent KKR Funds, Other Clients, KKR Credit Funds or Global Atlantic Accounts and any relevant dedicated single or multiple asset co-investment vehicles (and their related co-investors) co-invest in the same securities of the same issuer, KKR also will generally seek to ensure that all participants in such co-investments participate on comparable terms. This will not be practicable or appropriate in all circumstances, however, and, subject to applicable law, a KKR Fund or Other Client or co-investment vehicle would participate in such investments on different and potentially less favorable terms than other participants if KKR deems such participation as being otherwise in the best interests of any relevant KKR Fund or Other Client. In addition, a KKR GP will from time to time permit an “equity partner” (not affiliated with KKR) to participate in an investment alongside a KKR Fund or Other Client, if, in the KKR GP’s opinion, such participation facilitates the consummation of the investment or is otherwise beneficial to the investment or the KKR Fund or Other Client. Such equity partners could invest on terms that are materially different than the KKR Fund or Other Client (including on more favorable terms, including with respect to price) or exit at different times and on different terms than a KKR Fund or Other Client. Further, in many circumstances, Advisory Committee approval (or any other form of client approval) will not be required under the governing documents of KKR Funds and Other Clients for other KKR investment vehicles, proprietary entities or co-investors to acquire an interest in an existing investment of KKR Funds or Other Clients pursuant to a transaction that such KKR Funds or Other Clients elect not, or are unable, to participate in.

In addition to investing alongside KKR Funds, certain KKR Funds and other Clients will invest as limited partners in KKR Funds and will have the right to exercise any vote, consent or waiver required or permitted under the partnership agreements of the KKR Funds in which they invest in the same manner as other limited partners in such KKR Funds. Such KKR Funds typically (but not always) provide that all or certain votes, consents or waivers are exercised by the underlying investor(s) or other third party participants indirectly invested in such KKR Funds. To the extent that any such vote, waiver or consent is permitted to be exercised independently by KKR or an affiliate in its capacity as general partner, manager or a similar role, KKR and its affiliates will seek to exercise such vote, waiver or consent in accordance with the

interests of such KKR Funds or Other Clients investing as limited partners in KKR Funds, or alternatively exercise such discretion in accordance with prescribed mechanisms (i.e., in the same proportions as other limited partners vote with respect to the relevant item).

Investments of Stakes and Seed Funds and Other Pooled Funds

Stakes and Seed Funds and pooled funds or separate accounts managed by portfolio companies (or divisions or subsidiaries of portfolio companies) of KKR Funds or Other Clients are expected to pursue a broad range of investment strategies and invest in a broad range of securities and instruments and other assets globally. Any of these funds or accounts could invest in securities or other financial instruments of companies (or issuers) in which KKR Funds or Other Clients also have an interest. These funds and accounts could also invest in competitors of KKR Funds, Other Clients or their respective portfolio companies. Actions taken by any Stakes and Seed Manager in respect of any of the foregoing could adversely impact a KKR Fund or Other Client. Any such investments and actions will be controlled by the respective Stakes and Seed Manager and will generally be outside the control and oversight of KKR.

KKR Purchases/Sales of Securities Recommended to KKR Funds and Other Clients

Co-Investment Vehicles

As indicated above in response to Item 4, KKR (and its affiliates) offer and sponsor a number of vehicles that are dedicated co-investment vehicles that facilitate the co-investment by third party co-investors in single or multiple portfolio companies alongside other KKR Funds and Other Clients. Any such vehicle will be established at KKR's or its affiliates' sole discretion, and KKR and its affiliates have no obligation to offer a similar opportunity to any investors. Co-investment vehicles include, but are not limited to, investment vehicles that are only open to investment by Employees, Senior Advisors, Executive Advisors, Industry Advisors and other persons associated with KKR (which could include executives of KKR portfolio companies and external consultants) (i.e., KKR Associates Vehicles). These vehicles and the related co-investors will to the extent practicable typically invest in portfolio companies at the same time and price and on the same terms as the other participating KKR Funds, Other Clients and co-investment vehicles that are open to third party institutional co-investors seeking to participate in investments made by KKR Funds and Other Clients. These special purpose vehicles are established and administered by KKR and its affiliates to facilitate the investments and related investment decisions and activities of such third party co-investors. KKR does not provide investment management, advisory, monitoring or supervisory services to such vehicles or the related co-investors. KKR (and its affiliates) will sometimes charge management fees or receives incentive allocations for its services to certain co-investment vehicles. KKR (and its affiliates) does not charge management fees or receive incentive allocations for its services to KKR Associates Vehicles. KKR (or its affiliates) retains any allocated monitoring fees, transaction fees and service costs that could otherwise be allocated to KKR Associates Vehicles, co-investment vehicles or KKR proprietary entities based on their respective ownership of the relevant company or investment as discussed in Item 5. KKR (or its affiliates) could also bear any allocable share of expenses on behalf of these vehicles.

Proprietary Investments

KKR & Co. uses the balance sheet (the "Balance Sheet") of its subsidiaries as a significant source of capital to further grow and expand its business, increase its participation in existing businesses and improve the liquidity profile of the Firm. The Balance Sheet includes general partner interests in, and limited partner interests in, certain KKR Funds, KKR Credit Funds, and co-investments in certain portfolio companies of KKR Funds and KKR Credit Funds. The Balance Sheet also owns a 100% economic interest in Global Atlantic, the assets of KKR Financial Holdings LLC ("KFN") and interests in Stakes and Seed Managers. The Balance Sheet also holds other assets used in the development of KKR & Co.'s business, including

seed capital for the purpose of developing, evaluating and testing potential investment strategies or products (“Seed Investments”). The Balance Sheet also engages in certain structured financing transactions to improve the liquidity profile of the Firm and further expand its investor base. For example, the Balance Sheet has established alternative asset financing vehicles and certain separate structured managed accounts to obtain financing on pools of assets, including assets from the Balance Sheet, in consideration for providing the lenders with a portion of the upside in such investments and retaining a “first loss” position with respect to any depreciation in the value of such investments over a designated term. Subject to any required insurance regulatory approvals and the operative agreements of KKR Funds and Other Clients, Global Atlantic Accounts could serve as lenders to or invest in the equity of structured financing transactions, invest directly into KKR Funds as a limited partner, and invest in the debt or equity of portfolio investments of KKR Funds, including at different levels of a portfolio company’s capital structure than other clients and co-investors.

From time to time, the Balance Sheet will bridge investment activity during fundraising for a KKR Fund by making Seed Investments for new KKR Funds and also to acquire investments in order to help establish a track record for fundraising in new strategies. In addition, the Balance Sheet is permitted to make a capital commitment to a KKR Fund or Other Client in order to bridge a capital commitment by a prospective investor that is unable to complete its subscription prior to the final closing of the relevant vehicle. Such bridge support by the Balance Sheet will generally be effected through a limited partner commitment by the Balance Sheet, which is subsequently transferred to the prospective investor, or, subject to the minimum commitment amount for the KKR Fund or Other Client, through the conversion of a portion of the interest of the general partner of the KKR Fund or Other Client into a limited partner interest, followed by the transfer of the relevant interest to the prospective investor.

A KKR Fund or Other Client might, subject to applicable law and applicable requirements in their governing documents, which could include obtaining advisory committee consent, determine to sell a particular portfolio company interest into a separate vehicle, which will typically be managed by KKR, with different terms than the KKR Fund or Other Client. Under such circumstances, KKR could invest in or alongside the new vehicle, or hold the entirety of the portfolio company interest sold by the KKR Fund or Other Client through or alongside the new vehicle. In addition, KKR could establish new KKR Funds and/or other investment vehicles with capital from third party investors and/or the Balance Sheet, which has an investment strategy specifically designed for the purpose of acquiring portfolio companies or portfolio company interests in secondary market transactions from third party funds and/or KKR Funds (sometimes referred to as a “continuation fund”). In a typical continuation fund transaction, one or more assets of an existing fund are acquired by a new vehicle managed by the same sponsor. Investors in the existing fund may be offered the option either to sell (i.e., to cash out) or “roll” their interests into the continuation fund (i.e., to remain invested in the underlying asset), and new investors will invest into the continuation fund, generally in cash and generally as a means of providing liquidity for investors in the existing fund who have elected to sell. When KKR sponsors or advises a continuation fund or investment vehicle intended for this or a similar purpose, the Balance Sheet would likely participate as a new investor, notwithstanding the fact that KKR or its affiliates also serve as investment adviser to the KKR Funds or Other Clients selling such portfolio company or portfolio company interest and would likely receive carried interest or other incentive compensation as a result of such transaction. In the event that a KKR Fund or Other Client proposes to sell any assets to a continuation fund and that sale fails to close for any reason, such KKR Fund or Other Client would typically bear the sourcing and diligence expenses related to the proposed transaction, including fees for services that would only have accrued to the benefit of certain subsets of investors, such as investors electing to continue their participation, if the transaction had closed. As described above, KKR has established a conflicts of interest policy and procedures intended to mitigate potential conflicts of interest inherent in investments by KKR Funds, Other Clients or KKR proprietary entities in portfolio companies of other KKR Funds, Other Clients or KKR Credit Funds. These policies and procedures are intended to supplement the restrictions and other requirements relating to such

investments, as disclosed in the governing documents of KKR Funds, Other Clients and KKR Credit Funds. KKR Funds and Other Clients will seek to manage such conflicts in an appropriate manner, which could involve, by way of example and without limitation, referring the matter to independent third parties, obtaining a third-party fairness opinion, seeking consent from a limited partner advisory committee or the investors of a KKR Fund or Other Client, or by a committee of independent directors if applicable, or other means of resolving the conflict, to the extent permitted under the governing documents of such KKR Funds or Other Clients.

KKR has adopted policies and procedures (the “Balance Sheet Guidelines”) to mitigate potential conflicts of interest between the investment activities of the Balance Sheet on the one hand and any KKR Fund (or Other Client) on the other. Under the Balance Sheet Guidelines, the Balance Sheet’s uses are categorized generally into three primary categories: (1) strategic, (2) opportunistic and (3) operational funding.

Strategic uses principally focus on acquiring or owning assets in the financial services industry to enhance KKR & Co.’s businesses or earnings. Examples of such uses include strategic acquisitions, such as Global Atlantic, KJRM, KFN and the strategic partnership with FS Investments, general partner commitments to KKR Funds and KKR Credit Funds, warehoused investments for KKR Funds and KKR Credit Funds and Stakes and Seed Managers, or other strategic uses principally focused on supporting new investment strategies, sourcing channels or relationships, such as the provision of initial sponsor capital for a special purpose acquisition company (a “SPAC”). For the sake of clarity, Stakes and Seed Managers are separate and distinct from Seed Investments. Investments in Stakes and Seed Managers involve strategic, non-controlling investments in third-party managers (and their funds) while Seed Investments are strategic investments managed by KKR (or its affiliates). If a potential, non-warehoused investment is determined by KKR in its discretion to be strategic in nature, then such investment opportunity (including the acquisition of assets that are within the investment focus of any KKR Fund or Other Client) is deemed not within the investment focus of any KKR Fund or Other Client and will accordingly not be allocated to KKR Funds or Other Clients. In addition, KKR could determine that an investment in a company is strategic at one given time but an investment in a similar company is opportunistic at a later time due to geographic or other considerations (including, but not limited to, investments in different parts of the capital structure). In the event that KKR has made a Seed Investment intended to be warehoused or otherwise transferred to a KKR Fund or Other Client, but such KKR Fund or Other Client does not launch, KKR could determine to keep the Seed Investment as a Balance Sheet investment or pursue its asset disposition options, including sale of the investment or syndication by an Affiliated Broker. Although the initial sponsor capital to establish a SPAC is strategic activity, potential acquisition targets for a KKR sponsored SPAC will be offered to KKR Funds or Other Clients with applicable investment mandates and such KKR Funds or Other Clients will be given priority over the SPAC with respect to such investment opportunities, as described below.

Opportunistic uses are investments principally made to generate a return on investment and KKR will from time to time make opportunistic investments pursuant to investment strategies that mirror or are similar to, in whole or in part, investment strategies implemented by KKR on behalf of KKR Funds or Other Clients due to geographic or other considerations. KKR seeks to mitigate potential conflicts of interest arising from opportunistic investments by offering such investments, where KKR believes it is appropriate, to relevant KKR Funds or Other Clients. Similarly, KKR established investment vehicles with both third-party capital and Balance Sheet capital to be deployed in core investments in certain private equity and real asset opportunities, including opportunities that are the same as or similar to opportunities targeted by certain KKR Funds or Other Clients. Because more than 30% of certain core investment vehicles is comprised of the KKR Public Company’s proprietary Balance Sheet capital, KKR treats such core investment vehicles as a proprietary entity. KKR has established (and expects in the future to continue establishing) other KKR investment vehicles that co-invest alongside such core investment vehicles, which have increased and will further increase the amount of third party capital dedicated to core strategies. The core investment vehicles

target opportunistic “core” investments, which are typically characterized by an expectation of lower returns and risks and longer hold periods than typical private equity investments, although no single attribute is determinative and attributes of a particular core investment could change over time so that the realized return, risks and hold period of any particular core investment could become similar to those of a KKR Fund’s or Other Client’s investments. While the targeted hold period for a core investment is generally longer than the targeted hold period for traditional private equity-focused KKR Funds’ and Other Clients’ investments, there are other attributes of core investments that are similar to investments targeted by traditional private equity-focused KKR Funds and Other Clients, such as the amount of leverage and the greater focus on income generation. In order to manage potential conflicts related to the allocation of such opportunistic core investments, KKR has established allocation policies and procedures which provide for core investments to be offered to relevant KKR Funds and Other Clients pursuing the relevant private equity strategies and certain other investor transparency measures. KKR has established KKR Funds that pursue core investments in other private markets investment strategies globally or in specific geographic regions, including real estate and infrastructure. KKR Funds pursuing core investments in such other private market investment strategies are similarly subject to KKR’s investment allocation policies and procedures, which require such investments to also be offered to KKR Funds and Other Clients pursuing the relevant traditional real estate and infrastructure strategies to the extent there is investment strategy overlap. KKR’s Balance Sheet is expected to continue to invest capital into KKR Funds that pursue core investments, and Global Atlantic Accounts have invested in certain core investment vehicles, including KKR Funds that pursue core real estate and infrastructure investments. KKR Credit Funds and Global Atlantic Accounts also expect from time to time to directly invest in other core investment vehicles, and to serve as lenders under credit facilities or otherwise provide warehousing or other financing to, core investment vehicles.

KKR & Co. expects to, beginning in the first quarter of 2024, have a third segment for Public Company reporting purposes named “Strategic Holdings,” which is expected to initially be comprised of the Balance Sheet’s participation in the core private equity strategy. The success of deploying Balance Sheet assets and generating returns on this capital for KKR & Co., particularly as it relates to the new Strategic Holdings segment, will depend, among other things, on the availability of suitable opportunities after giving priority in investment opportunities to advisory clients, and the investment performance, including dividends, of the Firm’s Balance Sheet stakes in core private equity portfolio companies.

KKR proprietary entities from time to time co-invest in other KKR Funds’ or Other Clients’ investments in portfolio companies. Co-investments by KKR proprietary entities result in less availability of discretionary investment opportunities for third parties. KKR does not generally charge management or administration fees or performance related compensation for its services to such other KKR proprietary entities for such co-investment opportunities, and KKR (or its affiliates) retains any allocated monitoring fees, transaction fees and service costs based on their respective ownership of the relevant investment in a portfolio company. KKR will generally also bear any allocable share of expenses related to such co-investments on behalf of such KKR proprietary entities. The core investment vehicles are also expected to co-invest alongside certain KKR Funds and Other Clients from time to time in investments that fall within their respective strategies and also meet the criteria for opportunistic core investments. Application of KKR’s allocation policies and procedures will in certain cases result in allocations of investment opportunities between KKR Funds or Other Clients on the one hand and KKR proprietary entities on the other, that are non-pro rata (including a greater than pro rata allocation to a proprietary account) relative to a KKR Fund or Other Client in either the same or different parts of a target company’s capital structure. Please see “**Allocations of Investment Opportunities**” below for further information. In addition, a KKR Fund or Other Client could, subject to applicable requirements in their governing documents which generally include obtaining limited partner advisory committee consent, determine to sell a particular portfolio company interest into a separate vehicle, advised by KKR or a third party manager, with different terms than the KKR Fund or Other Client (for example, longer duration). Under such circumstances, KKR

could invest in the new vehicle alongside participating limited partners, or hold the entirety of the portfolio company interest sold by the KKR Fund or Other Client through the new vehicle.

Moreover, KKR manages proprietary entities according to investment strategies that are inconsistent with, or deviate in material aspects from, the investment strategies pursued by KKR Funds or Other Clients. The foregoing proprietary entities, including Seed Investments, KFN and Global Atlantic Accounts, invest in similar or the same types of securities, properties or other assets in which KKR Funds or Other Clients invest, or could have investment objectives, programs, strategies and positions that are similar to, or conflict with, those of KKR Funds or Other Clients. These proprietary entities could compete with, and have interests adverse to a KKR Fund or Other Client. The existence of Seed Investments and KKR proprietary entities, including KFN and Global Atlantic Accounts, investing in the same or similar investments that are sought to be made by KKR Funds or Other Clients could, among other adverse consequences, affect the prices of the investments, securities, properties or other assets in which a KKR Fund or Other Client invests and will affect the availability of such assets. In such circumstances, KKR's interest in maximizing the investment return of its proprietary entities and those of its affiliates creates a conflict of interest in that KKR could be motivated to allocate more attractive investments to the proprietary entities under its management, and allocate less attractive investments to the KKR Funds or Other Clients. Similarly, KKR could be motivated to allocate scarce investment opportunities to the proprietary entities under its management rather than to the KKR Funds or Other Clients. Investment executives who participate in investment decisions made on behalf of KKR Funds or Other Clients as described above are also involved in the investment activities of the Balance Sheet. As noted above, the Balance Sheet Guidelines seek to mitigate such potential conflicts of interest.

Lastly, the Balance Sheet's operational funding uses typically consist of activities to facilitate normal course transactions in support of the KKR & Co.'s businesses, including credit support to KKR GP obligations to KKR Funds and Other Clients and support of certain transactions by KKR Funds and Other Clients. Examples of such activities include capital support for the activities of Affiliated Brokers and treasury and liquidity management investments. Operational activities also include provision by the Balance Sheet of credit support to a KKR GP's obligation to a KKR Fund or Other Client to support certain transactions by KKR Funds or Other Clients, as well as support of certain transactions by KKR Funds or Other Clients or by their portfolio companies. For example, the Balance Sheet has provided interest-free loans to special purpose vehicles or other entities through which a KKR Fund or Other Client invests or to platform vehicles in order to bridge down payments or other transactional or operational needs of a portfolio investment pending the receipt by such entities of capital contributions from the KKR Fund or Other Client and other equity owners. KKR has also provided, and could in the future provide, an interest bearing loan to a KKR Fund to enable the KKR Fund to acquire a portfolio investment prior to the KKR Fund or Other Client obtaining a subscription facility, and subject to any required insurance regulatory approvals and the governing agreements of applicable KKR Funds and Other Clients, Global Atlantic Accounts will also serve as a lender in such circumstances. As an additional example, a KKR proprietary account, has in the past and could in the future, guarantee the obligations of a KKR GP entity to post collateral on behalf of a KKR investment vehicle in connection with such investment vehicle's derivative transactions, and has also agreed to be liable for certain investment losses and/or for providing liquidity in the events specified in the governing documents of other KKR investment vehicles. KKR has also provided credit support regarding repayment obligations to third-party lenders to certain of its employees, excluding its executive officers, in connection with their personal investments in KKR Funds and to a strategic partner regarding the ownership of its business. KKR also might become liable for certain fees payable to sellers of businesses or assets if a transaction does not close, subject to certain conditions, if any, specified in the acquisition agreements for such businesses or assets. Operational funding activities are not offered to KKR Funds or Other Clients for investment allocation purposes.

Structured Finance Arrangements

From time to time, KKR will finance, securitize or employ other structured finance arrangements in respect of certain Balance Sheet assets. Such entities are generally permitted to hold limited partner interests in KKR Funds. For example, KKR has developed and completed several structured transactions in which KKR provides subordinated or equity financing and third party investors provide senior financing (“KKR financing partners”) to an investment vehicle that invests in KKR Funds or certain other investment assets, and expects to continue to do so in the future. With respect to certain of the foregoing structured finance arrangements, the interests of KKR financing partners in KKR Funds will not be subject to management fees or carried interest. KKR also from time to time employs structured financing arrangements with respect to co-investment interests and investments in KKR Funds made by Balance Sheet entities (including, potentially co-investments with a KKR Fund), and could employ structured financing arrangements in connection with funding the investment by Balance Sheet entities in a KKR Fund (including, for example, through securitized structures or other forms of structured financing to provide leverage for a KKR GP’s commitment to a KKR Fund). KKR has also established structured financing vehicles in which certain employees of KKR or its affiliates and/or third-party co-investors are offered the opportunity to invest in the equity interest alongside, or in lieu of, the Balance Sheet. KKR has entered into structured financing arrangements with additional financing partners, including Global Atlantic Accounts, to provide the senior or subordinated or equity financing in structured financing arrangements alongside, or in lieu of, the Balance Sheet, subject to any required insurance regulatory approvals and the operative agreements of KKR Funds and Other Clients. Structured financing arrangements could alter KKR’s returns and risk exposure as compared to KKR holding such assets outside of such structured financing arrangements and could create incentives for KKR to take actions in respect of such assets that it otherwise would not in the absence of such arrangements.

Subject to the governing documents of KKR Funds, a portion of the minimum KKR GP commitment to a KKR Fund could be funded by a structured financing vehicle, even where the sole purpose of such vehicle is not to make capital commitments to the KKR Fund. KKR financing partners are generally entitled to and subject to the same rights and obligations as other investors in KKR Funds. Whether KKR financing partners will be permitted to vote in respect of capital commitments to a KKR Fund made by structured finance arrangements, and the manner in which any vote, consent or waiver is exercised by relevant KKR financing partners (if permitted), will depend on the terms of the structured finance arrangement and the governing documents of relevant KKR Funds into which the structured financing vehicle invests. Such governing documents sometimes provide that votes, waivers or consents are permitted to be exercised by KKR and its affiliates in their capacity as majority equity interest owner of the structured financing vehicle, in which case such votes, waivers or consents will be exercised by KKR and its affiliates. Where applicable, KKR and its affiliates are entitled to take into account their own interests in exercising any such vote.

Allocation of Investments

KKR has adopted policies and procedures designed to ensure allocations of opportunities among KKR Funds, Other Clients, KKR Associates Vehicles and KKR proprietary entities, to the extent practicable and in accordance with each such entity’s applicable investment strategies, are made on a fair and equitable basis over time. These policies and procedures seek to allocate investment opportunities and related co-investment opportunities among KKR Funds, Other Clients, KKR proprietary entities or KKR Credit Funds or other parties, including other co-investors (as defined below under “**Allocations of Investment Opportunities – Co-investors**”), in the event there is an overlap of investment strategies, and, if available, third party co-investors, including third party co-investors investing through co-investment vehicles offered and sponsored by KKR. Such policies and procedures are further supported by the Balance Sheet Guidelines, which as described above, address proprietary investment activity that occurs alongside KKR Funds and Other Clients, and other supplemental investment allocation policies and procedures

specific to certain investment strategies as further described below. With respect to investment strategies that Global Atlantic Accounts have a regular allocation to, KKR (including KKR Credit) generally expects to treat Global Atlantic Accounts as an Other Client for the purposes of allocating investment opportunities and related fees and expenses. Please see also “**Allocations of Investment Opportunities – Balance Sheet Investments and Global Atlantic**” below for further information regarding KKR’s allocation procedures with respect to certain proprietary investments, including with respect to Global Atlantic Accounts which have characteristics of both proprietary and client accounts.

Allocations of investment opportunities are reported to KKR’s Global Conflicts Committee. Notwithstanding the application of the foregoing policies and procedures, a KKR proprietary entity could over any particular time period, and over all time periods, have superior performance than KKR Funds or Other Clients.

In order to manage the allocation of investment opportunities, and to maintain the integrity of the investment strategy and track record of any Seed Investment or a KKR proprietary entity, investments will be allocated in a manner consistent with and pursuant to KKR Funds’ and Other Clients’ allocation procedures. Under these procedures, the conflicts inherent in making such allocation decisions will not always be resolved to the advantage of the KKR Funds and Other Clients. Moreover, except as provided in the governing documents of KKR Funds or Other Clients, no KKR Fund or Other Client will necessarily have any priority in respect of any category of investment opportunities in accordance with KKR’s allocation methodology (as discussed below).

Allocations of Investment Opportunities

Private Equity and Real Asset Investments

Generally, the terms of each KKR Fund or Other Client relationship (other than certain KKR Associates Vehicles) include provisions setting out the rights of:

- the KKR Fund or Other Client to receive allocations of suitable investment opportunities in priority to, or together with or subject to, as applicable, the participation of other KKR Funds or Other Clients within the relevant strategy (“Defined Allocation Rights”); and
- KKR to permit other third parties (including through co-investment vehicles established by KKR or KKR Credit for third parties, Employees and associated persons (i.e., KKR Associates Vehicles) or KKR’s principal investment (i.e., Balance Sheet activities) to co-invest in such investment opportunities.

These provisions, if applicable, are set out in the offering materials, disclosure documents and/or governing documents for each such KKR Fund or Other Client relationship.

Types of KKR Funds and Other Clients

In determining how an investment opportunity will be allocated and whether a specific investment opportunity will be offered to KKR Funds, Other Clients, KKR Associates Vehicles, KKR proprietary entities and other parties, including third party co-investors and co-investment vehicles discussed below, KKR considers the following types of relationships:

<i>Flagship Vehicles</i>	A “Flagship Vehicle” is a KKR Fund or Other Client that typically is the largest pool of capital for a particular investment strategy and has a Defined Allocation Right that often includes a contractual minimum investment amount in each
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	opportunity within its strategy before other KKR Funds, Other Clients, KKR proprietary entities and third party co-investors can participate. A KKR Fund or Other Client that is a Flagship Vehicle often has a target hold amount for equity commitments for investments within its mandate, which is higher than its contractual minimum investment amount. Flagship Vehicles include parallel fund KKR Associates Vehicles that are structured as committed capital parallel funds that invest alongside the applicable KKR Fund or Other Client on a pari passu basis.
<i>KKR Associates Vehicles</i>	These vehicles are typically permitted to invest alongside Flagship Vehicles in specific portfolio companies on a pari passu basis prior to such KKR Fund satisfying its contractual minimum investment amount (and are separate vehicles from the parallel fund KKR Associates Vehicles described above under “Flagship Vehicles”), subject to a cap. The provisions relevant to such KKR Associates Vehicles, if applicable, are set out in the offering materials, disclosure documents and/or governing documents for each such Flagship Vehicle.
<i>K-Series Vehicles</i>	These vehicles are typically permitted to invest alongside Flagship Vehicles in specific portfolio companies on a pari passu basis prior to such KKR Fund satisfying its contractual minimum investment amount, subject to a cap. The provisions relevant to such K-Series Vehicles, if applicable, are set out in the offering materials, disclosure documents and/or governing documents for each such Flagship Vehicle

In addition to Flagship Vehicles, KKR Associates Vehicles and K-Series Vehicles, KKR maintains a number of different co-investment relationships, including Other Funds/SMAs with a stated entitlement to be offered investment opportunities by KKR, and other relationships with investors who are not entitled to be offered investment opportunities by KKR. These different relationships enable the Firm to consummate transactions on behalf of the Flagship Vehicles where additional capital is required above the relevant Flagship Vehicle’s target hold amount. In order to facilitate these transactions and subject to applicable offering materials, disclosure documents and/or governing documents, the Firm considers a number of factors, including any fiduciary or contractual obligations, in prioritizing allocations among KKR Funds, Other Clients, KKR proprietary entities and third party co-investors. Please see Item 11 – “**Other Conflicts of Interest** – *Strategic Partnerships and Other Arrangements*” below for further information.

Where excess capacity exists after the desired hold amounts of Flagship Vehicles, KKR Associates Vehicles and K-Series Vehicles, the following investment vehicles are considered for participation for the strategies in which they are entitled to be offered investment opportunities:

<i>Other Funds/SMAs</i>	“Other Funds/SMAs” are KKR Funds or Other Clients, including investment vehicles established for a single investor and K-Series Vehicles, that are entitled to be offered investment opportunities that fall within their mandate after the applicable Flagship Vehicle for the relevant strategy has satisfied at least its contractual minimum investment amount. For certain vehicles in this category, KKR has the final decision-making authority for investments, known as “discretionary accounts.” Vehicles in which the investor retains final decision-making authority for investments, including vehicles where the investor must consent or has opt-out rights, are known as “non-discretionary accounts.”
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<i>Syndication Side Cars</i>	<p>“Syndication Side Cars” are multi-investment co-investment vehicles that have been established to facilitate participation by third party co-investors in co-investment opportunities where there is excess capacity for investment after allocation to KKR Funds and Other Clients. Syndication Side Cars are not entitled to be offered any such opportunities in any strategies. Such vehicles and the underlying co-investors are only offered the opportunity to participate in investment opportunities after Flagship Vehicles, KKR Associates Vehicles, K-Series Vehicles and Other Funds/SMAs have been permitted to participate. The underlying investors retain final decisionmaking authority for all investments. Once an investment is made, Syndication Side Cars generally follow Flagship Vehicles on discretionary determinations related to voting and exit. KKR does not provide investment management, advisory, monitoring or supervisory services to Syndication Side Cars, and these vehicles are not entitled to be offered investments within any strategies. Syndication Side Cars are not investment advisory clients of KKR.</p>
<i>Syndicatees</i>	<p>“Syndicatees” are third-party co-investors and are not entitled to be offered any opportunities in any strategies. Syndicatees are permitted to be offered the opportunity to participate in investment opportunities after Flagship Vehicles, KKR Associates Vehicles, K-Series Vehicles and Other Funds/SMAs have been permitted to participate. Syndicatees sometimes include investors in KKR Funds or other third parties, such as institutional investors or high net worth individuals. KKR does not provide investment management, advisory, monitoring or supervisory services to Syndicatees, and Syndicatees are not investment advisory clients of KKR. Syndicatees typically invest through KKR-controlled vehicles that generally follow Flagship Vehicles on discretionary determinations related to voting and exit.</p>
<i>Balance Sheet</i>	<p>The Balance Sheet is comprised of KKR proprietary investment vehicles and is not entitled to be offered any opportunities in any strategies. The Balance Sheet is permitted to be offered the opportunity to participate in investment opportunities after Flagship Vehicles, KKR Associates Vehicles, K-Series Vehicles and Other Funds/SMAs have been permitted to participate. KKR is permitted to consider its own interests (or those of Global Atlantic Accounts) before the interests of Syndication Side Cars or Syndicatees, which as discussed above have no contractual entitlement to be offered investment opportunities in any strategies, in deciding whether to present investment opportunities to them. The Balance Sheet will under certain circumstances invest in similar or the same type of securities, properties or other assets in which KKR Funds or Other Clients invest. The Balance Sheet also has investment objectives, programs, strategies and positions that are similar to, those of KKR Funds or Other Clients. KKR seeks to mitigate any potential conflicts of interest between investment activities of the Balance Sheet on the one hand and any KKR Fund or Other Client on the other. Please see “KKR Purchases/Sales of Securities Recommended to KKR Funds and Other Clients – Proprietary Investments” above for a discussion of the Balance Sheet Guidelines.</p>
<i>Global Atlantic</i>	<p>Global Atlantic Accounts will generally constitute accounts of a subsidiary (and affiliate) of KKR & Co. and thus have the characteristics of proprietary accounts as described above under “<i>Balance Sheet</i>”.</p>

	<p>Global Atlantic Accounts also could have the characteristics of client accounts. Global Atlantic Accounts’ client account qualities derive from Global Atlantic’s obligations to manage its own clients’ and policyholders’ capital in a manner that ensures such accounts maintain adequate capital to meet policy distributions and operating costs of its insurance subsidiaries. Global Atlantic Accounts have regular allocations in certain KKR investment strategies that are well suited to the investment criteria and risk-return profile of Global Atlantic Accounts. In these cases, KKR expects to treat such Global Atlantic Accounts as an Other Client for the purposes of allocating investment opportunities and related fees and expenses, and accordingly, such Global Atlantic Accounts could participate by co-investing alongside and/or in priority to KKR Funds and Other Clients. For further information, please see “Allocations of Investment Opportunities – Global Atlantic” below.</p>
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Process

The initial step in the allocation of an investment opportunity is to determine the strategy and geographic location, to the extent relevant, which is most appropriate for the opportunity. In some cases distinctions are subject to KKR’s judgment as to which strategy or geographic location is most appropriate for the opportunity.

Subsequent steps in the allocation process generally apply the following guidelines and take into account the following considerations:

- A Flagship Vehicle will generally receive at least its contractual minimum investment amount before Other Funds/SMAs, KKR proprietary entities and other co-investors can participate (except for KKR Associates Vehicles, as described above). The applicable investment committee for such Flagship Vehicles often determines that amounts in excess of the minimum contractual amount are appropriate in light of investment objectives and existing portfolio exposures and weightings. However, where the participation of one or more third parties facilitates the consummation of an investment by a Flagship Vehicle or is otherwise beneficial to such investment, such third parties participate in the relevant investment regardless of the amount invested by the relevant Flagship Vehicle. Based on portfolio construction considerations and Defined Allocation Rights, Flagship Vehicles from time to time receive the entire allocation of an investment opportunity.
- As described above, Other Funds/SMAs will be offered investment opportunities that fall within their mandate after the applicable Flagship Vehicles have received at least their contractual minimum investment amount (if any). Please see “**Allocations of Investment Opportunities – Types of Funds and Other Clients**” above for a further discussion of the types of relationships KKR considers for investment allocation purposes. In addition, Other Fund/SMAs co-invest in opportunities alongside other KKR investment vehicles with an investment strategy that overlaps with that of the Other Fund/SMA, but that is otherwise materially different than that of the Other Fund/SMA.
- Where more than one KKR Fund and/or Other Client participate in an investment opportunity at the same level of priority pursuant to their Defined Allocation Rights, the relevant opportunity will generally be allocated among such KKR Funds and Other Clients on the basis of the investment objectives and focus, target investment size and target returns, available capital, the timing of capital inflows and outflows and anticipated capital commitments and subscriptions; nature of bilateral negotiations with counterparties, timing of signing and closing; need for speed and

certainty of execution; variance in asset mix for sale; liquidity profile, applicable concentration limits and other investment restrictions; mandatory minimum investment rights and other contractual obligations applicable to participating KKR Funds and Other Clients and/or their respective investors; portfolio diversification; tax efficiencies and potential adverse tax consequences; regulatory restrictions applicable to the participating KKR Funds and Other Clients and/or their respective investors; policies and restrictions applicable to participating vehicles; the avoidance of odd-lots or cases where a pro rata or other defined allocation methodology would result in a de minimis allocation to the participating KKR Funds or Other Clients; the potential dilutive effect of a new position; the overall risk profile of a portfolio; the potential return available from a debt investment as compared to an equity investment; the potential effect on the KKR Fund's performance (positive and negative) and any other considerations deemed relevant by KKR and its affiliates. The relevance of each of the criteria described above will vary depending on the investment opportunity, with no single factor consistently outweighing the others.

- The outcome of any allocation determination by KKR will in certain instances result in the allocation of all or none of an investment opportunity to a KKR Fund or Other Client or in allocations that are otherwise on a non-pro rata basis. Subject to the applicable governing documents, such determinations could also result in the dilution of a KKR Fund's or Other Client's interest in any existing investment by another KKR Fund or Other Client, KKR and/or third party co-investors and any related co-investment vehicles to the extent that an investment opportunity constituting a follow-on investment in respect of an existing investment arises and the relevant KKR Fund or Other Client has insufficient available capital (including pursuant to reserves for follow-on investments following the end of the KKR Fund's or Other Client's investment period established by the relevant KKR GP or KKR) to take up all or any part of what would otherwise be its allocable share of such opportunity. Any such dilution will likely be determined on the basis of a valuation in respect of the existing investment determined by the relevant KKR GP or KKR. The fact that carried interest is calculated at different rates among KKR Funds and Other Clients, or is subject to different hurdle rates or other similar terms, creates an incentive for KKR or its affiliates to allocate investment opportunities disproportionately to vehicles allocating carried interest at a higher rate (or subject to a lower hurdle rate). However, as discussed above, KKR has adopted policies and procedures that seek to ensure that investment opportunities are allocated in good faith and that such allocations are fair and reasonable under the circumstances and considering such factors as KKR deems relevant.
- As a result of taking into account relevant KKR Fund or Other Client portfolio construction criteria (such as industry/company/geographic exposure, liquidity, yield and risk/return profile) and other relevant considerations described above in an allocation decision, the result will in certain cases be that a KKR Fund or Other Client does not participate in an investment opportunity that would otherwise be appropriate for it, or that it receives an allocation that is smaller or larger than a strict application of available capital might otherwise indicate. In addition, certain KKR Funds or Other Clients have the ability to opt-out of an investment opportunity that is otherwise appropriate for them based on rights granted in the relevant governing documents. If a KKR Fund or Other Client cannot or does not participate in an investment opportunity, other KKR Funds or Other Clients could receive all or a portion of its allocation, or its allocation could be offered to non-client or affiliated, eligible co-investors (including co-investment vehicles offered and sponsored by KKR for Syndicatees or KKR's principal investment activities or KKR Associates Vehicles) in accordance with applicable governing documents and/or investment guidelines. Further, a portfolio company of a KKR Fund or Other Client could over time develop characteristics, including, without limitation, a different risk and return profile or expected holding period, that result in the portfolio company constituting an attractive investment opportunity for another KKR Fund or Other Client and vice versa. In such cases, the relevant KKR GP could seek to effect a purchase or

sale of an investment between a KKR Fund or Other Client and one or more other KKR Funds or Other Clients, subject in each case to applicable procedures and consents described in Item 11 – “*Cross Transactions and Agency Cross Transactions.*”

- If an investment opportunity relates to an existing portfolio company of one or more KKR Funds or Other Clients, then the follow-on investment will be offered to the KKR Funds and Other Clients that made the original investment, subject to availability of capital and applicable concentration limits and other investment restrictions contained in the relevant governing documents. Secondary co-invest interests or fund interests that are being sold by Other Funds/SMAs and/or third party co-investors, including Syndicatees and Syndication Side Cars, which constitute already allocated equity alongside the original investment made by the relevant Flagship Vehicle, will generally not be treated as follow-on investments that need to be offered to all of the KKR Funds and Other Clients that made the original investment (provided that such sales would not result in dilution of any existing interests held by any of the KKR Funds, Other Clients or third party co-investors invested in the same portfolio companies). Such qualifying secondary co-invest or fund interests can include both individual assets and portfolios of assets. KKR has developed allocation policies and procedures specific to secondary co-investments and fund interests to ensure the fair and equitable allocation of such opportunities. For further information, please see “**Other Conflicts of Interest** – *Secondary Transfers of Interests*” below.

KKR, from time to time, develops new client relationships and vehicles, including new types of arrangements that alter the relative priority of allocations described above, and/or that materially alter the share of investment opportunities allocated to KKR Funds and Other Clients in certain investment strategies. For example, allocations to KKR Funds and Other Clients that invest in global infrastructure or private equity, will be impacted by allocations to the K-Series Vehicles that also invest in such investment strategies. KKR will from time to time amend and/or develop supplemental investment allocation policies and procedures to incorporate new KKR Funds, designed to clarify investment mandate distinctions and allocation priorities among KKR Funds or Other Clients with similar investment strategies, pursuant to any limitations contained in the offering materials, disclosure documents and/or governing documents for existing KKR Funds or Other Clients. For example, KKR together with its relying advisers has developed supplemental investment allocation policies and procedures which address the allocation of real estate related debt investment opportunities among KKR Funds and Other Clients pursuing certain real estate credit strategies, including the establishment of guidelines designed to permit Global Atlantic Accounts to co-invest in real estate credit investments at the same or different levels of an issuer’s capital structure alongside or in priority to other KKR Funds or Other Clients. Such procedures are also designed to help mitigate potential conflicts of interest. Consistent with and subject to the considerations above, certain investment opportunities are expected to be allocated in whole or in part to the Global Atlantic Accounts, which could result in materially less availability of investment opportunities for other KKR Funds and Other Clients. Please see Item 11 – “**Allocations of Investment Opportunities** – *Global Atlantic*” below for further information.

Co-Investors

If additional capital remains available after the relevant Flagship Vehicles, KKR Associates Vehicles, K-Series Vehicles and Other Funds/SMAs have been permitted to participate, then KKR often considers offering the excess available equity to co-investors, including Syndicatees (including, but not limited to, existing investors in KKR Funds and other third parties), Syndication Side Cars and the Balance Sheet. Such co-investors do not have preexisting entitlements to investment opportunities in any strategy, and so the principles for offering excess availability to these potential investors are discretionary and differ from the principles that apply to advisory clients of KKR or vehicles with a contractual entitlement to be offered investment opportunities. In circumstances where there is permitted syndication of a co-investment

opportunity to co-investors, K-Series Vehicles are permitted to participate in such co-investment opportunities as co-investors and could receive an allocation of such opportunity that is in addition to the pari passu allocation that such K-Series Vehicles initially received alongside Flagship Vehicles and/or in their capacity as an Other Fund/SMA.

Co-investment opportunities are offered to some parties but not to others based on KKR's determination of their suitability for a particular co-investment opportunity using factors, including, but not limited to: (i) interest of fund investors (i.e., whether an existing limited partner in a KKR Fund has expressed interest in being presented with co-investment opportunities in connection with a commitment to an existing KKR Fund; these indications are typically not binding on either KKR or the limited partner); (ii) economic considerations (i.e., whether the co-investor is willing to pay fees, including a management fee, and/or carried interest and the proposed amount of the fees/carry rates); (iii) certainty of funding/execution (i.e., KKR's view of the capability of a potential co-investor to commit to the requisite amount of funding, which is often very large, on a timeframe, which is often very short, with an emphasis on certain and expeditious execution often based on prior experience with the investor or other KKR institutional experience); (iv) size of existing investment in KKR Funds (i.e., the amount of a potential co-investor's current commitment to KKR Funds and Other Clients); (v) investment attributes (i.e., KKR's view of the ability of a co-investor to contribute to the investment, such as through geographic proximity or expertise in the region or business/industry of the co-investment); (vi) strategic considerations/future fundraising (i.e., the strategic benefits that are expected to result from working with particular co-investors, including relationship development with an investor, increasing co-investor interest or opportunities for potential future partnerships or additional commitments to KKR Funds and Other Clients, or a co-investor's ability to contribute to the transaction and the potential for additional commitments to KKR Funds and Other Clients by the investor); (vii) ease of process (i.e., the ease by which the investment by the potential co-investor can be coordinated and completed, including investor transparency and the efficiency, timing and elimination of other issues in completion of the investment); (viii) legal/regulatory constraints (i.e., any legal and/or regulatory constraints relating to the investment, including legal/regulatory constraints on the co-investor or additional legal/regulatory constraints on the investment due to a potential co-investor or a co-investor who triggers additional reporting requirements, such as potential bad actor disqualification, plan assets issues under ERISA, antitrust considerations or other legal and/or regulatory factors); and (ix) tax considerations (i.e., any tax efficiencies or adverse tax consequences related to the proposed co-investment, generally focusing on effects upon the investment, including situations that trigger US tax or filing obligations for certain US tax-exempt or non-US co-investors). KKR also considers additional factors in assessing the suitability of potential investors for co-investments, including, without limitation, whether the potential co-investment is pre- or post-signing, public relations and reputational benefits or costs, confidentiality issues or other factors relevant to the potential transaction. As a result, co-investment opportunities are not allocated pro rata among investors and there can be no assurances that any particular investor will be given the opportunity to participate in any co-investment opportunities even if such investor has expressed an interest in evaluating co-investment opportunities. Further, certain investors are expected as a result to receive a disproportionate amount of co-investment opportunities during the KKR Fund's or Other Client's investment period.

The above factors are not listed in order of importance or priority. KKR is not required to, and does not, consider all of the factors described above in any particular investment and some factors will be more or less important depending upon the nature of the particular investment and attendant circumstances. Economic considerations, including whether the potential co-investor is willing to pay an advisory fee or carried interest or an upfront placement fee or to indirectly be impacted by monitoring fees, syndication fees or other fees charged to underlying portfolio companies by KKR and its affiliates that are not shared with the co-investor and the proposed rates thereof, will be a consideration in every opportunity.

In addition, KKR or its affiliates establish and administer dedicated special purpose vehicles for specific investors in order to facilitate and administer one or more co-investments and related investment decisions and activities by the relevant investors as co-investors alongside a KKR Fund or Other Client. Any such special purpose vehicle will be established at KKR's or its affiliates' sole discretion, and KKR and its affiliates have no obligation to offer a similar opportunity to any other investor.

Co-Investment Structuring

A Flagship Vehicle participating in an investment customarily will provide an equity commitment letter or similar undertakings to the seller or other third party in connection with a potential investment covering the entire equity funding obligation for the relevant investment, including amounts expected to be funded by other KKR Funds, Other Clients and other co-investors, where applicable. Additionally, the relevant Flagship Vehicle will customarily fund the entire amount of any deposit or similar up-front payment or contribution that is required in connection with a potential investment. KKR has adopted policies and procedures governing the allocation of the obligations under such undertakings and the liability with respect to such deposits among the relevant Flagship Vehicles, other KKR Funds, Other Clients and other co-investors. However, such KKR Funds, Other Clients and other co-investors expected to participate in a potential investment generally will not be parties to such undertakings or commitments. Therefore, the funding obligation under an equity commitment letter or similar undertaking and any related commitment as well as the risk of loss with respect to any deposit will remain the primary obligation and risk of the Flagship Vehicle, and any other KKR Funds, Other Clients or other co-investors participating in the relevant investment will be liable only for their respective shares of the funding obligation or deposit as determined under KKR's policies and procedures as and when, and to the extent that they enter into a joinder or other equity commitment undertaking, which (if entered into) typically will not occur until after signing of the relevant transaction documents.

KKR proprietary Balance Sheet entities and/or KKR Funds will, from time to time, fund the portion of an investment expected to be syndicated to co-investors to the extent such co-investors have not agreed to participate and fund on or prior to closing. Generally, investments syndicated to co-investors post-closing are transferred at cost and without an interest charge or other cost of capital charge. KKR Funds are expected to fund investments, including investments acquired on a temporary basis pending syndication to co-investors, using drawdowns under the KKR Fund's subscription credit facility (to the extent available). Therefore, a KKR Fund will bear the interest expenses on such borrowed amounts and typically will not be reimbursed for such expenses when interests are transferred to co-investors or when receiving the benefit of any accrued preferred return. The determination as to whether KKR proprietary Balance Sheet entities will fund all or any portion of an investment that is expected to be syndicated to co-investors will be made by KKR based on the interests of the Balance Sheet, including the liquidity profile of the Balance Sheet at the time of syndication, other syndications in process or expected to be in process and the need for bridging in those other syndications, the likelihood of successfully syndicating the investment and the potential for affiliates of KKR to earn syndication fees in connection with placing the investment with co-investors (which fees are not earned by KKR or its affiliates where investments are syndicated by a KKR Fund as Bridge Investments) or, conversely, the risk of a failed syndication and retention of the investment (see "*Participation of Affiliated Broker-Dealers in KKR Fund or Other Client Transactions*" above). As such, the Balance Sheet will have an incentive not to agree to fund the portion of investments allocated to co-investors where the post-closing syndication is expected to be challenging or subject to significant risk of failure. If KKR proprietary Balance Sheet entities do not fund all or any portion of the amount of an investment allocated to co-investors, it is expected that KKR Funds will fund such amounts (subject to the limitations set forth in their governing documents). KKR Funds therefore will bear the risk that co-investors do not purchase some or all of such investment and the risk of a more concentrated exposure to the relevant investment than was originally desired.

The voting, control and governance rights with respect to an investment in which KKR Funds, Other Clients, KKR proprietary entities, KKR and/or co-investors participate are structured in a number of different ways depending upon various considerations relating to the specific investment and the entities participating. For example, voting rights could be allocated pro rata to the participants in an investment in accordance with their respective equity interests or on a disproportionate basis to one or more of the participants. In many cases, the Flagship Vehicle participating in an investment will control the general partner (or similar entity) of the aggregating vehicle through which the various entities participate in the relevant investment, and as such will indirectly control the aggregating vehicle even where it does not own a majority of the equity in the portfolio company or the entity through which a portfolio company is controlled. It is possible that structuring investments in this manner could expose a KKR Fund or Other Client to greater risk of liability than would be the case if a KKR GP (or similar entity) of an aggregating vehicle were owned pro rata by all equity participants. Similarly, KKR proprietary entities, a K-Series Vehicle or other KKR Fund or Other Client, as applicable, could be allocated (and in the case of certain U.S. K-Series Vehicles structured as U.S. operating companies, are expected to be allocated) at least half or more of the voting rights or governance rights (including the right to elect at least half of the board of directors) with respect to an aggregating entity (which could be a limited liability company) even where other KKR Funds (or Other Clients or third party co-investors) own a majority of the economics or equity in the entity. Where KKR proprietary entities, a K-Series Vehicle or a KKR Fund or Other Clients or other co-investors have interests or requirements that do not align with those of a different KKR Fund or Other Client, including in particular differing liquidity needs or desired investment horizons, conflicts of interest relating to the manner in which the voting or governance rights of an aggregating entity (or similar entity) are exercised, will in certain cases arise, potentially resulting in an adverse impact on a KKR Fund or Other Client. In addition, since certain KKR investment vehicles, including the K-Series Vehicles, are expected to have investment time horizons, liquidity needs and/or target returns that differ from those of the KKR Funds that they invest alongside of, there can be no assurance that they will dispose of investments at the same time or on the same terms as such KKR Funds.

KKR Funds will from time to time provide interim financing to, or make investments that are intended to be of a temporary nature in securities of, a portfolio company in connection with or subsequent to a portfolio investment by such KKR Funds in such portfolio company (each, a “Bridge Investment”). Bridge Investments could be syndicated to one or more co-investors to the extent such co-investors are not in a position to participate in the relevant co-investment opportunity on or prior to the closing of the KKR Fund’s investment therein. Generally, investments syndicated to co-investors post-closing (including Bridge Investments) are expected to be transferred at cost and without an interest charge or other cost of capital charge payable to KKR Funds. KKR Funds are expected to fund Bridge Investments using drawdowns under a KKR Fund’s subscription credit facility (to the extent available). KKR Funds will bear the interest expenses on such borrowed amounts and typically will not be reimbursed for such expenses when interests are transferred to co-investors, nor will co-investors reimburse the KKR Fund or otherwise bear any other costs and expenses incurred by KKR Funds in connection with these borrowings or in connection with establishing a subscription or other credit facility, including without limitation any upfront fees, undrawn fees or associated legal costs or expenses. Further, to the extent that capital contributions are not called from investors for the making of a Bridge Investment due to use of the KKR Fund’s subscription credit facility or any capital contributions that are called from the investors for a Bridge Investment are returned within a designated time period (i.e., 180 days), such investors will not receive the benefit of any accrued preferred return on amounts invested in Bridge Investments that are subsequently syndicated to co-investors. If a transaction fee is paid in connection with an investment where there is a Bridge Investment, then the KKR Fund will be allocated a portion of any transaction fee based on its aggregate funding at closing of the investment (i.e., both its long-term hold amount and any Bridge Investment amount). If there is insufficient co-investor demand and the full amount bridged by the KKR Fund and the Balance Sheet in the aggregate is not syndicated, the KKR Fund will be left with a more concentrated exposure to the relevant investment than was originally desired. In addition, where the Balance Sheet and/or a KKR Fund fund any

portion of a follow-on investment that is expected to be syndicated to co-investors and any portion of such follow-on investment is not taken up by the relevant co-investors, the Balance Sheet and/or the KKR Fund will as a result participate in the follow-on investment on a non-pro rata basis relative to their share of the original investment.

Investments in New Issues

From time to time, certain KKR Funds and Other Clients are given an opportunity to purchase securities in initial public offerings and such offerings are expected to be over-subscribed. Such “new issues” often trade at a premium in the secondary market, which provides the potential for an immediate profit. As a result, all investments in new issues subject to FINRA Rules 5130 and 5131 will be allocated pro rata only to those KKR Funds, Other Clients or KKR proprietary entities qualified to invest in such new issues. The determination of the eligibility of a KKR Fund, Other Client, or KKR proprietary entity to invest in new issues will be made by KKR’s legal and compliance department through, among other things, questionnaires contained in subscription agreements or other documentation or confirmation obtained from investors therein designed to elicit specific information regarding investor eligibility.

Balance Sheet Investments

Investments by the Balance Sheet are described above under “**KKR Purchases/Sales of Securities Recommended to KKR Funds and Other Clients – Proprietary Investments**”. KKR believes that the Balance Sheet’s strategic investments and operational funding activities are appropriate solely for proprietary investment activities and therefore not within the investment focus of any KKR Fund or Other Client. As such, strategic investments and operational funding activities are not typically allocated to KKR Funds or Other Clients. The Balance Sheet’s opportunistic investments, however, are also allocated to relevant KKR Funds and Other Clients from time to time when such investments are within the investment mandate of such KKR Funds or Other Clients (see discussion below regarding examples of such investments). Please see also “**KKR Purchases/Sales of Securities Recommended to KKR Funds and Other Clients – Proprietary Investments**” for a discussion of the Balance Sheet Guidelines and “**Allocations of Investment Opportunities**” above for further information regarding KKR’s allocation procedures with respect to certain co-investments by KKR alongside KKR Funds or Other Clients.

Examples of opportunistic investments made by the Balance Sheet involve certain investment opportunities that are not within an investment mandate of a KKR Fund or Other Client or that have been declined by the investment committee of a relevant KKR Fund. For example, in the past the Balance Sheet has made certain Seed Investments for the real estate, and technology, media and telecommunications and health care growth equity strategies, which were below the equity investment size threshold targeted by KKR private equity funds. The Balance Sheet has also invested in a pre-existing portfolio company by acquiring interests from a KKR Fund alongside those investors in the KKR Fund who elected to continue to hold their interest in the portfolio company through a separate KKR-managed vehicle with longer duration than the KKR Fund. Such investments by their nature would not have been allocated to KKR Funds or Other Clients given the investment mandates of KKR Funds and Other Clients at that time. However, such investments, if opportunistic in nature, are offered for co-investment alongside the Balance Sheet to certain KKR Funds that are established as investment vehicles for a single investor whose investment mandate includes opportunistic investments made alongside the Balance Sheet. The amount allocated to any such KKR Fund would depend on various factors, including suitability of investment, available capital, concentration limits, and other investment restrictions, the investment’s risk profile and to the extent applicable, consent of investor(s) in such KKR Fund.

Global Atlantic

KKR has entered into an investment management agreement with various Global Atlantic entities, which were approved by applicable insurance regulators (the “KKR-GA IMAs”), and any changes of such agreements, including with respect to fees, must receive applicable regulatory approval. KKR Credit Advisors (US) and KKR Credit Advisors (Ireland) have entered into sub-advisory agreements with KKR with respect to the KKR-GA IMAs, whereby Global Atlantic Accounts will participate in KKR Credit investments alongside certain KKR Credit Funds and Other Clients. The terms of Global Atlantic Accounts will generally differ from those of KKR Funds and Other Clients, including in respect of management fees and expense reimbursements. Management fees will generally be charged by KKR for the management of Global Atlantic Accounts. These fees, however, will often be lower and could be materially lower than those applicable to KKR Funds and Other Clients. Global Atlantic Accounts are generally not expected to be subject to carried interest distributions or other performance-related compensation. Where assets are managed by KKR through the investment by Global Atlantic Accounts in a KKR Fund or Other Client, KKR expects that such investments will, in certain instances, be subject to management fees and carried interest distributions payable to KKR or KKR Credit, as applicable. KKR will generally be responsible for fees and expenses incurred by it in connection with performing its obligations under the KKR-GA IMAs.

Global Atlantic assets managed by KKR (“Global Atlantic Accounts”) will generally constitute accounts of a subsidiary (and affiliate) of KKR & Co. and thus have the characteristics of proprietary accounts. Global Atlantic Accounts could also have characteristics of client accounts. Global Atlantic Accounts’ client account qualities derive from Global Atlantic’s obligations to manage its own clients’ and policyholders’ capital in a manner that ensures such accounts maintain adequate capital to meet policy distributions and operating costs of the insurance companies. With respect to investment strategies that Global Atlantic Accounts have a regular allocation to, KKR (including KKR Credit) generally expects to treat any Global Atlantic Accounts as an Other Client for the purposes of allocating investment opportunities and related fees and expenses, in which case such Global Atlantic Accounts could participate in KKR’s investment strategies by co-investing alongside and/or in priority to KKR Funds and Other Clients in some or all of their investments in such strategies. For example, certain private credit investment strategies managed by KKR Credit, such as direct lending and asset based financing investment strategies, among others, are well suited to the investment criteria and risk-return profile of Global Atlantic Accounts, and, as a result, Global Atlantic Accounts have been placed, pursuant to KKR Credit’s investment allocation policies and procedures, in the allocation waterfalls for such investment strategies with a right to participate pro rata alongside, and in certain instances, in priority to, other KKR Credit client accounts, subject to any applicable limitations under the governing documents of relevant client accounts. Certain KKR investment strategies are similarly within the investment interests and objectives of Global Atlantic Accounts, in particular (but not limited to), direct debt and equity investments in KKR’s infrastructure and real estate investment strategies, and thus, to the extent that Global Atlantic Accounts have or develop regular demand for assets in such strategies, KKR expects to place Global Atlantic Accounts in the investment allocation waterfalls for such strategies alongside of Other Funds/SMAs or other relevant KKR clients with a right to participate in such strategies, subject to any limitations under the governing documents of relevant client accounts, and to amend its investment allocation policies and procedures accordingly. Depending on the allocation of such assets to a strategy, the timing of such allocation and the manner in which such allocation is implemented (that is, by investments in or alongside and/or in priority to the KKR Fund and Other Client), the investment by Global Atlantic Accounts in the same strategies as KKR Funds or Other Clients could result in materially less availability of discretionary investment opportunities for such KKR Funds or Other Clients. The establishment of Global Atlantic Accounts investing directly in investments of KKR Funds or Other Clients will create a conflict of interest in that KKR will be incentivized to allocate more attractive investments and scarce investment opportunities to these proprietary entities and accounts rather than to

KKR Funds or Other Clients. KKR will allocate investment opportunities among the KKR Funds, Other Clients, the Global Atlantic Accounts and other accounts in a manner that is consistent with an allocation methodology described above in a manner designed to ensure allocations of such opportunities are made on a fair and equitable basis over time.

Other examples of conflicts of interest that are expected to arise in connection with Global Atlantic include transactions pursuant to which Global Atlantic Accounts could, subject to applicable law, acquire assets of (or sell assets to), or provide financing to, the KKR Balance Sheet, KKR Funds and Other Clients, portfolio companies and other issuers in which KKR Funds and Other Clients invest. For example, Global Atlantic Accounts are expected to acquire portfolio assets originated by, or provide financing to, Platform Arrangements invested in by a KKR Fund or Other Client. Global Atlantic Accounts are also expected to invest in securitization vehicles or structures in which the underlying assets include direct or indirect interests in KKR Funds or Other Clients or in other assets originated by KKR. Certain transactions involving KKR Funds or Other Clients or the acquisition of assets or provision of financing on terms negotiated with the management of platform vehicles or other issuers in which the KKR Funds or Other Clients invest, will not be viewed as cross transactions under the governing agreements of KKR Funds or Other Clients, but such activity will be subject to guidelines established by KKR to properly manage related conflicts of interest. In addition, Global Atlantic's wholly-owned registered broker dealer, GAD, serves as wholesaler in furtherance of the distribution of several RICs managed by affiliates of KKR and one or more K-Series Vehicles. GAD is compensated by an Affiliated Broker for such services. Due to KKR & Co.'s voting and equity control of Global Atlantic, GAD could be deemed to have a conflict of interest when acting in such capacity to attract investment into KKR Funds or Other Clients.

KJRM

In April 2022, the KKR Public Company acquired KJR Management ("KJRM") (formerly known as Mitsubishi Corp.-UBS Realty), which is one of the largest Japanese real estate asset managers in Japan. KJRM manages Japanese REITs that invest in diversified real estate assets, including retail, office and mixed use properties through two Tokyo Stock Exchange-listed real estate investment trusts: Japan Metropolitan Fund Investment corporation ("JMF") and Industrial & Infrastructure Fund Investment Corporation ("IIF" and together with JMF, the "JREITs"). Following the KKR acquisition of KJRM, KJRM completed the process of expanding its business licenses with the Japan Financial Services Agency ("FSA"), Japan Investment Advisers Association and Japan Type II Financial Instruments Firms Association to conduct asset management activities in addition to those performed for the JREITs, including asset management activities for KKR Funds, Other Clients or third party private funds, or new Japanese REITs investing in overseas assets, and acting as a servicer to real estate assets held by KKR Funds or Other Clients. In addition, JREITs have and are expected from time to time in the future to purchase real property or other assets from (or sell assets to) portfolio investments of KKR Funds or Other Clients, and/or to serve as lessor of such assets in sale leaseback transactions.

As an FSA licensed asset manager, KJRM owes a fiduciary duty to the JREITs and must maintain independence from its sponsor, the KKR Public Company, in investment decisionmaking on behalf of the JREITs. While KJRM can source investment opportunities for both JREITs and KKR Funds and Other Clients, KJRM must assess the suitability of investments for the JREITs first before referring an investment to a KKR Fund or Other Client. Conversely, where KKR has evaluated an investment opportunity for KKR Funds or Other Clients and deemed such investment opportunity not suitable for KKR pools of capital, KKR is permitted to refer such opportunity to KJRM to assess suitability for the JREITs managed by KJRM. In either case, such investment information sharing is subject to policies and procedures on the proper handling of private and confidential information established by KKR and KJRM and any contractual restrictions applicable to such activity. Although there is currently minimal overlap between the investment strategies pursued by the JREITs and KKR Funds and Other Clients, the JREITs could from time to time

participate in certain real estate investment strategies by co-investing alongside KKR Funds or Other Clients, or certain KKR Funds or Other Clients could participate in the JREITs' investment strategies by co-investing alongside the JREITs. The Public Company's investment acquisition of KJRM creates a conflict of interest with respect to the allocation of investment opportunities that may be suitable for both the JREITs and other KKR Funds and Other Clients. However, as described above, to the extent that KJRM sources an investment opportunity for KKR or vice versa, the allocation of such investment opportunities must take place in a manner that is consistent with the businesses' fiduciary duty to their respective investors and applicable registration and licensing requirements. Where KJRM will manage another Japanese REIT that invests in real estate in Japan, including any private REIT, it will compete with JMF or IIF, subject to KJRM's allocation policies and procedures.

Other Conflicts of Interest

Side Letters

KKR Funds, KKR GPs and other KKR affiliates enter into side letters or other similar agreements with particular investors without the approval or vote of any other investor, which in many cases will have the effect of establishing rights under, altering or supplementing the terms of such KKR Fund's governing documents with respect to such investors in a manner more favorable to such investors than those applicable to other investors. Any rights established or any terms of the governing documents altered or supplemented, in side letters or other similar agreements with investors will govern solely with respect to such investors, notwithstanding any other provisions of the governing documents. Such rights or terms in side letters or other similar agreements include, without limitation: (i) excuse rights applicable to particular investments, categories of investments or jurisdictions (which will generally increase the percentage interest of other investors in and contribution obligations of other investors with respect to, such investments when such excuse rights are exercised); (ii) reporting obligations of the KKR GP, (iii) exercises by the KKR GP of its discretionary authority under the governing documents for the benefit of investors; (iv) waiver of certain confidentiality obligations; (v) consent of the KKR GP to certain transfers by such investors or other exercises by the KKR GP of its discretionary authority under a KKR Fund's governing documents; (vi) withdrawal rights due to legal, regulatory or policy matters, including matters related to political contributions, gifts or other such policies; (vii) confidential treatment of the identity of investors; (viii) other rights or terms necessary in light of particular legal, tax, regulatory or policy characteristics or requirements of an investor; (ix) rights with respect to investments in successor KKR Funds; (x) specialized reporting and training by KKR of personnel from the investor, including secondment of personnel from the investor to KKR (or vice versa); or (xi) additional obligations, and restrictions on KKR Funds or Other Clients with respect to the structuring of any investment (including with respect to alternative vehicles), in each case, as permitted under applicable law. Further, KKR from time to time provides investors with confirmations as to KKR's practices as they relate to the operation of investment funds, vehicles and accounts managed by KKR and/or the manner in which KKR expects to interpret and apply provisions of the governing documents for a KKR Fund or Other Client. Such confirmations, even if in written format, do not constitute side letters since they do not establish rights under or alter or supplement the terms of the governing documents of KKR Funds or Other Clients.

"Most Favored Nation" Provisions

"Most favored nation" provisions or "MFNs" in side letters entered into between a KKR Fund, KKR GP or another KKR affiliate and particular investors in KKR Funds provide that such investors will be entitled to elect certain more favorable rights or privileges granted to other investors in the relevant KKR Fund under separate side letters. MFNs are generally granted to investors in KKR Funds on the basis of the size of their respective investments in such KKR Funds. Thus, a MFN potentially allows a KKR Fund investor to obtain benefits under other KKR Fund investors' side letters that have committed lower amounts to the

KKR Fund, subject to certain limits, or “carve-outs,” curtailing the provisions that a KKR Fund investor can elect from such side letters. Certain economic benefits or rights are generally excluded from the MFN provisions of certain KKR Funds, including (i) any rights or economic benefit established in favor of a KKR GP or its affiliates, (ii) any economic benefit in respect of co-investment opportunities, (iii) any limitation on indemnification applicable to a U.S. governmental plan (or comparable non-U.S. governmental entity) to the extent required by applicable legal, regulatory or policy restrictions, and (iv) economic benefits in favor of strategic partnerships, and comparable multi-fund commitment arrangements, as described below. To the extent that a KKR GP or a KKR Fund or Other Client agrees with one or more investors to limitations on indemnification or to modifications of release, exculpation or waiver provisions, the KKR Fund or Other Client could be adversely affected to the extent any such limitation or modification were subsequently to limit the recourse of the KKR Fund or Other Client against such investors or were to allow for recourse by such investors against the KKR Fund or Other Client.

Strategic Partnerships and Other Arrangements

KKR and its affiliates from time to time enter into agreements with investors who are investors in a KKR Fund, which agreements are entered into with such investors other than in their respective capacities as investors of such fund. Such agreements do not constitute side letters since they do not establish rights under or alter or supplement the terms of the KKR Fund’s governing documents and therefore will not be disclosed or offered to other investors (unless required under applicable law), although such agreements are sometimes referenced in the side letters of investors. Such agreements include, without limitation, strategic partnerships and multi-fund commitment arrangements with investors, arrangements regarding investments with KKR in one or more investment strategies, which frequently include co-investments alongside the relevant KKR Fund and other KKR Funds, and similar arrangements established by KKR and its affiliates with investors other than in their respective capacities as investors of the relevant KKR Fund.

KKR has established, and expects that in the future it will establish, strategic partnerships, accounts or other multi-strategy or multi-asset class arrangements or investment programs for investors that commit capital to a range of KKR’s products and asset classes (including the investment strategy of an existing KKR Fund) and that generally have investment periods that are longer than traditional KKR Funds and Other Clients. Such arrangements will generally (subject to applicable terms) include KKR granting certain preferential terms to such investors, including blended fee and carried interest rates that are lower than those applicable to a KKR Fund when applied to the entire strategic partnership, rights to participate in the investment review and evaluation process, specialized reporting and training by KKR of personnel from the investor, including secondment of personnel from the investor to KKR (or vice versa). Where such investors participate in a KKR Fund through dedicated investment vehicles or accounts as part of such arrangements, such vehicles and accounts will generally (subject to applicable terms) be granted terms, including management fees or carried interest, that are more favorable than those applicable to other investors notwithstanding that the capital commitment of the relevant investors to such vehicles or accounts and/or the capital commitments to the KKR Fund by such vehicles or accounts could be smaller than other investors’ capital commitments to such KKR Fund. Where management fees and carried interest are applicable at the level of such vehicles and accounts, such terms will generally (subject to applicable terms) include a waiver of management fees and carried interest on their investment in a KKR Fund. The foregoing preferential terms and other preferential terms that are extended to investors through such arrangements are not expected to be subject to the MFN provisions of any relevant KKR Fund and are therefore expected to be unavailable to investors in such KKR Fund that have not entered into strategic partnerships with KKR.

KKR also establishes other KKR Funds that pursue similar investments and strategies to the relevant KKR Fund and permits such other KKR Funds and any other third party co-investors to co-invest in investments made by such relevant KKR Fund. The terms applicable to such other KKR Funds and co-investors, including management fees or carried interest, are often more favorable than those applicable to the relevant

KKR Fund (and sometimes include no or reduced fees and/or carried interest). The foregoing preferential terms are similarly not expected to be subject to the MFN provisions of any relevant KKR Fund and are therefore expected to be unavailable to investors in such KKR Fund that have not entered into such arrangements with KKR (unless required under applicable law).

Secondary Transfers of Interests

Subject to any restrictions in the governing documents of KKR Funds and Other Clients, if desired by an investor in (or co-investor alongside of) a KKR Fund or Other Client, KKR could seek to identify one or more persons to potentially acquire such fund investor's or co-investor's interest, including: (i) investors in one or more other KKR Funds or Other Clients; (ii) individuals and entities that are not investors in KKR Funds or Other Clients (but could in the future become investors in KKR Funds or Other Clients); (iii) one or more affiliates of KKR; and/or (iv) other KKR investment vehicles (including KKR Funds and Other Clients that primarily engage in the purchase of fund- or co-invest-related interests in the secondary market and/or the K-Series Vehicles). KKR will take into consideration a variety of factors, as it deems necessary, in exercising its discretion with respect to such secondary transfers of interests. To the extent one or more affiliates of KKR or another KKR investment vehicle acquires an interest in a KKR Fund or Other Client via a secondary transfer, conflicts of interest could arise such as: (i) an additional layer of fees and incentive compensation in the case of an acquisition by another KKR investment vehicle; (ii) the acquirer of such interests would have additional information about the interests being purchased (including the fact that an investor is seeking to sell or dispose of its interest) compared to third parties interested in such acquisition, which could allow KKR to offer a more competitive or informed offer to acquire such interests; (iii) an increased indirect economic investment for KKR that could impact the portfolio management of KKR Funds or Other Clients; and (iv) an incentive to adjust the portfolio management of KKR Funds and Other Clients in a manner that is primarily for the benefit of the purchaser in the secondary transfer. Moreover, there is an ongoing trend in the private fund industry of fund sponsors offering liquidity to investors in existing funds through a structured or stapled secondary process where purchasing investors would, as a condition to participating in such purchase from existing investors, also make a commitment to a new fund being raised. KKR and its affiliates could be incentivized to engage in such a process to the extent doing so could be expected to improve the ability of KKR and its affiliates to raise a successor fund and to form and attract capital to another existing or future KKR investment vehicle (e.g., by securing an agreement from the purchasing investors participating in the process to make commitments to such funds).

There are expected to be circumstances (including, as described above, in connection with the purchase or sale of secondary co-investments or fund interests), where a KKR Fund or Other Client (including a K-Series Vehicle) participates in a single or related series of transactions with a seller in which certain of such assets are specifically allocated (in whole or in part) to that KKR Fund or Other Client, and not other KKR Funds or Other Clients for which all or a portion of the asset pool might be suitable. Similarly, there could be circumstances where a KKR Fund or Other Client (including a K-Series Vehicle) is seeking to dispose of a pool or combination of assets, and participate in a single or related transactions with that buyer. A pool or combination of assets could contain both debt and equity instruments that KKR determines should be allocated to different funds. In such situations, KKR would typically acquire (or sell) such pool or combination of assets for a single combined purchase price with no prices specified for individual assets. Accordingly, under such circumstances, KKR will have a conflict in establishing the specific prices to be paid for each asset by the relevant KKR Fund or Other Client. KKR will generally rely upon internal analysis to determine the ultimate allocation of value, though it could also obtain third-party valuation reports to validate the fairness of the proposed transaction valuation. There can be no assurance that an investment of a KKR Fund or Other Client (including a K-Series Vehicle) will not be valued or allocated at a purchase price that is higher or lower

than it might otherwise have been valued or allocated if such investment were acquired or sold independently rather than as a component of a shared portfolio. These conflicts related to valuations and allocation of portfolios will not necessarily be resolved in favor of all KKR Funds or Other Clients for which the constituents of the asset pool would be suitable.

General Partner's Interest; Fees

A KKR GP's entitlement to receive carried interest distributions (particularly where a KKR Fund contains a preferred return for the benefit of investors) or comparable arrangements with any Other Client creates an economic incentive for the KKR GP and KKR to make riskier or more speculative investments on behalf of KKR Funds than would be the case in the absence of this arrangement. The payment by some, but not all, KKR Funds of carried interest or the payment of carried interest at varying rates (including varying effective rates based on the past performance of a KKR Fund) could create an incentive for KKR to disproportionately allocate time, services or functions to KKR Funds paying carried interest or paying carried interest at a higher rate, or allocate investment opportunities to such KKR Funds. U.S. reform tax legislation requires KKR GPs to hold an investment for more than three years in order for the carried interest related to such investment to be treated as long-term capital gains for tax purposes. This lengthened hold period could result in a conflict between KKR's interests and the interests of investors with respect to the sequence and timing of disposals of investments. Investors in KKR Funds and Other Clients generally are eligible for long-term capital gains treatment after a holding period of only one year. Please see Item 8 – **"Methods of Analysis, Investment Strategies and Risk of Loss – U.S. Tax Reform"** for further information.

Each KKR GP will be responsible for the valuation of a KKR Fund's investment, and KKR GPs typically do not receive carried interest until the limited partners receive distributions equal to their share of writedowns not taken into account in prior distributions. Each KKR GP, therefore, has a conflict of interest with respect to such valuations because the amount of carried interest to which such KKR GP is entitled with respect to the KKR Fund, and the timing of its receipt of carried interest, will depend in part on the value of the investments that continue to be held by the KKR Fund. Further, in the "catch-up" period (if any) that occurs after investors have received the applicable preferred return, the KKR GP is incentivized to bring realizations forward and lock in returns (and stop the accrual of the preferred return), even though the KKR Fund might achieve a higher overall return if it had realized the investment at a later date. Finally, a KKR GP could be motivated to overstate valuations in order to improve a KKR Fund's track record or to minimize losses from writedowns that need to be returned in accordance with the terms of the relevant KKR Fund prior to the KKR GP's receiving carried interest. KKR has valuation policies and procedures in place to protect against such conflicts of interest.

In addition, in the event that any KKR Fund makes any distribution in kind to investors or to any investor in particular, the fair market value of such property will be determined by the relevant KKR GP. If the valuations made by the KKR GP are incorrect (including both with respect to an in kind distribution or with respect to the fair value of investments that continue to be held by the KKR Fund), the carried interest received by such KKR GP, or the timing of receipt of carried interest, could also be incorrect. An independent valuation or appraisal generally will not be required and is not expected to be obtained in connection with in kind distributions. In certain circumstances, a KKR Fund is permitted to make a distribution in-kind to all investors in the KKR Fund.

A KKR GP is in certain cases permitted to elect to receive an in-kind distribution in lieu of a cash distribution with respect to carried interest or other amounts distributable to such KKR GP with respect to a portfolio investment of a KKR Fund. In such circumstances, notwithstanding the KKR GP's election to receive its share of the investment in-kind, it is generally expected that the KKR Fund would dispose of the

portion of the investment allocable to the investors and distribute cash unless investors exercise any right they have to elect an in-kind distribution pursuant to the KKR Fund's governing documents.

The decision of the KKR GP to receive such an in kind distribution will result in such KKR GP (or its direct or indirect owners) disposing of its investment at a different time than the disposition by the KKR Fund of the portion of the investment allocable to the investors and otherwise taking actions with respect to such investment (including the exercise of voting or other rights in connection therewith) that are different than the actions taken by the KKR Fund with respect to the portion of the investment allocable to investors in the KKR Fund. A KKR GP (or its direct or indirect owners) could ultimately receive a return on its share of an investment distributed to it in kind that is higher than the return achieved by the investors with respect to their share of such investment and is higher than the amount it would have received (including with respect to both its carried interest and its capital interest) had it taken its distribution in cash at the same time as the disposition by the KKR Fund.

Under certain circumstances, a KKR proprietary entity seeks to hold a co-investment interest when a KKR Fund or Other Client sells, due to differences in strategy, asset allocation objectives or liquidity needs. KKR would obtain any consents required under the governing documents of KKR Funds and Other Clients prior to doing so and would endeavor to determine whether there would be a negative impact on the valuations of KKR Funds or Other Clients prior to implementing a hold strategy for a KKR proprietary account. Such variations in timing of investment dispositions could result in KKR proprietary entities achieving better investment performance than KKR Funds and Other Clients.

The payment of management fees will also give rise to certain conflicts of interest. Management fees payable during and after a KKR Fund's or Other Client's investment period terminates are typically based on the cost basis of invested capital of investors allocable to portfolio investments held by a KKR Fund or Other Client as of the last day of the most recently ended calendar quarter, and will generally include any amounts borrowed by KKR Funds or Other Clients. Under the governing documents of KKR Funds and Other Clients, the cost basis of invested capital allocable to a portfolio investment, which as noted above is typically the reference amount for determining management fees payable to KKR and its affiliates, is generally not reduced by the loss inherent in any write down in the valuation of such portfolio investment and accordingly, management fees payable by KKR Funds and Other Clients are not reduced as a result of the diminution in value of portfolio investments held by KKR Funds and Other Clients. In addition, post-investment period management fees will increase to the extent that the relevant KKR Fund or Other Client has invested more capital. As a result, the method of calculating the management fees will create an incentive for a KKR GP (or KKR) to seek to draw down and deploy more capital (or more capital more quickly) or to borrow more than it would otherwise. Furthermore, the method of calculating management fees will create an incentive for a KKR GP (or KKR) to cause the relevant KKR Fund (or Other Client) to hold on to investments that have poor prospects for improvement in order to receive ongoing management fees and a potentially larger carried interest distribution.

Service Providers

Certain advisors and other service providers, or their affiliates (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, and investment or commercial banking firms), to a KKR Fund or Other Client and its portfolio companies also provide goods or services to or have business, personal, political, financial or other relationships with the general partner of such fund, KKR or its affiliates or employees. Such advisors and service providers are sometimes investors in (or investments of) KKR Funds, Other Clients or KKR & Co., sources of investment opportunities for KKR, KKR Funds or Other Clients, or could otherwise be co-investors with or counterparties to transactions involving the foregoing, and payments by such KKR Funds and/or portfolio companies could indirectly benefit KKR or such other KKR Funds or Other Clients. These relationships could influence a KKR GP and KKR in

deciding whether to select or recommend any such advisor or service provider to perform services for a KKR Fund or Other Client or a portfolio company (the cost of which will generally be borne directly or indirectly by such KKR Fund or Other Client or its portfolio company, as applicable).

Notwithstanding the foregoing, KKR GPs and KKR will generally seek to engage advisors and service providers in connection with investment transactions for KKR Funds or Other Clients that require their use on the basis of the overall quality of advice and other services provided as well as cost, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that a KKR GP believes to be of benefit to the KKR Fund or Other Client, as applicable. Advisors and service providers, or their affiliates, often charge different rates or establish other terms in respect of advice and other services provided to KKR and its affiliates (including portfolio entities held as investments by KKR, KKR Funds or Other Clients). Relevant comparisons might not be available for a number of reasons, including, without limitation, as a result of a lack of a substantial market of providers of users of such services or the confidential and/or bespoke nature of such services.

With respect to service providers, for example, the fee for a given type of work will vary depending on the complexity of the matter as well as the time and expertise required and demands placed on the service provider. Therefore, to the extent the types or scope of services used by KKR Funds, Other Clients and portfolio companies are different from those used by KKR, its affiliates or their respective employees, KKR, its affiliates or their respective employees could end up paying different amounts or rates than those paid by the KKR Funds, Other Clients and portfolio companies. However, it is KKR's practice to not enter into arrangements with advisors or service providers that could provide for lower rates or discounts than those available to KKR Funds, Other Clients or portfolio companies for the same services. In connection with such relationships, KKR GPs will make determinations of which service providers to use based on its consideration of a number of factors, which are generally expected to include the KKR GP's experience with relevant service providers and the overall quality of the services they provide.

In addition, certain advisors and service providers (including law firms) temporarily provide their personnel to KKR or its affiliates, KKR Funds, Other Clients or portfolio companies pursuant to various arrangements, including at cost or at no cost. While often the KKR Funds and Other Clients and their portfolio companies are the beneficiaries of these types of arrangements, KKR is from time to time the beneficiary of these arrangements as well, including in circumstances where the advisor or service provider also provides services to the KKR Fund or Other Client in the ordinary course. Such personnel often provide services in respect of multiple matters, in respect of matters related to KKR, their respective affiliates and/or portfolio companies.

Minority Investments in Other Businesses

KKR affiliates have made and will likely continue to make minority investments in alternative asset management firms (other than those described in this Brochure) and other businesses, including, but not limited to, insurance firms, that are not portfolio companies of KKR Funds or Other Clients and that are not affiliated with KKR. Certain of these businesses could from time to time engage in investment or other transactions that are similar to those in which KKR Funds or Other Clients engage, including purchase and sale transactions with these asset management firms and their sponsored funds and portfolio companies.

Typically, the KKR affiliate with an interest in the asset management firm and similar businesses has an entitlement to receive a share of carried interest/performance based incentive compensation and net fee income or revenue share generated by the various assets, products, vehicles, funds and accounts managed by that third-party asset management firm, or a revenue share that is based on the transactional or other activities of the third-party asset management firm or other business. In addition, while such minority

investments have been structured so that KKR does not control such third-party asset management firms or other businesses, KKR or its affiliates could nonetheless be afforded certain governance rights, for example, in relation to certain investments of third-party asset management firms (such as protective rights, negative control rights or anti-dilution arrangements, as well as certain reporting and consultation rights) that afford KKR or its affiliates the ability to influence the firm. Even if KKR and its affiliates do not intend to control such third-party asset management firms or other businesses, there can be no assurance that governmental authorities or other third parties will similarly conclude that such investments are non-control investments or that, due to the provisions of the governing documents of such third-party asset management firms or other businesses or the interpretation of applicable law or regulations, that investments by KKR and its affiliates, KKR Funds or Other Clients and their respective portfolio companies will not be deemed to have control elements for certain contractual, regulatory or other purposes. While such third-party asset managers or other businesses will not be deemed “affiliates” of KKR, KKR and its affiliates could, under certain circumstances, be in a position to influence the management and operations of such asset managers or other businesses and the existence of an economic/revenue sharing interest therein could give rise to conflicts of interest. KKR will likely continue to pursue opportunities in asset managers and other businesses with such economic and governance rights in the future.

Participation rights in a third-party asset management firm (or other business), negotiated governance arrangements and/or the interpretation of applicable law or regulations could expose the investments of KKR Funds or Other Clients to claims by third parties in connection with such investments (as indirect owners of such asset management firms or businesses) that could have an adverse financial impact on their respective performance.

From time to time, certain KKR Funds or Other Clients and their respective portfolio companies could engage in transactions with, and buy and sell investments from, third-party asset managers and their sponsored funds, or such other businesses. In addition, KKR Funds or Other Clients could make investments in vehicles sponsored by such third-party asset managers, which could result in KKR or its affiliates earning carried interest/performance-based incentive compensation and/or fee income or revenue in respect of any such transactions. Additionally, it is expected that KKR Funds or Other Clients and/or controlled and non-controlled portfolio companies of KKR Funds or Other Clients could provide various forms of financing, including debt and equity, to such alternative asset management, insurance firms or other businesses and their respective investment funds and portfolio companies, and affiliated service providers or other affiliates of KKR could earn fees in exchange for providing services in connection with such financings, even if the sole providers of a financing are KKR Funds or Other Clients and/or their respective portfolio companies, all of which will not reduce management fees paid by such KKR Funds or Other Clients.

There can be no assurance that the terms of any of the transactions described above between parties related to KKR, on the one hand, and a KKR Fund or Other Client or their portfolio companies, on the other hand, will be at arms’ length or that KKR and its affiliates will not receive a direct or indirect benefit from such transactions, which could be expected to incentivize KKR and its affiliates to cause these transactions to occur. Such conflicts related to investments in and arrangements with other asset management firms or other businesses will not necessarily be resolved in favor of KKR Funds or Other Clients. Investors will not be entitled to receive notice or disclosure of the terms or occurrence of either the investments in alternative asset management firms or transactions therewith and will not receive any benefit from such transactions. Further, it is anticipated that KKR personnel and the personnel of any such asset manager or other business could also invest in KKR Funds or Other Clients and/or such other firms’ managed funds or businesses (and vice versa), and such asset manager or other business (as applicable) could invest in KKR Funds or Other Clients, on preferential terms, including on a no-fee and/or no-carry basis that is not subject to “most favored nations” treatment, in each case, as determined by KKR and its affiliates.

Third Party Placement Agents

KKR from time to time enters into arrangements with third parties to raise capital for a KKR Fund or Other Client. Such placement agents generally receive a flat fee or a percentage of the investments they bring to the respective KKR Fund or Other Client. KKR generally bears such fees instead of KKR Funds and Other Clients. Basing the placement agent's compensation on an investor's decision to invest could create a conflict of interest by incentivizing the placement agent to attract investors to a KKR Fund or Other Client even if it is not in the investors' best interests to subscribe.

Interpretation of Governing Documents and Legal Requirements

The governing and related documents of each KKR Fund or Other Client are detailed agreements that establish complex arrangements among KKR, the investors, the KKR Fund or Other Client, and other entities and individuals. Questions will arise from time to time under these agreements regarding the parties' rights and obligations in certain situations, some of which the parties might not have considered while drafting and executing these agreements. In these instances, the applicable provisions of the agreements, if any, could be broad, general, ambiguous, or conflicting, and permit more than one reasonable interpretation. At times, there will not be provisions directly applicable to the situation at hand. While the relevant agreements will be construed in good faith and in a manner consistent with KKR's legal obligations, the interpretations adopted by KKR will not necessarily be, and need not be, the most favorable interpretations for KKR Funds or Other Clients or their investors.

Multiple Clients

Certain inherent conflicts of interest arise from the fact that KKR provides investment management services to multiple clients, as these clients in certain cases have overlapping investment objectives. The KKR professionals who provide investment management services to one KKR Fund or Other Client are affiliated with (or in some cases are the same as) other KKR professionals who provide similar services to other KKR Funds or Other Clients or KKR proprietary accounts with the same or similar investment objectives. In addition, portfolio strategies or KKR proprietary investment strategies that KKR employs for a certain KKR Fund or Other Client could conflict with strategies for other KKR Funds or Other Clients, accounts or businesses and affect the prices and availability of securities and other assets in which such other KKR Funds or Other Clients invest. KKR also advises KKR Funds or Other Clients with conflicting investment objectives or strategies, which can adversely affect the prices and availability of other securities or instruments held by or considered for one or more KKR Funds or Other Clients.

Additionally, given the broad scope of certain investment strategies of KKR Funds or Other Clients, which in some instances will overlap with investment strategies of KKR Credit Funds and KKR proprietary accounts, investment opportunities that fall within a KKR Fund's or Other Client's scope will, from time to time, be allocated to KKR Credit Funds or KKR proprietary accounts, subject to KKR's investment allocation policies and procedures. For example, KKR has established multiple investment strategies and funds, including, most recently, K-Series Vehicles with investment strategies that are similar to the investment objectives of other KKR Funds or Other Clients and which invest *pari passu* with respect to the targeted investments of such other KKR Funds or Other Clients. In addition, KKR has established a real estate credit strategy and other investment strategies that include credit investments, such as credit opportunities that are also pursued by certain KKR Credit Funds. Pursuant to internal allocation policies established by KKR and KKR Credit, KKR Credit Funds are from time to time allocated in full, certain types of real estate related private credit opportunities and certain non-performing or sub-performing private credit opportunities, that could also be allocable to a KKR Fund or Other Client based on their investment strategy.

KKR will receive various kinds of portfolio company data and information (including from portfolio entities of KKR Funds and Other Clients), including information relating to business operations, trends, budgets, customers and other metrics. KKR believes that access to this information will further the interests of limited partners by providing opportunities for operational improvements across portfolio companies and for KKR to utilize such information in connection with the investment management activities of KKR Funds and Other Clients. Subject to applicable confidentiality requirements and applicable law and KKR's policies and procedures on the proper handling of private and confidential information, KKR will at times also utilize such information outside of the activities of KKR Funds and Other Clients in a manner that could provide a material benefit to KKR Funds or Other Clients, or to KKR or KKR affiliates in which KKR Funds or Other Clients would not participate. In addition, the acquisition of confidential or non-public information could also limit the ability of KKR Funds and Other Clients to buy or sell particular securities. The benefits received by KKR or KKR affiliates from any such arrangements will not offset management fees or otherwise be shared with investors.

Advisory Committees

Certain KKR Funds or Other Clients have advisory committees that consist of the representatives of certain investors in such KKR Funds or Other Clients. Any approval or consent given by such advisory committees is generally binding on such KKR Funds or Other Clients and all of their investors. Advisory committees are also generally authorized to give approval or consent required under the Advisers Act, including under Section 206(3) of the Advisers Act. Although KKR has adopted investment allocation policies and procedures and a conflict of interest policy to reduce and/or mitigate potential conflicts of interest among KKR Funds and Other Clients, advisory committee members might have their own conflicts of interest that do not disqualify them from voting on or consenting to matters submitted for consideration or review. Where a relevant investment transaction involves multiple KKR Funds or Other Clients, it is possible that investors have appointed (or are entitled to appoint) representatives to advisory committees (or equivalent bodies) of multiple KKR Funds or Other Clients. In such circumstances, the impacted advisory committee members will generally not be required to recuse themselves from voting on the relevant transaction and, depending on the nature of the transaction, could be motivated to exercise their vote in a manner that has greater relative benefits for one or more of the KKR Funds or Other Clients they are invested in. In addition, advisory committee members generally do not owe a fiduciary obligation to KKR Funds or Other Clients.

Common Advisors

KKR Funds, Other Clients, certain co-investment vehicles, KKR Associates Vehicles, and KKR Credit Funds will generally engage common legal counsel and other advisors to represent all of the parties in a particular transaction, including a transaction in which such funds have conflicting interests because they are investing in different securities of a single portfolio company. In the event of a significant dispute or divergence of interest between one or more KKR Funds, Other Clients, certain co-investment vehicles, KKR Associates Vehicles, and KKR Credit Funds, such as in a work-out or other distressed situation, separate representation could become desirable, and in litigation and other circumstances, separate representation could be required. Legal counsel and other advisors who advise KKR Funds and Other Clients also routinely represent KKR and KKR affiliates in various matters. Partners of the law firms and other advisor and service providers engaged to represent KKR Funds, Other Clients, certain co-investment vehicles, KKR Associates Vehicles and KKR Credit Funds are in certain cases, directly or indirectly, investors in such funds, and could also represent one or more portfolio companies or investors of such funds.

Expanding Scope of KKR

The family of related entities colloquially known as “KKR” continues to expand in scope and range of activities. This creates increased opportunities for conflicts of interest, increased pressure on the allocation of opportunities across the platform and increased competition for the time, including conflicts of interest with respect to the devotion of time and attention of KKR investment executives who provide services in respect of KKR Funds, Other Clients and their respective investments. It also creates increased opportunities for disputes, liabilities and other burdens on such investment executives. There can be no assurance of a net benefit to KKR Funds and Other Clients, and it is possible that the expansion of KKR activities will yield a net detriment to KKR Funds or Other Clients.

Item 12 Brokerage Practices

Selecting or Recommending Broker-Dealers

It is KKR’s policy to seek to obtain best execution of trades (if any) in public equity and debt securities and other Marketable Securities traded on behalf of the KKR Funds and Other Clients, if applicable, by a selected broker-dealer. In seeking best execution, the determinative factor is not always the lowest possible per security price or commission but whether, in KKR’s view, the transaction represents the best overall qualitative and quantitative execution for the KKR Fund or Other Client. KKR’s process of determining best execution involves not only an assessment of brokerage commissions or bid/offer spreads, but also an evaluation of broker-dealer ancillary services. KKR generally considers a range of a broker-dealer’s services in assessing best execution, including:

- competitiveness of commission rates and spreads;
- promptness of execution;
- past history in executing orders;
- clearance and settlement capabilities;
- research capabilities and quality;
- access to markets, investments (including access to new issues) and distribution network;
- whether the broker-dealer is making a market in a particular issuer;
- trade error rate and ability or willingness to correct errors;
- anonymity /confidentiality;
- market impact;
- liquidity;
- speed of execution;
- expertise with complex transactions;
- trading style and strategy; and
- geographic location.

Accordingly, although KKR will seek competitive commissions and spreads, it will not necessarily obtain the lowest possible rates for KKR Fund or Other Client transactions. The commissions, spreads, or other transaction or financial advisory fees charged by an executing broker-dealer will in certain cases be higher or lower than those charged by other broker-dealers. On a quarterly basis, KKR’s Private Markets Trade Review Committee conducts an evaluation of qualitative and quantitative factors surrounding the execution quality of its counterparties with respect to Marketable Securities traded on behalf of relevant KKR Funds and Other Clients.

As noted above in Item 10, the Affiliated Brokers do not execute trade transactions on behalf of KKR Funds or Other Clients. In addition, such Affiliated Brokers do not maintain client accounts.

Research and Other Soft Dollar Benefits

Pursuant to KKR's current policy, it does not enter into soft dollar or comparable commission sharing arrangements with broker-dealers relating to transactions executed for the benefit of KKR Funds or Other Clients, despite the incentive to receive research or other products or services without paying. It should be noted, however, that various broker-dealers provide KKR or its affiliates with proprietary research and other products and services, which KKR, in certain cases, uses to service all KKR Funds or Other Clients. KKR is of the view that it would receive such research, products and services regardless of the volume of transactions executed through such broker-dealers or the level of commissions or spreads generated by such transactions and that, accordingly, it is not causing any KKR Fund or Other Client to "pay up" for such research, services or products and such research, products and services are not a factor considered by KKR in directing client transactions to such broker-dealers. KKR does not cause KKR Funds or Other Clients to pay commissions higher than those charged by other broker-dealers in return for soft-dollar benefits or direct client transactions to a particular broker-dealer in return for soft dollar benefits. Acquisitions of portfolio companies will typically be executed by KKR on behalf of KKR Funds or Other Clients on terms specifically negotiated by KKR with such companies or the seller of such companies.

In certain jurisdictions, such as the UK and Ireland, KKR's locally-regulated affiliates are required to pay for research services they consume in order to comply with MiFID II standards as implemented by the relevant local financial services regulator. The purpose of the MiFID II standards regarding research consumption is to ensure there is a clear delineation between commissions paid for trading services and the provision of research. KKR is of the view that this aligns with KKR's approach to soft dollar arrangements discussed above as it ensures that the provision of research is not a consideration when deciding where to direct client transactions.

Brokerage for Client Referrals

KKR engages broker-dealers or affiliates of broker-dealers with whom it engages in securities transactions on behalf of KKR Funds and Other Clients to place securities issued by KKR Funds or Other Clients. Similarly, such entities will be underwriters of, or otherwise involved in the placement of securities issued by KKR or KKR portfolio companies. The foregoing relationships with broker-dealers and their affiliates give rise to a conflict of interest to the extent that such relationships could be viewed as influencing KKR's selection of broker dealers and other trading counterparties. As noted above, however, KKR takes into account a number of factors in attempting to satisfy its fiduciary obligation to seek best execution for its clients' securities transactions.

Directed Brokerage

KKR does not recommend, request or require that a client direct KKR to execute transactions through a specific broker-dealer.

Aggregation of Client Orders (Bunched Trades)

In order to minimize execution costs and obtain best execution for KKR Fund or Other Client transactions in Marketable Securities, KKR bunches certain orders for KKR Funds and Other Clients (subject to KKR's obligation to obtain best execution and otherwise treat KKR Funds in a fair and equitable manner). Allocations of bunched trades are made consistent with KKR's allocation policies and procedures described above in Item 11.

Item 13 Review of Accounts

KKR has an internal structure which allocates responsibility for oversight of KKR Fund or Other Client portfolios and/or specific KKR Fund or Other Client portfolio investments to appropriate investment executives or investment committees. Each investment committee generally consists of the Co-Executive Chairmen of KKR & Co. and regional business heads or other senior investment executives. The composition of any investment committee will change from time to time.

Potential investments (other than third party fund investments) are canvassed and preliminarily discussed at regular meetings of senior investment executives and the relevant investment committee. Teams of KKR's investment executives ("Investment Teams") responsible for identifying and conducting due diligence on each investment will present the investment to the relevant investment committee, which will make the final investment decision with respect to the investment opportunity. Following the acquisition of an investment, it is monitored on an ongoing basis by the relevant Investment Team or the appropriate portfolio management committee. Each portfolio management committee meets periodically, designating a number of Investment Teams on a rotating basis for presentation of their respective portfolio companies. The composition of any portfolio management committee will change from time to time.

Employees also provide strategic oversight of the investments of certain KKR Funds (including investment vehicles established for a single investor) and Other Clients outside of an investment committee structure in accordance with the governing documents of such KKR Funds or Other Clients.

The nature and frequency of regular reports to KKR Funds or Other Clients and to investors in KKR Funds or Other Clients depends on the terms of the governing documents of such KKR Funds or Other Clients, regulatory requirements, and/or the requirements of any exchange or market on which their securities are admitted to trade. Typically investors in KKR Funds are provided with written quarterly unaudited financial reports and annual audited financial statements.

Item 14 Client Referrals and Other Compensation

Economic Benefits from Non-Clients

As described in more detail in Item 5 and Item 10, Employees, Affiliated Brokers, KKR Capstone (and other KKR affiliates) and other Consultants receive economic benefits from KKR Funds, Other Clients and portfolio companies of KKR Funds and Other Clients.

Please see Item 5 with respect to monitoring fees (including NPV Payments), transaction fees (including financial advisory fees), breakup fees, and other compensation and expense reimbursement.

Please see Item 5 with respect to directors' fees for Employees, and Senior Advisors, Executive Advisors or Industry Advisors serving on boards of portfolio companies.

Please see Item 5 with respect to compensation received by Affiliated Brokers.

Please see Item 5 with respect to KKR Funds, Other Clients and portfolio companies of KKR Funds or Other Clients and fees and/or servicing payments payable to KKR, its affiliates (or other Consultants).

Compensation to Non-Supervised Persons for Client Referrals

KKR from time to time enters into solicitation agreements pursuant to which it compensates a third-party intermediary for client referrals that result in the provision of investment advisory services by KKR. KKR will disclose these solicitation arrangements to affected investors, and any cash solicitation agreements will comply with Rule 206(4)-3 under the Advisers Act. Solicitors introducing clients to KKR receive compensation from KKR, such as a retainer and/or a percentage of introduced capital. Such compensation will be paid pursuant to a written agreement with the solicitor and generally can be terminated by either party from time to time. The cost of any such fees will be borne entirely by KKR and not by any affected client.

Item 15 Custody

KKR generally has custody of the assets of KKR Funds. Such KKR Funds and their investors receive annual audited financial statements from the KKR Funds' auditor. KKR would not generally have custody of the assets of Other Clients where the investment management relationship consists of an investment management agreement directly with an investor. In such situations, one or more third parties (typically financial institutions selected by the investor) have sole custody of the investor's assets.

Item 16 Investment Discretion

KKR, through the KKR GPs, generally has discretionary authority based on its management agreements with each KKR Fund and the governing documents of each KKR Fund to buy and sell securities or other investments on behalf of the KKR Funds and to determine the amount of such investments to be bought and sold. The terms upon which KKR serves as investment manager of a KKR Fund are established at the time each KKR Fund is established and are generally set out in the governing documents entered into by KKR with respect to the relevant KKR Fund, and disclosed in the offering or disclosure documents for the relevant KKR Fund, as applicable. These terms, which vary as among each KKR Fund, potentially restrict KKR's advice concerning investment in certain securities or types of securities, geographies, and leverage. Typically, the governing documents of the KKR Funds contain limited investment restrictions and requirements as to diversification of fund investments, either by geographic region or asset type.

For Other Clients and certain other investment vehicles established for a single investor, KKR would negotiate the level of investment discretion with the client at the outset of the advisory relationship.

In addition to the conflicts of interest described under Item 11, as a general matter, it is expected that KKR will, from time to time, exercise its investment discretion to give advice or take action with respect to the investments held by, and transactions of KKR Funds, Other Clients or KKR proprietary entities that is different from or otherwise inconsistent with the advice given or timing or nature of any action taken with respect to the investments held by, and transactions of, other KKR Funds, Other Clients or KKR proprietary entities. Such different advice and/or inconsistent actions could be due to a variety of reasons, including, without limitation, differences between the investment objectives, programs, strategies and tax treatment of certain KKR Funds, Other Clients or KKR proprietary entities or the regulatory status of other KKR Funds or Other Clients and any related restrictions or obligations imposed on KKR as a fiduciary thereof. Such advice and actions could adversely impact KKR Funds and Other Clients.

Item 17 Voting Client Securities

KKR has adopted policies with respect to voting public equity securities held by KKR Funds or Other Clients (i.e., investments in Marketable Securities). Such voting decisions with respect to client investments generally will be made by the relevant investment executives. It is the general policy of KKR to vote client

proxies in the interest of maximizing shareholder value. To that end, KKR will vote in a way that it believes is consistent with its obligations to the KKR Funds, and will cause the value of the relevant investment to increase the most or decrease the least.

KKR recognizes that there will in certain cases be a potential conflict of interest when voting a proxy solicited by an issuer that is an investor in a KKR Fund or with whom KKR has another business relationship that could affect how it votes the issuer's proxy. KKR has adopted policies to address these and other issues that could give rise to a conflict, including referring the matter to KKR's Compliance Group to address issues raised from potential conflicts. KKR could depart from these guidelines in order to avoid voting decisions believed to be contrary to the best interests of the KKR Funds or if it has agreed otherwise with the relevant client.

A KKR Fund or investor in a KKR Fund can obtain a copy of KKR's proxy voting policies and procedures and information on how KKR voted proxies on behalf of such party on written request to KKR.

Item 18 Financial Information

KKR does not require the payment of management fees or other compensation six months or more in advance. There exists no financial condition of which KKR is currently aware that would impair KKR's ability to meet contractual commitments to its clients.

Item 19 Requirements for State-Registered Advisers

KKR is not registered with any state securities authorities.